

HOUSING AUTHORITY OF WELSH, LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED JUNE 30, 2023

Mike Estes, P.C.

A Professional Accounting Corporation

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AMERICAN INSTITUTE OF
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ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners
Housing Authority of Welsh
Welsh, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Housing Authority of the Town of Welsh, Louisiana as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of Welsh, Louisiana 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 position, of the Housing Authority of the Town of Welsh, Louisiana as of and for the year ended June 30, 2023, 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Welsh, Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the Town of Welsh, 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 Town of Welsh, 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 Town of Welsh, 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 Town of Welsh, 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 December 26, 2023 on our consideration of the Housing Authority of the Town of Welsh, 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 Town of Welsh, 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 Town of Welsh, Louisiana's internal control over financial reporting and compliance.



Mike Estes, P.C.
Fort Worth, Texas
December 26, 2023

HOUSING AUTHORITY OF WELSH, LA
REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
June 30, 2023

The management of Housing Authority of Welsh, LA presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending June 30, 2023. 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 \$523,413 at the close of the fiscal year ended 2023.
 - ✓ Of this amount \$194,270 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
 - ✓ Also, of this amount, \$55,933 of net position is restricted for Modernization and Development.
 - ✓ The remainder of \$273,210 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 99% of the total operating expenses of \$282,192 for the fiscal year 2023, which means the Authority might be able to operate about 12 months using the unrestricted assets alone, compared to 8 months in the prior fiscal year.
- The Housing Authority's total net position increased by \$122,035, a 31% increase from the prior fiscal year 2022.
- The increase in net position of these funds was accompanied by an increase in unrestricted cash by \$145,616 from fiscal year 2022.
- These changes led to an increase in total assets by \$122,461 and an increase in total liabilities by \$426. As related measure of financial health, there are still over \$11 of current assets covering each dollar of total current liabilities, which compares to \$12 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 2023?" 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 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	\$ 133,340
Low Rent Public Housing	110,860
FEMA	<u>93,502</u>
Total funding received this current fiscal year	<u>\$ 337,702</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 \$523,413 as of June 30, 2023. Of this amount, \$194,270 was invested in capital assets and \$273,210 was unrestricted. There were \$55,933 in specific assets restricted for the Modernization and Development.

Housing Authority of Welsh LA
 Management's Discussion and Analysis (MD&A)
 June 30, 2023

CONDENSED FINANCIAL STATEMENTS

**Condensed Statement of Net Position
 As of June 30, 2023**

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets	\$ 363,789	\$ 205,530
Capital assets, net of depreciation	194,270	230,068
Total assets	558,059	435,598
LIABILITIES		
Current liabilities	34,642	16,755
Non-current liabilities	4	17,465
Total liabilities	34,646	34,220
NET POSITION		
Invested in capital assets, net of depreciation	194,270	230,068
Net position restricted for the Housing Choice Voucher program	55,933	-
Unrestricted net position	273,210	171,310
Total net position	\$ 523,413	\$ 401,378

The net position of these funds increased by \$122,035, or by 31%, from those of fiscal year 2022, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Housing Authority of Welsh LA
 Management's Discussion and Analysis (MD&A)
 June 30, 2023

CONDENSED FINANCIAL STATEMENTS (Continued)

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position
 Fiscal Year Ended June 30, 2023**

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Tenant Revenue	\$ 61,790	\$ 61,144
FEMA grants for operations	337,702	128,790
Other non-tenant revenue	4,261	64,406
Total operating revenues	<u>403,753</u>	<u>254,340</u>
OPERATING EXPENSES		
General	50,353	49,162
Ordinary maintenance and repairs	54,804	64,063
Administrative expenses and management fees	80,801	58,502
Utilities	17,194	16,040
Extraordinary maintenance and repairs	5,673	-
Casualty Loss	37,570	20,908
Tenant fraud Loss	-	-
Depreciation	35,797	39,623
Total operating expenses	<u>282,192</u>	<u>248,298</u>
Income (losses) from operations	<u>121,561</u>	<u>6,042</u>
NON-OPERATING REVENUES		
Interest income	474	127
Total non-operating revenues	<u>474</u>	<u>127</u>
Income (losses) before capital contributions	122,035	6,169
CAPITAL CONTRIBUTIONS	<u>-</u>	<u>12,156</u>
CHANGES IN NET POSITION	<u>122,035</u>	<u>18,325</u>
NET POSITION - BEGINNING	401,378	383,053
NET POSITION - END	<u>\$ 523,413</u>	<u>\$ 401,378</u>

