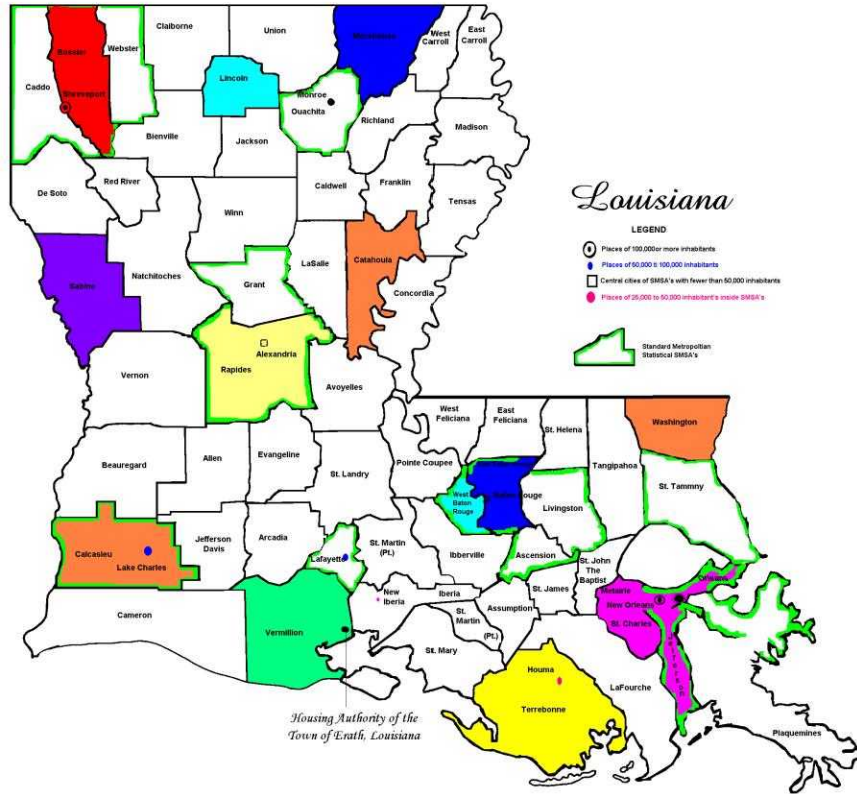


**HOUSING AUTHORITY
OF THE TOWN OF ERATH
ERATH, LOUISIANA**

**Basic Financial Statements and
Independent Auditor's Reports**

December 31, 2021

HOUSING AUTHORITY OF THE TOWN OF ERATH ERATH, LOUISIANA



Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low income housing programs in the United States. Accordingly, HUD has contracted with the entity to administer certain HUD funds. The entity is a public corporation, legally separate, fiscally independent and governed by Board of Commissioners.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**Table of Contents
December 31, 2021**

	<u>Page No.</u>
Independent Auditor's Report.....	1-3
Management's Discussion & Analysis.....	4-9
<u>Basic Financial Statements</u>	
Statement of Net Position.....	11
Statement of Revenues, Expenses and Changes in Net Position.....	12
Statement of Cash Flows.....	13
Statement of Cash Flows Reconciliation.....	14
Notes to the Basic Financial Statements.....	15-23
<u>Other Supplemental Schedules and Statements</u>	
Schedule of Compensation Paid to Board of Commissioners.....	25
Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer.....	26
Statement and Certification of Actual Modernization Cost.....	27
<u>Other Reports</u>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Basic Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	29-30
Schedule of Findings and Questioned Cost.....	31-32
Management's Corrective Action for Current Year Audit Findings	33
Management's Summary of Prior Year Findings.....	34
Financial Data Schedule.....	35

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INDEPENDENT AUDITOR'S REPORT

Housing Authority of the
Town of Erath, Louisiana

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Erath, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the housing authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the Town of Erath, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Town of Erath'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 judgement 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 judgement 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 Town of Erath 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the Town of Erath's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the Town of Erath's basic financial statements. The accompanying Financial Data Schedule, the Schedule of Compensation, Benefits and Other Payments, and Supplementary Schedules and Statements are not a required part of the basic financial statements. Such information is the responsibility of the 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 Financial Data Schedule, the Schedule of Compensation, Benefits and Other Payments, and Supplementary Schedules and Statements 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 May 20, 2022, on our consideration of the Housing Authority of the Town of Erath'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the Town of Erath's internal control over financial reporting and compliance.

The Vercher Group

Jena, Louisiana
May 20, 2022

**Management Discussion and Analysis
(MD&A)**

**Housing Authority of The Town of Erath
Erath, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 2021**

As management of the Housing Authority of the Town of Erath, we offer readers of the authority's financial statements this narrative overview and analysis of the financial activities of the authority for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the authority's financial statements, which are attached.