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and capital contributions increased \$137,604 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$646 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 \$249.
- Federal revenues from HUD for operations increased by \$208,912 from that of the prior fiscal year. In addition, in the current year, FEMA funds of \$93,502 were received. 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.
- Federal Capital Funds from HUD decreased by \$12,156 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2017 through 2021 and submitted a new grant during fiscal year 2023.
- Total other operating revenue decreased by \$60,145 and interest income increased by \$347 from the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$33,894, or by 12%, 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 \$3,826 from that of the prior fiscal year.
- Maintenance and repairs decreased by \$9,259 from that of the prior fiscal year due to changes in the following: Repair staff wages decreased by \$11,553 and related employee benefit contributions decreased by \$1,585. Materials used decreased by \$12,764 and contract labor costs increased by \$12,926. Finally, Extraordinary maintenance increased by \$5,673 from the prior fiscal year.
- General Expenses decreased by \$1,191 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) decreased by \$26. 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 \$3,277, other general expenses increased by \$416 and bad debts decreased by \$304. Lastly, compensated absences decreased by \$5,437.
- Administrative Expenses increased by \$22,299 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries decreased by \$22,284 and related employee benefit contributions decreased by \$3,746; therefore, total staff salaries and benefit costs decreased. Outside professional fees changed as follows: management fees paid to outside consultants increased by \$45,500. In addition, staff travel reimbursements decreased by \$305, office expenses increased by \$33 and sundry expenses increased by \$6,818.
- Utilities Expense increased by \$1,154 from that of the prior fiscal year because water cost increased by \$448, electricity cost decreased by \$196, gas cost increased by \$53, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) increased by \$849.
- Casualty losses increased by \$16,662 from that of the prior fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the Housing Authority had a total cost of \$2,626,704 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 \$0 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, 2023**

	<u>2023</u>	<u>2022</u>
Land	\$ 35,951	\$ 35,951
Buildings	2,544,312	2,544,312
Furniture and equipment	46,441	46,440
Accumulated Depreciation	<u>(2,432,434)</u>	<u>(2,396,636)</u>
Total	<u>\$ 194,270</u>	<u>\$ 230,067</u>

As of the end of the 2023 fiscal year, the Authority is still in the process of completing HUD grants of \$150,199 obtained during the 2018 and 2020 fiscal years. A total remainder of \$118,403 will be received and spent for completing these projects during fiscal year 2024.

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 2024 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 Karen Price, at Housing Authority of Welsh, LA; P. O Drawer 430, Welsh, LA 70591-0430.

HOUSING AUTHORITY OF WELSH, LOUISIANA
STATEMENT OF NET POSITION

JUNE 30, 2023

ASSETS

Current assets

Cash and cash equivalents	\$	225,867
Investments		37,066
Accounts receivable net		7,416
Prepaid items and other assets		33,556
Inventory		351
Restricted assets - cash and cash equivalents		59,533

Total Current Assets		363,789
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Capital Assets, net

Land and other non-depreciated assets		35,951
Other capital assets - net of depreciation		158,319

Total Capital Assets, net		194,270
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Total Assets	\$	558,059
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LIABILITIES

Current Liabilities

Accounts payable	\$	21,139
Unearned income		784
Compensated absences payable		273
Accrued PILOT		8,846
Deposits due others		3,600

Total Current Liabilities		34,642
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Noncurrent Liabilities

Compensated absences payable		4
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Total Liabilities		34,646
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NET POSITION

Net investment in capital assets		194,270
Restricted		55,933
Unrestricted		273,210

Net Position	\$	523,413
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF WELSH, LOUISIANA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED JUNE 30, 2023

OPERATING REVENUES	
Dwelling rental	\$ 61,295
Governmental operating grants	337,702
Tenant revenue- other	495
Other	4,261
	<hr/>
Total Operating Revenues	403,753
	<hr/>
OPERATING EXPENSES	
Administration	80,801
Tenant services	17,194
Ordinary maintenance & operations	54,804
General expenses	50,353
Depreciation	35,797
Extraordinary maintenance	5,673
Casualty losses	37,570
	<hr/>
Total Operating Expenses	282,192
	<hr/>
Income (Loss) from Operations	121,561
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Non Operating Revenues (Expenses)	
Interest earnings	474
	<hr/>
Total Non-Operating Revenues (Expenses)	474
	<hr/>
Income (Loss) before contribution	122,035
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Capital Contribution	0
	<hr/>
Change in net position	122,035
	<hr/>
Total net position - beginning	401,378
	<hr/>
Total net position - ending	\$ 523,413
	<hr/> <hr/>

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

HOUSING AUTHORITY OF WELSH, LOUISIANA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM	
OPERATING ACTIVITIES	
Rental receipts	\$ 59,165
Other receipts	7,874
Federal grants	332,912
Payments to vendors	(148,862)
Payments to employees - net	(59,973)
Management fees	(45,500)
	<hr/>
Net cash provided (used) by operating activities	145,616
	<hr/>
CASH FLOWS FROM INVESTING	
ACTIVITIES	
Interest income	475
Purchase of investments	(475)
	<hr/>
Net cash provided (used) by investing activities	0
	<hr/>
NET INCREASE (DECREASE) IN	
CASH AND CASH EQUIVALENTS	145,616
CASH AND CASH EQUIVALENTS	
Beginning of Fiscal Year	139,784
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CASH AND CASH EQUIVALENTS	
End of Fiscal Year	\$ 285,400
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Continued