Financial Highlights

- The assets of the authority exceeded its liabilities at the close of the most recent fiscal year by \$743,405 (net position). This is a \$98,921 decrease from last year.
- As of the close of the current fiscal year, the authority's ending unrestricted net position was \$99,510, which is a \$3,416 decrease from last year.
- The authority's cash balance at December 31, 2021, was \$79,170, of which \$5,870 was restricted.
- The authority had total revenue of \$385,218, of which \$382,171 was operating revenues, \$3,047 was nonoperating revenues, and \$ -0- was capital contributions.
- The authority had total expenses of \$484,139, all of which was operating expenses.

**Housing Authority of The Town of Erath
Erath, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 2021**

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the authority's basic financial statements. The authority's basic financial statements consist of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows, and the notes to the financial statements.

The authority has only one fund type, namely a proprietary fund. The Statement of Net Position includes all of the authority's assets and liabilities. This fund type is unused for activities which are financed and operated in a manner similar to those in the private sector.

The authority has two main funding sources in its financial operation. These are the Low Rent Public Housing and Capital Fund Programs. Following is a brief description of each.

Low Rent Public Housing – Under the Conventional Public Housing Program, the housing authority rents units it owns to low-income families. The Conventional Public Housing Program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides an Operating Subsidy to enable the authority to provide housing at a rent that is based upon 30% of adjusted gross household income.

Capital Fund Program – The Conventional Public Housing Program also includes the Capital Fund Program, the primary funding source for the authority's physical and management improvements. The formula funding methodology is based on size and age of the authority's units.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authorities finances is, "Is the housing authority as a whole, better off, or worse off, as a result of the achievements of the fiscal year 2021?" 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.

**Housing Authority of The Town of Erath
Erath, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 2021**

The authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements.

The table below lists the asset and liability comparisons for the year ended December 31, 2021.

Statement of Net Position			
Category	2020	2021	% Change
Current Assets	\$ 126,473	\$ 134,993	6.7
Current Restricted Assets	6,054	5,870	-3.0
Capital Assets-Net of Depreciation	746,232	643,895	-13.7
Total Assets	878,759	784,758	-10.6
Current Liabilities	18,293	23,128	26.4
Liabilities Payable from Restricted Assets	5,785	5,870	1.4
Non-Current Liabilities	12,355	12,355	0.0
Total Liabilities	36,433	41,353	13.5
Net Investment in Capital Assets (Net)	746,232	643,895	-13.7
Unrestricted Net Position	96,094	99,510	3.6
Total Net Position	842,326	743,405	-11.7
Total Liability/Net Position	\$ 878,759	\$ 784,758	-10.6

- Current assets increased by \$8,520 or 6.7% from last year. The primary reason for this increase is due to a increase in investments in the amount of \$58,917.
- Capital assets, net of accumulated depreciation decreased by \$102,337 or 13.7%. The primary reason for this decrease is due to an increase in less accumulated depreciation and a decrease in administration furniture, equipment & machinery.
- Current liabilities increased by \$4,835 or 26.4%. The primary reason for this increase is due to an increase in accounts payable - other government in the amount of \$12,990.
- Non-current liabilities had no change for the year.
- Unrestricted net position increased by \$3,416 or 3.6%. The increase in cash & investment is the main reason for this increase.

**Housing Authority of The Town of Erath
Erath, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 2021**

The table below lists the revenue and expense comparisons for the year ended December 31, 2021.

Statement of Revenues, Expenses and Changes in Net Position

Category	2020	2021	% Change
Operating Revenues:			
Tenant Revenue	\$ 131,109	\$ 145,694	11.1
HUD PHA Operating	198,465	236,477	19.1
Total Operating Revenues	<u>329,574</u>	<u>382,171</u>	15.9
Operating Expenses:			
General & Administrative	169,418	184,985	9.1
Repairs & Maintenance	67,722	70,530	4.1
Utilities	2,501	3,714	48.5
Depreciation	110,780	102,338	-7.6
Insurance	109,429	109,080	-0.3
PILOT	9,229	12,990	40.7
Compensated Absences	-0-	-0-	0.0
Tenant Services	-0-	502	100.0
Total Operating Expenses	<u>469,079</u>	<u>484,139</u>	3.2
Net Gain/(Loss)	(139,505)	(101,968)	26.9
Non-Operating Revenues (Expenses)			
Investment Income	248	176	-29.0
Other Revenue	5,686	2,871	-49.5
Total Non-Operating Revenues (Expenses)	<u>5,934</u>	<u>3,047</u>	-48.6
Capital Grants	70,876	-0-	-100.0
Change in Net Position	(62,695)	(98,921)	-57.7
Beginning Net Position	905,021	842,326	-6.9
Ending Net Position	\$ <u>842,326</u>	\$ <u>743,405</u>	-11.7

- Operating revenues increased by \$52,597 or 15.9%. The primary reason for this increase is because of an increase in HUD PHA Operating revenue in the amount of \$38,012.
- Total operating expenses increased by \$15,060 or 3.2%. This change is due primarily to an increase in General and Administrative expenses of \$15,567.