HOUSING AUTHORITY OF WELSH, LOUISIANA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2023

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

Operating income (loss)	\$	121,561
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation Expense		35,797
Provision of uncollectible accounts		705
Change in assets and liabilities:		
Receivables		(1,007)
Inventories		1,239
Prepaid items		(7,760)
Account payables		(3,792)
Unearned income		(390)
Deposits due others		(737)
		<hr/>
Net cash provided (used) by operations	\$	<u>145,616</u>

Concluded

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

HOUSING AUTHORITY OF WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

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HOUSING AUTHORITY OF WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of the Town of Welsh 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 Town or parish declaring a need for the Housing Authority to function in such Town or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the Town of Welsh, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing

FW 36 Units

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 Town of Welsh since the Town of Welsh appoints a voting majority of the Housing Authority’s governing board. The Town of Welsh 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 Town of Welsh. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Welsh.

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 WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

- 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 WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

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 \$285,400. This is comprised of cash and cash equivalents of \$225,867 and restricted assets – cash of \$59,533, 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 WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$1,000. 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	15-33 years
Buildings	15-33 years
Building improvements	10 years
Furniture and equipment	7 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 For the Civil Service employees and the Executive Director via an Employment Agreement, 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. For unclassified employees, the Authority follows a policy adopted in May 2017. Hours earned are based on years of service.

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 WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

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, 2023. 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: \$3,600 is restricted in the General Fund for security deposits. \$55,933 is restricted for an amount equal to unspent FEMA proceeds.

At June 30, 2023, the Housing Authority's carrying amount of deposits was \$322,466 and the bank balance was \$323,098, which includes \$37,066 in certificates of deposits classified as investments. \$287,066 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$36,032 was not covered by pledged securities. See the Audit Finding.

HOUSING AUTHORITY OF WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at June 30, 2023, are as follows:

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 867
Other	1,759
Federal sources:	
Grants	4,790
Total	\$ 7,416

The tenants account receivables is net of an allowance for doubtful accounts of \$1,300.

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

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 35,951	\$ 0	\$ 0	\$ 35,951
Depreciable assets:				
Buildings	2,544,312	0	0	2,544,312
Furniture and equipment	46,441	0	0	46,441
Total capital assets	2,626,704	0	0	2,626,704
Less: accumulated depreciation				
Buildings	2,352,053	35,564	0	2,387,617
Furniture and equipment	44,584	233	0	44,817
Total accumulated depreciation	2,396,637	35,797	0	2,432,434
Total capital assets, net	\$ 230,067	\$ (35,797)	\$ 0	\$ 194,270

HOUSING AUTHORITY OF WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 5 – ACCOUNTS PAYABLE The payables at June 30, 2023 are as follows:

Vendors	\$	19,291
Payroll taxes & Retirement withheld		431
Utilities		1,417
		21,139
Total	\$	21,139

NOTE 6 – COMPENSATED ABSENCES At June 30, 2023, employees of the Housing Authority have accumulated and vested \$277 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, 2023.

		Compensated Absences
Balance, beginning	\$	17,465
Additions		1,864
Deletions		(19,052)
		277
Balance, ending		277
Amounts due in one year	\$	4

HOUSING AUTHORITY OF WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 8 – 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 year of 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 of 6% and may make additional contributions. The employee is required to make monthly contributions equal to 8.5% 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 \$2,868 for the year ended June 30, 2023, of which \$1,660 was paid by the Housing Authority and \$1,207 was paid by employees. No payments were made out of the forfeiture account.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Commitments and Contingencies A Management Agreement was effective December 5, 2022 between the Authority and the Lake Arthur Housing Authority. The Authority was without management. The terms of the Agreement include management services provided by the Executive Director of the Lake Arthur Housing Authority. The Agreement was effective for one year, through December 5, 2023. The Agreement has not been renewed as of the date of this report. Monthly management fees of \$6,500 was paid for seven months, for a total of \$45,500.

The HUD Office of Investigations is investigating financial transactions that occurred during prior management and prior to the Management Agreement noted above. There is a possibility that the ultimate resolution of the issues being investigated may have an undetermined financial impact on the Authority.

HOUSING AUTHORITY OF WELSH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Litigation The Housing Authority is not presently involved in litigation.

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, 2023. 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.

NOTE 10 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$337,702 to the Housing Authority, which represents approximately 80% of the Housing Authority's total revenue and capital contributions for the year.

NOTE 11 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net position date through, December 26, 2023, of the independent auditor's report for potential recognition or disclosure in the financial statements.



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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 Welsh
Welsh, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, of the Housing Authority of the Town of Welsh, Louisiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Welsh, Louisiana's basic financial statements, and have issued our report thereon dated December 26, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Welsh, Louisiana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the Town of Welsh, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Welsh, Louisiana'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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item Audit Finding 2023-003 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Welsh, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 Audit Findings 2023-001, 002, and 003.