**Housing Authority of The Town of Erath
Erath, Louisiana**

**Management's Discussion and Analysis (MD&A)
December 31, 2021**

Capital Assets

As of December 31, 2021, the authority's investment in capital assets was \$643,895 (net \$4,483,645 of accumulated depreciation). This investment includes land, building, building improvements, office equipment, dwelling equipment, and maintenance equipment.

<u>Category</u>	<u>Capital Assets</u>		
	<u>2020</u>	<u>2021</u>	<u>% Change</u>
Capital Assets *	\$ 5,127,537	\$ 5,127,538	0.1
Less Accumulated Depreciation	(4,381,305)	(4,483,643)	-2.2
Capital Assets, Net	\$ 746,232	\$ 643,895	-13.7

* Land in the amount of \$57,707 is not being depreciated.

Long Term Liabilities

Long term liabilities consist of compensated absences of \$12,355. The authority does not have any long-term debt at this time.

Future Events that will impact the Authority

The authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the FYE 2022 year. Therefore, any results of budget shortfalls cannot be determined.

The authority is under a contract through its Capital Fund Program to continue with the work as stated above and incorporate any new work items into its operation.

Contacting the Authority's Financial Management

The financial report is designed to provide a general overview of the authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following address:

Housing Authority of the Town of Erath
P.O. Drawer 324
Erath, LA 70533

Basic Financial Statements

**Housing Authority of the Town of Erath
Erath, Louisiana
Statement of Net Position
December 31, 2021**

CURRENT ASSETS	
Cash & Investments	\$ 73,300
Receivables (Net)	2,904
Prepaid Insurance	58,789
RESTRICTED ASSETS:	
Restricted Cash	5,870
TOTAL CURRENT ASSETS	<u>140,863</u>
 NON-CURRENT ASSETS	
Capital Assets	5,127,538
Less Accumulated Depreciation	<u>(4,483,643)</u>
TOTAL NON-CURRENT ASSETS	<u>643,895</u>
 TOTAL ASSETS	 <u><u>784,758</u></u>
 CURRENT LIABILITIES	
Accrued Wages/Payroll Taxes Payable	3,799
Accrued Compensated Absences	4,492
Accounts Payable	910
Accounts Payable – Other Government	12,990
Other Current Liabilities	937
TOTAL CURRENT LIABILITIES	<u>23,128</u>
 LIABILITIES PAYABLE FROM RESTRICTED ASSETS	
Tenant Security Deposits	5,870
TOTAL LIABILITIES PAYABLE FROM RESTRICTED ASSETS	<u>5,870</u>
 NON-CURRENT LIABILITIES	
Accrued Compensated Absences	12,355
TOTAL NON-CURRENT LIABILITIES	<u>12,355</u>
 TOTAL LIABILITIES	 <u>41,353</u>
 NET POSITION	
Net Investment in Capital Assets	643,895
Unrestricted	99,510
TOTAL NET POSITION	<u><u>\$ 743,405</u></u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Erath
Erath, Louisiana
Statement of Revenues, Expenses & Changes in Net Position
Year Ended December 31, 2021**

OPERATING REVENUES	
HUD Operating Grants	\$ 236,477
Tenant Rental Revenue	145,694
TOTAL OPERATING REVENUES	<u>382,171</u>
OPERATING EXPENSES	
General & Administrative	184,985
Repairs & Maintenance	70,530
Tenant Services	502
Utilities	3,714
Insurance	109,080
PILOT	12,990
Compensated Absences	-0-
<i>Depreciation</i>	102,338
TOTAL OPERATING EXPENSES	<u>484,139</u>
OPERATING INCOME (LOSS)	<u>(101,968)</u>
NONOPERATING REVENUES (EXPENSES)	
Other Revenue	2,871
Interest Revenue	176
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>3,047</u>
Capital Contributions	-0-
CHANGE IN NET POSITION	(98,921)
TOTAL NET POSITION – BEGINNING	<u>842,326</u>
TOTAL NET POSITION – ENDING	<u>\$ 743,405</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Erath
Erath, Louisiana
Statement of Cash Flows
Year Ended December 31, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Tenants	\$ 143,690
Cash Received from Operating Subsidy	236,477
Cash Payments to Suppliers for Goods & Services	(247,023)
Cash Payments to Employees for Services	(123,713)
Cash Payments to Local Governments (PILOT)	(9,229)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>202</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Capital Grants	-0-
Acquisition of Capital Assets	-0-
Other Revenue	2,871
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	<u>2,871</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Provided by Interest From Investments	176
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>176</u>
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	3,249
CASH, BEGINNING OF YEAR	<u>75,921</u>
CASH, END OF YEAR	<u><u>79,170</u></u>
RECONCILIATION TO BALANCE SHEET	
Cash and Cash Equivalents	73,300
Tenant Security Deposits	5,870
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 79,170</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Erath
Erath, Louisiana
Statement of Cash Flows
Year Ended December 31, 2021**

Reconciliation

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

Operating Income (Loss)	\$ <u>(101,968)</u>
Depreciation Expense	102,338
(Increase) Decrease in Accounts Receivable	(2,089)
(Increase) Decrease in Prepaid Insurance	(2,998)
Increase (Decrease) in Accounts Payable	928
Increase (Decrease) in Accrued Wages/Payroll Taxes Payable	145
Increase (Decrease) in Payment in Lieu of Taxes	3,761
Increase (Decrease) in Tenant Security Deposit	<u>85</u>
TOTAL ADJUSTMENTS	<u>102,170</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>202</u>

LISTING OF NONCASH INVESTING, CAPITAL, & FINANCIAL ACTIVITIES

Contributions of Capital Assets From Government	\$ <u>-0-</u>
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The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

INTRODUCTION

The Housing Authority of the Town of Erath is an apartment complex for persons of low income located in Erath, Louisiana. The authority is chartered as a public corporation for the purpose of administering decent, safe, and sanitary dwelling for persons of low-income.

Legal title to the authority is held by the Housing Authority of the Town of Erath, Louisiana, a non-profit corporation. The authority is engaged in the acquisition, modernization, and administration of low-rent housing. The authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of Erath, Louisiana. Each member serves a four-year term and receives no compensation for their services. Substantially all of the authority's revenue is derived from subsidy contracts with the U. S. Department of Housing and Urban Development (HUD). The annual contributions contracts entered into by the authority and HUD provide operating subsidies for authority-owned public housing facilities for eligible individuals.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the entity to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the housing authority is legally separated and fiscally independent, the housing authority is a separate governmental reporting entity. The housing authority includes all funds, account groups, activities, etc., that are within the oversight responsibility of the housing authority.

The housing authority is a related organization of the Town of Erath because the Town of Erath appoints a voting majority of the housing authority's governing board. The Town of Erath is not financially responsible for the housing authority, as it cannot impose its will on the housing authority and there is no possibility for the housing authority to provide financial benefit to, or impose financial burdens on, the Town of Erath. Accordingly, the housing authority is not a component unit of the financial reporting entity of the Town of Erath.

BASIS OF PRESENTATION

As required by Louisiana State Reporting Law (LSA-R.S. 24:514) and HUD regulations, financial statements are presented in accordance with accounting principles generally accepted in the United States of America.

The accounts of the PHA are accounted for under the proprietary fund. Accordingly, the accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applied to governmental units.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS – (CONTINUED)
DECEMBER 31, 2021**

Proprietary Fund Type – Proprietary fund is accounted for on the flow of economic resources measurements focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The PHA applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. The PHA’s funds include the following type:

Enterprise Fund – Enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

1. SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. BASIC FINANCIAL STATEMENTS

The basic financial statements (i.e., the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position) report information on all of the activities of the authority.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION

The basic financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The accompanying financial statements include the activities of several housing programs subsidized by HUD. A summary of each significant program is provided below.

- **Low Income Housing Program** – The purpose of the low income housing program is to provide decent and affordable housing to low income families at reduced rents. The developments are owned, maintained, and managed by the authority. The developments are acquired, developed, and modernized under HUD’s capital funds programs. Funding of the program operations is provided via federal annual contribution contracts (operating subsidies) and tenant rents (determined as a percentage of family income, adjusted for family composition).
- **Capital Fund Program** – The Conventional Public Housing Program also includes the Capital Fund Program, the primary funding source for the housing authority’s physical and management improvements. The funding calculation is based on the size and age of the housing authority’s units.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS – (CONTINUED)
DECEMBER 31, 2021**

As a general rule, the effect of Interfund activity has been eliminated from the basic financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The primary operating revenue of the housing authority is derived from tenant revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the housing authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Equity Classifications – In the Government-Wide Financial Statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets – Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position – Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

C. DEPOSITS & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

The authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the authority's investment policy allow the housing authority to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificates of deposit in excess of 90 days) for the authority are reported at fair value.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2021**

D. RECEIVABLES & PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year referred to as either “due to/from other funds” (i.e., the current portion of Interfund loans) or “advances to/from other funds” (i.e., the non-current portion of Interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, as reported in the accompanying financial statements, are offset by a restriction on net position. All trade and other receivables are shown net of an allowance for uncollectives.

E. INVENTORIES & PREPAID ITEMS

All inventories are valued at cost using the first-in/first out method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both basic and fund financial statements.

F. RESTRICTED ASSETS

Cash equal to the amount of tenant security deposits is reflected as restricted.

G. CAPITAL ASSETS

Capital assets, which include land, buildings, improvements, and equipment, are reported in columns in the basic financial statements. Capital assets are capitalized at historical cost. The PHA maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings	20 Years
Buildings Improvements	10 Years
Nondwelling Structures	10 Years
Vehicles & Equipment	5 Years

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2021**

H. COMPENSATED ABSENCES

The authority follows the civil service guidelines for vacation and sick leave. Employee's time is accumulated in accordance to hours worked per month. At year-end, time not used is accumulated.

At December 31, 2021, employees of the PHA have accumulated and vested \$16,847 of employee leave benefits, computed in accordance with GASB Codification Section C60. The balance of accrued compensated absences at December 31, 2021 was \$4,492 recorded as current obligation and \$12,355 recorded as non-current obligation.