The Housing Authority of the Town of Welsh, Louisiana's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Housing Authority of the Town of Welsh, Louisiana's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Housing Authority of the Town of Welsh's response was not subjected to the other auditing procedures applied in the audit of 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.
Fort Worth, Texas
December 26, 2023

HOUSING AUTHORITY OF WELSH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED YEAR ENDED JUNE 30, 2023

Section I – Summary of the Auditor’s Results

Financial Statement Audit

1. Type of Auditor’s Report Issued on Financial Statements – Unmodified.
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 WELSH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

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-CDFA#14.872

Finding 2023-001-Minutes Not Available

Criteria and Condition

Board of commissioner’s board minutes should be available for third party review.

Context

As noted in Note 9, the Authority began being managed by a Management Agreement in December 2022. The board minutes were available for meetings beginning December 2022, through the date of this report. However, we could not locate or review the board minutes for the audit year prior to December 2022. According to board members, meetings were held during this period.

Cause

Unknown. We requested the Board Chairperson to ask the prior Executive Director if she could assist in locating the minutes. She was unsuccessful in her efforts.

Effect

Minutes can give vital information on the activities of the Authority. The lack of minutes is largely mitigated by the knowledge obtained by the Executive Director of the Lake Arthur Housing Authority, who is managing the Authority through the Management Agreement.

Questioned Costs

None.

Recommendation

Board minutes should be available for review.

View of Responsible Officials

I am Karen Price. I am managing the Authority through the Agreement noted above. We will comply with the recommendation.

HOUSING AUTHORITY OF WELSH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

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:

Finding 2023-002-CDFA#14.850 and Capital Fund Program-CDFA#14.872

Finding 2023-002-Pledged Collateral Not Adequate

Criteria and Condition

The Federal Deposit Insurance Corporation (FDIC) insures a maximum of aggregate deposits of \$250,000. For deposits in excess of this amount, federal regulations require that the bank pledge its own securities on the excess.

Context

At audit year-end, the Authority had \$286,302 of deposits in one bank. The bank should have pledged securities on the \$36,032. It appears that this was not done.

Cause

The current Executive Director had not encountered this need at the Lake Arthur Housing Authority, since their deposits in any one bank have not approximated \$250,000 during her tenure.

Effect

Federal regulations were not complied with. In the event of the bank's failure (which is remote but theoretically possible), the Authority is not protected against losing the \$36,302.

Questioned Costs

None

Recommendation

Management should monitor the aggregate deposits, and when required, make sure the bank has pledged the required securities.

View of Responsible Official

We will comply with the auditor's recommendation.

HOUSING AUTHORITY OF WELSH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

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:

Finding 2023-002-CDFA#14.850 and Capital Fund Program-CDFA#14.872

Finding 2023-003-Internal Controls Insufficient

Criteria and Condition

At least two people need to be involved in the receipts and disbursements. In addition, at least two people should be involved in the upkeep of the waiting list and the tenant file duties.

Context

Internal controls were not as strong as they should have been.

Cause

It appears that for much of the audit year, there was only one office employee.

Effect

As noted above, internal controls were not as strong as they should have been.

Questioned Costs

None.

Recommendation

Management hired an additional office employee after the audit year. It appears that this employee has been trained in several duties and the weakness has been mitigated. However, we noted that at least two employees should be involved in who has arrived at the top of the waiting list, if and when move-ins are needed. A second person should review the work of the employee on the tenant file duties. These checks need to be documented.

At least two employees need to be involved in the calculation of tenant rents, their billings, collection, deposit, and recording.

View of Responsible Officials

I believe that since we hired and trained an additional employee, after June 30, 2023, that we have followed the auditor's recommendation. We will continue to review for areas to better document the above.

WELSH HOUSING AUTHORITY
417 Rowland St
Welsh, LA 70591
Phone No. (337) 734-2647 Fax No. (337) 774-2997

HOUSING AUTHORITY OF WELSH, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2023

Corrective Action Plan Finding:

Finding 2023-001-Minutes Not Available

Condition:

Board of commissioner's board minutes should be available for third party review.

Corrective Action Planned

I am Karen Price. I am managing the Authority through the Agreement noted above. We will comply with the recommendation.

Person responsible for corrective action:

Karen Price, Executive Director
Welsh Housing Authority
417 Rowland St
Welsh, Louisiana 70591

Telephone: (337) 734-2647
Fax: (337) 774-2997

Anticipated Completion Date- Already corrected

Corrective Action Plan Finding:

Finding 2023-002-Pledged Collateral Not Adequate

Condition:

The Federal Deposit Insurance Corporation (FDIC) insures a maximum of aggregate deposits of \$250,000. For deposits in excess of this amount, federal regulations require that the bank pledge its own securities on the excess.

Corrective Action Planned

We will comply with the auditor's recommendation.

Person responsible for corrective action:

Karen Price, Executive Director
Welsh Housing Authority
417 Rowland St
Welsh, Louisiana 70591

Telephone: (337) 734-2647
Fax: (337) 774-2997

Anticipated Completion Date- December 31, 2023

HOUSING AUTHORITY OF WELSH, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2023

Corrective Action Plan Finding:

Finding 2023-003-Internal Controls Insufficient

Condition:

At least two people need to be involved in the receipts and disbursements. In addition, at least two people should be involved in the upkeep of the waiting list and the tenant file duties.