I. LONG-TERM OBLIGATIONS

In the basic financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

At December 31, 2021, the housing authority had cash and investments (bank balances) totaling \$84,711 as follows:

Demand deposits	\$ 78,624
Time deposits	6,087
Total	\$ <u>84,711</u>

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2021**

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

Deposits

It is the authority's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The authority's deposits are categorized to give an indication of the level of risk assumed by the authority at year end. The categories are described as follows:

- ***Category 1*** – Insured or collateralized with securities held by the authority or by its agent in the authority's name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution's trust department or agent in the authority's name.
- ***Category 3*** – Uncollateralized.

Amounts on deposit are secured by the following pledges:

FDIC (Category 1)	\$	84,711
Securities Pledged		<u>467,040</u>
Total	\$	<u><u>551,751</u></u>

These deposits are stated at cost, which approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of Erath Housing Authority. For the purpose of the proprietary fund Statement of Cash Flows, "Cash and Cash Equivalents" include all demand savings accounts and certificates of deposit under 90 days.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2021**

3. ACCOUNTS RECEIVABLE

The receivables of \$2,904 as of December 31, 2021, are as follows:

Accounts Receivable Tenants	\$	2,904
Allowance for Doubtful Accounts		-0-
Total	\$	<u>2,904</u>

4. CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2021, was as follows:

Capital Assets	Beginning Balance	Addition s	Deletions	Ending Balance
Land *	\$ 57,707	\$ -0-	\$ -0-	\$ 57,707
Building & Improvements	4,973,410	-0-	-0-	4,973,410
Furniture & Equipment	96,421	-0-	-0-	96,421
Construction in Progress	-0-	-0-	-0-	-0-
Total Capital Assets	<u>5,127,538</u>	<u>-0-</u>	<u>-0-</u>	<u>5,127,538</u>
Less Accumulated Depreciation	<u>(4,381,305)</u>	<u>(102,338)</u>	<u>-0-</u>	<u>(4,483,643)</u>
Capital Assets, Net of Accum. Depr.	<u>\$ 746,232</u>	<u>\$ (102,337)</u>	<u>\$ -0-</u>	<u>\$ 643,895</u>

*Land in the amount of \$57,707 is not being depreciated.

5. PREPAID ITEMS

The housing authority's prepaid items as of December 31, 2021, consist of the following:

Prepaid Insurance	\$	58,789
Total	\$	<u>58,789</u>

6. ACCOUNTS, SALARIES, & OTHER PAYABLES

The payables of \$28,998 as of December 31, 2021, are as follows:

Accrued Wage/Payroll Taxes Payable	\$	3,799
Accounts Payable		910
Accrued Compensated Absences		4,492
Accrued Pilot		12,990
Tenant Security Deposit		5,870
Other Liabilities		937
Total	\$	<u>28,998</u>

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2021**

7. COMPENSATED ABSENCES

The following is a summary of changes in compensated absences payable at December 31, 2021:

	<u>Current</u>	<u>Noncurrent</u>	<u>Total</u>
Beginning of year	\$ 4,492	\$ 12,355	\$ 16,847
Additions/(Retirements)	-0-	-0-	-0-
End of year	<u>\$ 4,492</u>	<u>\$ 12,355</u>	<u>\$ 16,847</u>

8. FEDERAL COMPLIANCE CONTINGENCIES

The authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refunds by the entity to federal grantors and/or program beneficiaries.

9. ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$236,477 to the housing authority, which represents approximately 61.4% of the housing authority's revenues for the year.

10. 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.

11. SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the Statement of Net Position date though, May 20, 2022, of the independent auditor's report for potential recognition or disclosure in the financial statements.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2021**

12. COMMITMENTS & CONTINGENCIES

Litigation - The housing authority is not presently involved in litigation.

Construction Projects - There are certain major construction projects in progress as of December 31, 2021. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Grant Disallowances - The housing authority participates in a number of federally assisted grant programs. Although the grant programs have not been audited in accordance with the Single Audit Act Amendments of 1996 and OMB Uniform Guidance through December 31, 2020, these programs are still subject to compliance audits. Housing authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Entity operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the Entity anticipates this could negatively affect its operating results, the related financial impact and duration cannot be reasonably estimated at this time

**Other Supplemental Schedules and
Statements**

**Housing Authority of the Town of Erath
Erath, Louisiana
Schedule of Compensation Paid to Board of Commissioners
Year Ended December 31, 2021**

<u>Board Commissioner</u>	<u>Title</u>	<u>Salary</u>
Cory Duplantis	Chairman	-0-
Brenda Allen	Vice-Chairman	-0-
Lauren Abate	Commissioner	-0-
Clarence Fusilier	Commissioner	-0-
Pinky Kinard	Commissioner	-0-

See independent auditor's report.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended December 31, 2021**

Housing Authority of the Town of Erath
-Melissa Landry, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 57,297
Benefits-Insurance	14,316
Benefits-Retirement	-0-
Benefits (List any other here)	2,797
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Professional Organization Dues	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

**Housing Authority of the Town of Erath
Erath, Louisiana**

**Statement and Certification of Actual Modernization Cost
Annual Contribution Contract
December 31, 2021**

	(Complete) CFP Project 501-17	(Complete) CFP Project 501-18	(Incomplete) CFP Project 501-19	(Incomplete) CFP Project 501-20	(Incomplete) CFP Project 501-21	Total
The Actual Modernization Costs are as follows:						
1. Funds Authorized Total	\$ 74,920	\$ 116,219	\$ 121,137	\$ 121,320	\$ 133,798	\$ 567,394
Funds Expended	(74,920)	(116,219)	(120,473)	(41,024)	(40,000)	(392,636)
Excess of Funds Approved	<u>-0-</u>	<u>-0-</u>	<u>664</u>	<u>80,296</u>	<u>93,798</u>	<u>174,758</u>
2. Funds Advanced	74,920	116,219	120,473	41,024	40,000	392,636
Funds Expended	(74,920)	(116,219)	(120,473)	(41,024)	(40,000)	(392,636)
Excess of Funds Advanced	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

See independent auditor's report.



Other Reports

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Certified Public Accountants

Association of
Certified Fraud Examiners

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

Housing Authority of the
Town of Erath, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the Town of Erath, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Erath's basic financial statements, and have issued our report thereon dated May 20, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Erath's internal control over financial reporting (internal control) to determine 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 Town of Erath's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Erath's internal control.

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

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

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Erath's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

Jena, Louisiana
May 20, 2022

**HOUSING AUTHORITY OF THE TOWN OF ERATH
ERATH, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended December 31, 2021**

We have audited the basic financial statements which collectively comprise the Housing Authority of the Town of Erath, Louisiana, as of and for the year ended December 31, 2021, and have issued our report thereon dated May 20, 2022. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Section I Summary of Auditor's Results

Our audit of the basic financial statements as of December 31, 2021, resulted in an unmodified opinion.

a. Report on Internal Control and Compliance Material to the Basic Financial Statements

Internal Control

Material Weaknesses Yes Significant Deficiencies Yes

Compliance

Compliance Material to Basic Financial Statements Yes

b. Federal Awards – (Not Applicable)

Internal Control

Material Weaknesses Yes Other Conditions Yes

Type of Opinion on Compliance Unmodified Qualified
For Major Programs Disclaimer Adverse

Are the findings required to be reported in accordance with Uniform Guidance?

Yes No

c. Identification of Major Programs:

CFDA Number (s)	Name Of Federal Program (or Cluster)
------------------------	---

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 750,000

Is the auditee a 'low-risk' auditee, as defined by OMB Uniform Guidance? Yes No

**HOUSING AUTHORITY OF THE TOWN OF ERATH
ERATH, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended December 31, 2021**

Section II Financial Statement Findings

No items identified.

Section III Federal Awards Findings and Questioned Costs

Not applicable.

**HOUSING AUTHORITY OF THE TOWN OF ERATH
ERATH, LOUISIANA**

MANAGEMENT LETTER COMMENTS

During the course of our audit, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the Housing Authority's plan for corrective action.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

No items identified.

**HOUSING AUTHORITY OF THE TOWN OF ERATH
ERATH, LOUISIANA**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Housing Authority of the Town of Erath, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended December 31, 2020.

PRIOR YEAR FINDINGS:

No items identified.

Financial Data Schedule

Housing Authority of the Town of Erath (LA047)

Erath, LA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
111 Cash - Unrestricted	\$14,383	\$0	\$14,383	\$14,383
112 Cash - Restricted - Modernization and Development	\$0		\$0	\$0
113 Cash - Other Restricted	\$0		\$0	\$0
114 Cash - Tenant Security Deposits	\$5,870		\$5,870	\$5,870
115 Cash - Restricted for Payment of Current Liabilities	\$0		\$0	\$0
100 Total Cash	\$20,253	\$0	\$20,253	\$20,253
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0		\$0	\$0
124 Accounts Receivable - Other Government	\$0		\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0		\$0	\$0
126 Accounts Receivable - Tenants	\$2,904		\$2,904	\$2,904
126.1 Allowance for Doubtful Accounts -Tenants	\$0		\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0		\$0	\$0
128 Fraud Recovery	\$0		\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0		\$0	\$0
129 Accrued Interest Receivable	\$0		\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,904	\$0	\$2,904	\$2,904
131 Investments - Unrestricted	\$58,917	\$0	\$58,917	\$58,917
132 Investments - Restricted	\$0		\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0		\$0	\$0
142 Prepaid Expenses and Other Assets	\$58,789		\$58,789	\$58,789
143 Inventories	\$0		\$0	\$0