Corrective Action Planned

I believe that since we hired and trained an additional employee, after June 30, 2023, that we have followed the auditor's recommendation. We will continue to review for areas to better document the above.

Person responsible for corrective action:

Karen Price, Executive Director
Welsh Housing Authority
417 Rowland St
Welsh, Louisiana 70591

Telephone: (337) 734-2647
Fax: (337) 774-2997

Anticipated Completion Date- Already corrected

HOUSING AUTHORITY OF WELSH, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2023

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:

The prior audit was performed by another auditing firm.

Finding 2022-001-Lack of Segregation of Duties

Condition

The Authority had only one employee.

Recommendation

The prior auditor noted that unless and until an additional employee was retained, that this weakness would exist. The auditor did note that in the area of disbursements, one control was that checks were co-signed and the co-signer hopefully reviewed the underlying support.

Current Status

The finding is repeated since an additional employee was not hired until after year-end. If current procedures and documentation are continued, likely this finding will not be repeated in the next audit.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF WELSH, LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED JUNE 30, 2023

CASH BASIS

	2017 Capital Fund	2018 Capital Fund	2019 Capital Fund	2020 Capital Fund
Funds approved	\$ 45,537	\$ 70,695	\$ 73,930	\$ 79,504
Funds expended	45,537	28,597	73,930	3,199
Excess of funds approved	\$ 0	\$ 42,098	\$ 0	\$ 76,305
Funds advanced	\$ 45,537	\$ 28,597	\$ 73,930	\$ 3,199
Funds expended	45,537	28,597	73,930	3,199
Excess (Deficiency) of funds	\$ 0	\$ 0	\$ 0	\$ 0

See accountants' report

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

YEAR ENDED JUNE 30, 2023

Agency Head Name: Calena Boullard, Executive Director from July 1, 2022 through November 17, 2022

Purpose	Amount
Salary	15,984
Benefits-insurance	1,223
Benefits-retirement	1,235
Benefits-<list any other here>	1) 14,048
Car allowance	
Vehicle provided by government	<enter amount reported on W-2>
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	
Total	32,498

1) 561.93 hours of accrued vacation pay

From December 2022 through the remainder of the year, the Authority has been managed by a Management Agreement. See Note 9.

HOUSING AUTHORITY OF WELSH, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2023

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	\$ 110,860
Capital Fund Program	14.872	133,340
Total United States Department of Housing and Urban Development		\$ 244,200
FEMA	97.036	93,502
Total Expenditures of Federal Awards		\$ 337,702

The accompanying notes are an integral part of this schedule.

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

YEAR ENDED JUNE 30, 2023

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 Town of Welsh, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended June 30, 2023. 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	\$ 337,702
Total	\$ 337,702

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.

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Entity Wide Balance Sheet Summary						
	Project Total	1 Business Activities	97.036 Disaster Grants - Presidentially Declared Disasters	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$225,867			\$225,867	\$0	\$225,867
112 Cash - Restricted - Modernization and Development	\$55,933			\$55,933	\$0	\$55,933
113 Cash - Other Restricted	\$0			\$0	\$0	\$0
114 Cash - Tenant Security Deposits	\$3,600			\$3,600	\$0	\$3,600
115 Cash - Restricted for Payment of Current Liabilities	\$0			\$0	\$0	\$0
100 Total Cash	\$285,400	\$0	\$0	\$285,400	\$0	\$285,400
121 Accounts Receivable - PHA Projects	\$0			\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$4,790			\$4,790	\$0	\$4,790
124 Accounts Receivable - Other Government	\$0			\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$1,759			\$1,759	\$0	\$1,759
126 Accounts Receivable - Tenants	\$2,167			\$2,167	\$0	\$2,167
126.1 Allowance for Doubtful Accounts - Tenants	-\$1,300			-\$1,300	\$0	-\$1,300
126.2 Allowance for Doubtful Accounts - Other	\$0			\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0			\$0	\$0	\$0
128 Fraud Recovery	\$0			\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0			\$0	\$0	\$0
129 Accrued Interest Receivable	\$0			\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$7,416	\$0	\$0	\$7,416	\$0	\$7,416
131 Investments - Unrestricted	\$37,066			\$37,066	\$0	\$37,066
132 Investments - Restricted	\$0			\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0			\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$33,556			\$33,556	\$0	\$33,556
143 Inventories	\$390			\$390	\$0	\$390
143.1 Allowance for Obsolete Inventories	-\$39			-\$39	\$0	-\$39
144 Inter Program Due From	\$0			\$0	\$0	\$0
145 Assets Held for Sale	\$0			\$0	\$0	\$0
150 Total Current Assets	\$363,789	\$0	\$0	\$363,789	\$0	\$363,789

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Entity Wide Balance Sheet Summary						
	Project Total	1 Business Activities	97.036 Disaster Grants - Presidentially Declared Disasters	Subtotal	ELIM	Total
161 Land	\$35,951			\$35,951	\$0	\$35,951
162 Buildings	\$2,544,312			\$2,544,312	\$0	\$2,544,312
163 Furniture, Equipment & Machinery - Dwellings	\$15,137			\$15,137	\$0	\$15,137
164 Furniture, Equipment & Machinery - Administration	\$31,304			\$31,304	\$0	\$31,304
165 Leasehold Improvements	\$0			\$0	\$0	\$0
166 Accumulated Depreciation	-\$2,432,434			-\$2,432,434	\$0	-\$2,432,434
167 Construction in Progress	\$0			\$0	\$0	\$0
168 Infrastructure	\$0			\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$194,270	\$0	\$0	\$194,270	\$0	\$194,270
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0			\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0			\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0			\$0	\$0	\$0
174 Other Assets	\$0			\$0	\$0	\$0
176 Investments in Joint Ventures	\$0			\$0	\$0	\$0
180 Total Non-Current Assets	\$194,270	\$0	\$0	\$194,270	\$0	\$194,270
200 Deferred Outflow of Resources	\$0			\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$558,059	\$0	\$0	\$558,059	\$0	\$558,059
311 Bank Overdraft	\$0			\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$19,291			\$19,291	\$0	\$19,291
313 Accounts Payable >90 Days Past Due	\$0			\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$431			\$431	\$0	\$431
322 Accrued Compensated Absences - Current Portion	\$273			\$273	\$0	\$273
324 Accrued Contingency Liability	\$0			\$0	\$0	\$0
325 Accrued Interest Payable	\$0			\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0			\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0			\$0	\$0	\$0

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Entity Wide Balance Sheet Summary						
	Project Total	1 Business Activities	97.036 Disaster Grants - Presidentially Declared Disasters	Subtotal	ELIM	Total
333 Accounts Payable - Other Government	\$8,846			\$8,846	\$0	\$8,846
341 Tenant Security Deposits	\$3,600			\$3,600	\$0	\$3,600
342 Unearned Revenue	\$784			\$784	\$0	\$784
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0			\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0			\$0	\$0	\$0
345 Other Current Liabilities	\$0			\$0	\$0	\$0
346 Accrued Liabilities - Other	\$1,417			\$1,417	\$0	\$1,417
347 Inter Program - Due To	\$0			\$0	\$0	\$0
348 Loan Liability - Current	\$0			\$0	\$0	\$0
310 Total Current Liabilities	\$34,642	\$0	\$0	\$34,642	\$0	\$34,642
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0			\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0			\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0			\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$4			\$4	\$0	\$4
355 Loan Liability - Non Current	\$0			\$0	\$0	\$0
356 FASB 5 Liabilities	\$0			\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0			\$0	\$0	\$0
350 Total Non-Current Liabilities	\$4	\$0	\$0	\$4	\$0	\$4
300 Total Liabilities	\$34,646	\$0	\$0	\$34,646	\$0	\$34,646
400 Deferred Inflow of Resources						
508.4 Net Investment in Capital Assets	\$194,270	\$0		\$194,270		\$194,270
511.4 Restricted Net Position	\$55,933	\$0		\$55,933		\$55,933
512.4 Unrestricted Net Position	\$273,210	\$0	\$0	\$273,210	\$0	\$273,210
513 Total Equity - Net Assets / Position	\$523,413	\$0	\$0	\$523,413	\$0	\$523,413
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$558,059	\$0	\$0	\$558,059	\$0	\$558,059

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$61,295	\$0	\$61,295
70400 Tenant Revenue - Other	\$495	\$0	\$495
70500 Total Tenant Revenue	\$61,790	\$0	\$61,790
70600 HUD PHA Operating Grants	\$110,860	\$133,340	\$244,200
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	\$93,502	\$0	\$93,502
71100 Investment Income - Unrestricted	\$474	\$0	\$474
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	\$4,261	\$0	\$4,261
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$270,887	\$133,340	\$404,227
91100 Administrative Salaries	\$13,826	\$0	\$13,826
91200 Auditing Fees	\$5,230	\$0	\$5,230
91300 Management Fee	\$45,500	\$0	\$45,500
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$987	\$0	\$987
91500 Employee Benefit contributions - Administrative	\$2,372	\$0	\$2,372
91600 Office Expenses	\$5,246	\$0	\$5,246
91700 Legal Expense	\$0	\$0	\$0
91800 Travel	\$19	\$0	\$19
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$7,621	\$0	\$7,621
91000 Total Operating - Administrative	\$80,801	\$0	\$80,801
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	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water	\$4,924	\$0	\$4,924
93200 Electricity	\$6,436	\$0	\$6,436
93300 Gas	\$1,754	\$0	\$1,754
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$4,080	\$0	\$4,080