Housing Authority of the Town of Erath (LA047)
Erath, LA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
143.1 Allowance for Obsolete Inventories	\$0		\$0	\$0
144 Inter Program Due From	\$0		\$0	\$0
145 Assets Held for Sale	\$0		\$0	\$0
150 Total Current Assets	\$140,863	\$0	\$140,863	\$140,863
161 Land	\$57,707		\$57,707	\$57,707
162 Buildings	\$3,084,795		\$3,084,795	\$3,084,795
163 Furniture, Equipment & Machinery - Dwellings	\$44,195		\$44,195	\$44,195
164 Furniture, Equipment & Machinery - Administration	\$52,220		\$52,220	\$52,220
165 Leasehold Improvements	\$1,888,615		\$1,888,615	\$1,888,615
166 Accumulated Depreciation	-\$4,483,643		-\$4,483,643	-\$4,483,643
167 Construction in Progress	\$0		\$0	\$0
168 Infrastructure	\$0		\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$643,895	\$0	\$643,895	\$643,895
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0		\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0		\$0	\$0
173 Grants Receivable - Non Current	\$0		\$0	\$0
174 Other Assets	\$0		\$0	\$0
176 Investments in Joint Ventures	\$0		\$0	\$0
180 Total Non-Current Assets	\$643,895	\$0	\$643,895	\$643,895
200 Deferred Outflow of Resources	\$0		\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$784,758	\$0	\$784,758	\$784,758

Housing Authority of the Town of Erath (LA047)

Erath, LA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
311 Bank Overdraft	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$910		\$910	\$910
313 Accounts Payable >90 Days Past Due	\$0		\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$3,799		\$3,799	\$3,799
322 Accrued Compensated Absences - Current Portion	\$4,492		\$4,492	\$4,492
324 Accrued Contingency Liability	\$0		\$0	\$0
325 Accrued Interest Payable	\$0		\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0		\$0	\$0
332 Account Payable - PHA Projects	\$0		\$0	\$0
333 Accounts Payable - Other Government	\$12,990		\$12,990	\$12,990
341 Tenant Security Deposits	\$5,870		\$5,870	\$5,870
342 Unearned Revenue	\$0		\$0	\$0
343 Current Portion of Long-term Debt - Capital	\$0		\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0		\$0	\$0
345 Other Current Liabilities	\$937		\$937	\$937
346 Accrued Liabilities - Other	\$0		\$0	\$0
347 Inter Program - Due To	\$0		\$0	\$0
348 Loan Liability - Current	\$0		\$0	\$0
310 Total Current Liabilities	\$28,998	\$0	\$28,998	\$28,998
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$0		\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0		\$0	\$0
353 Non-current Liabilities - Other	\$0		\$0	\$0
354 Accrued Compensated Absences - Non Current	\$12,365	\$0	\$12,365	\$12,365
355 Loan Liability - Non Current	\$0		\$0	\$0
356 FASB 5 Liabilities	\$0		\$0	\$0

Housing Authority of the Town of Erath (LA047)

Erath, LA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
357 Accrued Pension and OPEB Liabilities	\$0		\$0	\$0
350 Total Non-Current Liabilities	\$12,355	\$0	\$12,355	\$12,355
300 Total Liabilities	\$41,353	\$0	\$41,353	\$41,353
400 Deferred Inflow of Resources	\$0		\$0	\$0
508.4 Net Investment in Capital Assets	\$643,895	\$0	\$643,895	\$643,895
511.4 Restricted Net Position	\$0		\$0	\$0
512.4 Unrestricted Net Position	\$99,510	\$0	\$99,510	\$99,510
513 Total Equity - Net Assets / Position	\$743,405	\$0	\$743,405	\$743,405
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$784,758	\$0	\$784,758	\$784,758

Housing Authority of the Town of Erath (LA047)
Erath, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
70300 Net Tenant Rental Revenue	\$145,694		\$145,694	\$145,694
70400 Tenant Revenue - Other	\$0		\$0	\$0
70500 Total Tenant Revenue	\$145,694	\$0	\$145,694	\$145,694
70600 HUD PHA Operating Grants	\$220,359	\$16,118	\$236,477	\$236,477
70610 Capital Grants	\$0		\$0	\$0
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	\$0		\$0	\$0
71100 Investment Income - Unrestricted	\$176	\$0	\$176	\$176
71200 Mortgage Interest Income	\$0		\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0		\$0	\$0
71310 Cost of Sale of Assets	\$0		\$0	\$0
71400 Fraud Recovery	\$0		\$0	\$0
71500 Other Revenue	\$2,871		\$2,871	\$2,871
71600 Gain or Loss on Sale of Capital Assets	\$0		\$0	\$0
72000 Investment Income - Restricted	\$0		\$0	\$0
70000 Total Revenue	\$369,100	\$16,118	\$385,218	\$385,218
91100 Administrative Salaries	\$91,543		\$91,543	\$91,543

Housing Authority of the Town of Erath (LA047)