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$17,194	\$0	\$17,194
94100 Ordinary Maintenance and Operations - Labor	\$17,713	\$0	\$17,713
94200 Ordinary Maintenance and Operations - Materials and Other	\$12,513	\$0	\$12,513
94300 Ordinary Maintenance and Operations Contracts	\$22,043	\$0	\$22,043
94500 Employee Benefit Contributions - Ordinary Maintenance	\$2,535	\$0	\$2,535
94000 Total Maintenance	\$54,804	\$0	\$54,804
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
96110 Property Insurance	\$36,750	\$0	\$36,750
96120 Liability Insurance	\$1,690	\$0	\$1,690
96130 Workmen's Compensation	\$2,704	\$0	\$2,704
96140 All Other Insurance	\$2,544	\$0	\$2,544
96100 Total insurance Premiums	\$43,688	\$0	\$43,688
96200 Other General Expenses	\$416	\$0	\$416
96210 Compensated Absences	\$277	\$0	\$277
96300 Payments in Lieu of Taxes	\$4,410	\$0	\$4,410
96400 Bad debt - Tenant Rents	\$1,562	\$0	\$1,562
96500 Bad debt - Mortgages	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0
96000 Total Other General Expenses	\$6,665	\$0	\$6,665
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
96900 Total Operating Expenses	\$203,152	\$0	\$203,152
97000 Excess of Operating Revenue over Operating Expenses	\$67,735	\$133,340	\$201,075
97100 Extraordinary Maintenance	\$5,673	\$0	\$5,673
97200 Casualty Losses - Non-capitalized	\$37,570	\$0	\$37,570
97300 Housing Assistance Payments	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$34,838	\$959	\$35,797
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	\$281,233	\$959	\$282,192

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$133,340	\$0	\$133,340
10020 Operating transfer Out	\$0	-\$133,340	-\$133,340
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			
10060 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	\$16,576	\$0	\$16,576
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$149,916	-\$133,340	\$16,576
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$139,570	-\$959	\$138,611
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$373,059	\$11,743	\$384,802
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$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 Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	264		264
11210 Number of Unit Months Leased	224		224
11270 Excess Cash	\$222,378		\$222,378
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

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Entity Wide Revenue and Expense Summary						
	Project Total	1 Business Activities	97.036 Disaster Grants - Presidentially Declared Disasters	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$61,295			\$61,295	\$0	\$61,295
70400 Tenant Revenue - Other	\$495			\$495	\$0	\$495
70500 Total Tenant Revenue	\$61,790	\$0	\$0	\$61,790	\$0	\$61,790
70600 HUD PHA Operating Grants	\$244,200			\$244,200	\$0	\$244,200
70610 Capital Grants	\$0			\$0	\$0	\$0
70710 Management Fee				\$0	\$0	\$0
70720 Asset Management Fee				\$0	\$0	\$0
70730 Book Keeping Fee				\$0	\$0	\$0
70740 Front Line Service Fee				\$0	\$0	\$0
70750 Other Fees				\$0	\$0	\$0
70700 Total Fee Revenue				\$0	\$0	\$0
70800 Other Government Grants	\$93,502			\$93,502	\$0	\$93,502
71100 Investment Income - Unrestricted	\$474			\$474	\$0	\$474
71200 Mortgage Interest Income	\$0			\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0			\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0			\$0	\$0	\$0
71400 Fraud Recovery	\$0			\$0	\$0	\$0
71500 Other Revenue	\$4,261			\$4,261	\$0	\$4,261
71600 Gain or Loss on Sale of Capital Assets	\$0			\$0	\$0	\$0
72000 Investment Income - Restricted	\$0			\$0	\$0	\$0
70000 Total Revenue	\$404,227	\$0	\$0	\$404,227	\$0	\$404,227
91100 Administrative Salaries	\$13,826			\$13,826	\$0	\$13,826
91200 Auditing Fees	\$5,230			\$5,230	\$0	\$5,230
91300 Management Fee	\$45,500			\$45,500	\$0	\$45,500
91310 Book-keeping Fee	\$0			\$0	\$0	\$0
91400 Advertising and Marketing	\$987			\$987	\$0	\$987
91500 Employee Benefit contributions - Administrative	\$2,372			\$2,372	\$0	\$2,372
91600 Office Expenses	\$5,246			\$5,246	\$0	\$5,246