Erath, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
91200 Auditing Fees	\$8,375		\$8,375	\$8,375
91300 Management Fee	\$0		\$0	\$0
91310 Book-keeping Fee	\$5,846		\$5,846	\$5,846
91400 Advertising and Marketing	\$0		\$0	\$0
91500 Employee Benefit contributions - Administrative	\$66,410		\$66,410	\$66,410
91600 Office Expenses	\$0		\$0	\$0
91700 Legal Expense	\$0		\$0	\$0
91800 Travel	\$0		\$0	\$0
91810 Allocated Overhead	\$0		\$0	\$0
91900 Other	\$10,660	\$2,151	\$12,811	\$12,811
91000 Total Operating - Administrative	\$182,834	\$2,151	\$184,985	\$184,985
92000 Asset Management Fee	\$0		\$0	\$0
92100 Tenant Services - Salaries	\$0		\$0	\$0
92200 Relocation Costs	\$0		\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0		\$0	\$0
92400 Tenant Services - Other	\$502		\$502	\$502
92500 Total Tenant Services	\$502	\$0	\$502	\$502
93100 Water	\$594		\$594	\$594
93200 Electricity	\$2,057		\$2,057	\$2,057
93300 Gas	\$492		\$492	\$492
93400 Fuel	\$97		\$97	\$97
93500 Labor	\$0		\$0	\$0
93600 Sewer	\$474		\$474	\$474
93700 Employee Benefit Contributions - Utilities	\$0		\$0	\$0

Housing Authority of the Town of Erath (LA047)

Erath, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
93800 Other Utilities Expense	\$0		\$0	\$0
93000 Total Utilities	\$3,714	\$0	\$3,714	\$3,714
94100 Ordinary Maintenance and Operations - Labor	\$32,315		\$32,315	\$32,315
94200 Ordinary Maintenance and Operations - Materials and	\$11,238		\$11,238	\$11,238
94300 Ordinary Maintenance and Operations Contracts	\$24,866		\$24,866	\$24,866
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0		\$0	\$0
94000 Total Maintenance	\$68,419	\$0	\$68,419	\$68,419
95100 Protective Services - Labor	\$0		\$0	\$0
95200 Protective Services - Other Contract Costs	\$0		\$0	\$0
95300 Protective Services - Other	\$0		\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0		\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$58,138	\$13,967	\$72,105	\$72,105
96120 Liability Insurance	\$24,615		\$24,615	\$24,615
96130 Workmen's Compensation	\$12,360		\$12,360	\$12,360
96140 All Other Insurance	\$0		\$0	\$0
96100 Total insurance Premiums	\$95,113	\$13,967	\$109,080	\$109,080
96200 Other General Expenses	\$0		\$0	\$0
96210 Compensated Absences	\$0		\$0	\$0
96300 Payments in Lieu of Taxes	\$12,990		\$12,990	\$12,990
96400 Bad debt - Tenant Rents	\$0		\$0	\$0
96500 Bad debt - Mortgages	\$0		\$0	\$0

Housing Authority of the Town of Erath (LA047)

Erath, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
96600 Bad debt - Other	\$0		\$0	\$0
96800 Severance Expense	\$0		\$0	\$0
96000 Total Other General Expenses	\$12,990	\$0	\$12,990	\$12,990
96710 Interest of Mortgage (or Bonds) Payable	\$0		\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0		\$0	\$0
96730 Amortization of Bond Issue Costs	\$0		\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$363,572	\$16,118	\$379,690	\$379,690
97000 Excess of Operating Revenue over Operating Expenses	\$5,528	\$0	\$5,528	\$5,528
97100 Extraordinary Maintenance	\$2,111		\$2,111	\$2,111
97200 Casualty Losses - Non-capitalized	\$0		\$0	\$0
97300 Housing Assistance Payments	\$0		\$0	\$0
97350 HAP Portability-In	\$0		\$0	\$0
97400 Depreciation Expense	\$102,338		\$102,338	\$102,338
97500 Fraud Losses	\$0		\$0	\$0
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense	\$0		\$0	\$0
90000 Total Expenses	\$468,021	\$16,118	\$484,139	\$484,139
10010 Operating Transfer In	\$54,065		\$54,065	\$54,065
10020 Operating transfer Out	-\$54,065		-\$54,065	-\$54,065

Housing Authority of the Town of Erath (LA047)

Erath, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
10030 Operating Transfers from/to Primary Government		\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0		\$0	\$0
10050 Proceeds from Notes, Loans and Bonds				
10080 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss	\$0		\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0		\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0		\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0		\$0	\$0
10093 Transfers between Program and Project - In	\$0		\$0	\$0
10094 Transfers between Project and Program - Out	\$0		\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$98,921	\$0	-\$98,921	-\$98,921
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$842,326	\$0	\$842,326	\$842,326
11040 Prior Period Adjustments, Equity Transfers and	\$0		\$0	\$0
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				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				

Housing Authority of the Town of Erath (LA047)

Erath, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
11190 Unit Months Available	696		696	696
11210 Number of Unit Months Leased	696		696	696
11270 Excess Cash	\$21,436		\$21,436	\$21,436
11610 Land Purchases	\$0		\$0	\$0
11620 Building Purchases	\$0		\$0	\$0
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