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Entity Wide Revenue and Expense Summary						
	Project Total	1 Business Activities	97.036 Disaster Grants - Presidentially Declared Disasters	Subtotal	ELIM	Total
91700 Legal Expense	\$0			\$0	\$0	\$0
91800 Travel	\$19			\$19	\$0	\$19
91810 Allocated Overhead	\$0			\$0	\$0	\$0
91900 Other	\$7,621			\$7,621	\$0	\$7,621
91000 Total Operating - Administrative	\$80,801	\$0	\$0	\$80,801	\$0	\$80,801
92000 Asset Management Fee	\$0			\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0			\$0	\$0	\$0
92200 Relocation Costs	\$0			\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0			\$0	\$0	\$0
92400 Tenant Services - Other	\$0			\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0
93100 Water	\$4,924			\$4,924	\$0	\$4,924
93200 Electricity	\$6,436			\$6,436	\$0	\$6,436
93300 Gas	\$1,754			\$1,754	\$0	\$1,754
93400 Fuel	\$0			\$0	\$0	\$0
93500 Labor	\$0			\$0	\$0	\$0
93600 Sewer	\$4,080			\$4,080	\$0	\$4,080
93700 Employee Benefit Contributions - Utilities	\$0			\$0	\$0	\$0
93800 Other Utilities Expense	\$0			\$0	\$0	\$0
93000 Total Utilities	\$17,194	\$0	\$0	\$17,194	\$0	\$17,194
94100 Ordinary Maintenance and Operations - Labor	\$17,713			\$17,713	\$0	\$17,713
94200 Ordinary Maintenance and Operations - Materials and Other	\$12,513			\$12,513	\$0	\$12,513
94300 Ordinary Maintenance and Operations Contracts	\$22,043			\$22,043	\$0	\$22,043
94500 Employee Benefit Contributions - Ordinary Maintenance	\$2,535			\$2,535	\$0	\$2,535
94000 Total Maintenance	\$54,804	\$0	\$0	\$54,804	\$0	\$54,804
95100 Protective Services - Labor	\$0			\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0			\$0	\$0	\$0

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Entity Wide Revenue and Expense Summary						
	Project Total	1 Business Activities	97.036 Disaster Grants - Presidentially Declared Disasters	Subtotal	ELIM	Total
95300 Protective Services - Other	\$0			\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0			\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$36,750			\$36,750	\$0	\$36,750
96120 Liability Insurance	\$1,690			\$1,690	\$0	\$1,690
96130 Workmen's Compensation	\$2,704			\$2,704	\$0	\$2,704
96140 All Other Insurance	\$2,544			\$2,544	\$0	\$2,544
96100 Total insurance Premiums	\$43,688	\$0	\$0	\$43,688	\$0	\$43,688
96200 Other General Expenses	\$416			\$416	\$0	\$416
96210 Compensated Absences	\$277			\$277	\$0	\$277
96300 Payments in Lieu of Taxes	\$4,410			\$4,410	\$0	\$4,410
96400 Bad debt - Tenant Rents	\$1,562			\$1,562	\$0	\$1,562
96500 Bad debt - Mortgages	\$0			\$0	\$0	\$0
96600 Bad debt - Other	\$0			\$0	\$0	\$0
96800 Severance Expense	\$0			\$0	\$0	\$0
96000 Total Other General Expenses	\$6,665	\$0	\$0	\$6,665	\$0	\$6,665
96710 Interest of Mortgage (or Bonds) Payable	\$0			\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0			\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0			\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$203,152	\$0	\$0	\$203,152	\$0	\$203,152
97000 Excess of Operating Revenue over Operating Expenses	\$201,075	\$0	\$0	\$201,075	\$0	\$201,075
97100 Extraordinary Maintenance	\$5,673			\$5,673	\$0	\$5,673
97200 Casualty Losses - Non-capitalized	\$37,570			\$37,570	\$0	\$37,570
97300 Housing Assistance Payments	\$0			\$0	\$0	\$0
97350 HAP Portability-In	\$0			\$0	\$0	\$0

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Entity Wide Revenue and Expense Summary						
	Project Total	1 Business Activities	97.036 Disaster Grants - Presidentially Declared Disasters	Subtotal	ELIM	Total
97400 Depreciation Expense	\$35,797			\$35,797	\$0	\$35,797
97500 Fraud Losses	\$0			\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense	\$0			\$0	\$0	\$0
90000 Total Expenses	\$282,192	\$0	\$0	\$282,192	\$0	\$282,192
10010 Operating Transfer In	\$133,340			\$133,340	-\$133,340	\$0
10020 Operating transfer Out	-\$133,340			-\$133,340	\$133,340	\$0
10030 Operating Transfers from/to Primary Government	\$0			\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0			\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds						
10060 Proceeds from Property Sales						
10070 Extraordinary Items, Net Gain/Loss	\$0			\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0			\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0			\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0			\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$16,576	\$0		\$16,576	-\$16,576	\$0
10094 Transfers between Project and Program - Out	\$0	-\$16,576		-\$16,576	\$16,576	\$0
10100 Total Other financing Sources (Uses)	\$16,576	-\$16,576	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$138,611	-\$16,576	\$0	\$122,035	\$0	\$122,035
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$384,802	\$16,576	\$0	\$401,378	\$0	\$401,378
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0		\$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 Rents						

HOUSING AUTHORITY OF WELSH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2023

Entity Wide Revenue and Expense Summary						
	Project Total	1 Business Activities	97.036 Disaster Grants - Presidentially Declared Disasters	Subtotal	ELIM	Total
11100 Changes in Allowance for Doubtful Accounts - Other						
11170 Administrative Fee Equity						
11180 Housing Assistance Payments Equity						
11190 Unit Months Available	264			264	0	264
11210 Number of Unit Months Leased	224			224	0	224
11270 Excess Cash	\$222,378			\$222,378		\$222,378
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