

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED JUNE 30, 2019**

**Mike Estes, P.C.**  
A Professional Accounting Corporation

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*and the*  
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AUDIT QUALITY CENTER

## Independent Auditor's Report

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

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the Housing Authority of the City of New Roads, Louisiana as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of New Roads basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority of the City of New Roads, Louisiana, as of June 30, 2019, 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.

### ***Emphasis of Matter***

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

### ***Other Matters***

### ***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, 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.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of New Roads, Louisiana's basic financial statements. The statement of modernization-uncompleted, financial data schedules, and other information as listed on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statement of modernization costs-uncompleted, financial data schedules, and other information as listed on the table of contents 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. Such 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-uncompleted, financial data schedules, and other information as listed on the table of contents 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 February 24, 2020 on our consideration of the Housing Authority of the City of New Roads, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Audit Standards* in considering the Housing Authority of the City of New Roads, Louisiana's internal control over financial reporting and compliance.



Mike Estes, P.C.  
Fort Worth, Texas  
February 24, 2020

**HOUSING AUTHORITY OF NEW ROADS, LA**

**REQUIRED SUPPLEMENTAL INFORMATION**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**

**June 30, 2019**

**The management of Housing Authority of New Roads, LA presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending June 30, 2019. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.**

### **FINANCIAL HIGHLIGHTS**

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$1,163,004 at the close of the fiscal year ended 2019.
  - ✓ Of this amount \$908,005 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
  - ✓ The remainder of \$254,990 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 47% of the total operating expenses of \$541,166 for the fiscal year 2019, which means the Authority might be able to operate about 6 months using the unrestricted assets alone, compared to 8 months in the prior fiscal year.
- The Housing Authority's total net position decreased by \$191,226, a 14% decrease from the prior fiscal year 2018.
- The decrease in net position of these funds was accompanied by a decrease in unrestricted cash by \$143,409 from fiscal year 2018.
- The Authority Spent \$39,176 on capital asset additions.
- These changes led to a decrease in total assets by \$235,916 and a decrease in total liabilities by \$44,690. As related measure of financial health, there are still over \$16 of current assets covering each dollar of total current liabilities, which compares to \$7 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

### **Reporting on the Housing Authority as a Whole**

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2019?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

**Fund Financial Statements**

All of 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:

Low Rent Public Housing	97,298
Total funding received this current fiscal year	\$ 97,298

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 of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net position, is an important financial indicator.

**FINANCIAL ANALYSIS**

The Housing Authority's net position was \$1,163,004 as of June 30, 2019. Of this amount, \$908,005 was invested in capital assets and \$254,999 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general net position.

**CONDENSED FINANCIAL STATEMENTS**

**Condensed Statement of Net Position  
 As of June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current assets	\$ 278,767	\$ 441,317
Capital assets, net of depreciation	908,005	981,371
Total assets	1,186,772	1,422,688
<b>LIABILITIES</b>		
Current liabilities	17,392	59,410
Non-current liabilities	6,376	9,048
Total liabilities	23,768	68,458
<b>NET POSITION</b>		
Invested in capital assets, net of depreciation	908,005	981,371
Unrestricted net position	254,999	372,859
Total net position	\$ 1,163,004	\$ 1,354,230

The net position of these funds decreased by \$191,226, or by 7%, from those of fiscal year 2018, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

**CONDENSED FINANCIAL STATEMENTS (Continued)**

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position  
 Fiscal Year Ended June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>OPERATING REVENUES</b>		
Tenant Revenue	\$ 189,580	\$ 179,770
HUD grants for operations	97,298	264,434
Other non-tenant revenue	60,579	48,008
Total operating revenues	<u>347,457</u>	<u>492,212</u>
<b>OPERATING EXPENSES</b>		
General	99,020	73,535
Ordinary maintenance and repairs	135,157	82,203
Administrative expenses and management fees	184,219	205,000
Utilities	9,527	10,778
Tenant services	700	1,400
Depreciation	112,543	106,040
Total operating expenses	<u>541,166</u>	<u>478,956</u>
Income (losses) from operations	<u>(193,709)</u>	<u>13,256</u>
<b>NON-OPERATING REVENUES</b>		
Interest income	1,783	2,292
Gains from sale or disposal of assets	700	100
Total non-operating revenues	<u>2,483</u>	<u>2,392</u>
Income (losses) before capital contributions	<u>(191,226)</u>	<u>15,648</u>
<b>CAPITAL CONTRIBUTIONS</b>	<u>-</u>	<u>44,461</u>
<b>CHANGES IN NET POSITION</b>	<u>(191,226)</u>	<u>60,109</u>
<b>NET POSITION - BEGINNING</b>	1,354,230	1,294,121
<b>NET POSITION - END</b>	<u>\$ 1,163,004</u>	<u>\$ 1,354,230</u>

## EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating, and non-operating revenues, and capital contributions decreased \$189,216 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$9,810 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 increased by \$6,135.
- Federal revenues from HUD for operations decreased by \$167,136 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- Federal Capital Funds from HUD decreased by \$44,461 from that of the prior fiscal year.
- Total other operating revenue increased by \$12,571, interest income decreased by \$509 and gains on sales of assets increased by \$700 from the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$62,210, or by 14%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense increased by \$6,503 from that of the prior fiscal year.
- Maintenance and repairs increased by \$52,954 from that of the prior fiscal year due to changes in the following: Repair staff wages decreased by \$2,164 and related employee benefit contributions decreased by \$731. Materials used increased by \$46,573 and contract labor costs increased by \$9,276.
- General Expenses increased by \$25,485 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) increased by \$497. 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 \$1,650 and bad debts increased by \$23,384. Lastly, compensated absences decreased by \$46.
- Administrative Expenses decreased by \$20,781 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries decreased by \$13,760 and related employee benefit contributions decreased by \$2,606; therefore, total staff salaries and benefit costs decreased. Outside professional fees changed as follows: audit fees increased by \$1,325 and legal fees increased by \$3,351. In addition, staff travel reimbursements decreased by \$2,017, office expenses decreased by \$1,293 and sundry expenses decreased by \$3,254.
- Utilities Expense decreased by \$1,251 from that of the prior fiscal year because water cost increased by \$164, electricity cost increased by \$757, gas cost increased by \$45, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) decreased by \$2,217.
- Total Tenant Services decreased by \$700 from that of the prior fiscal year.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2019, the Housing Authority had a total cost of \$3,437,470 invested in a broad range of assets. This amount, not including depreciation, represents increases of \$39,176 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, 2019**

	<u>2019</u>	<u>2018</u>
Land	\$ 40,454	\$ 40,454
Construction in progress	-	36,146
Buildings	2,806,736	2,731,413
Leasehold improvements	448,766	448,767
Furniture and equipment	141,514	141,514
Accumulated Depreciation	<u>(2,529,465)</u>	<u>(2,416,923)</u>
Total	<u>\$ 908,005</u>	<u>\$ 981,371</u>

**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 2020 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 Paula Battley, at Housing Authority of New Roads, LA; 151 Cherry St, New Roads, LA 70760.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
STATEMENT OF NET POSITION

JUNE 30, 2019

**ASSETS**

Current assets	
Cash and cash equivalents	\$ 118,556
Investments	105,260
Accounts receivable net	15,483
Prepaid items and other assets	21,690
Inventory	9,578
Restricted assets - cash and cash equivalents	8,200
	<hr/>
Total Current Assets	278,767
	<hr/>
Capital Assets, net	
Land and other non-depreciated assets	40,454
Other capital assets - net of depreciation	867,551
	<hr/>
Total Capital Assets, net	908,005
	<hr/>
Total Assets	\$ 1,186,772
	<hr/> <hr/>

**LIABILITIES**

Current Liabilities	
Accounts payable	\$ 4,066
Unearned income	1,503
Compensated absences payable	3,623
Deposits due others	8,200
	<hr/>
Total Current Liabilities	17,392
	<hr/>
Noncurrent Liabilities	
Compensated absences payable	6,376
	<hr/>
Total Liabilities	23,768
	<hr/>

**NET POSITION**

Net investment in capital assets	908,005
Unrestricted	254,999
	<hr/>
Net Position	\$ 1,163,004
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The Notes to the Financial Statements are an integral part of these statements.

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

FOR THE YEAR ENDED JUNE 30, 2019

<b>OPERATING REVENUES</b>	
Dwelling rental	\$ 177,887
Governmental operating grants	97,298
Tenant revenue- other	11,693
Other income	60,579
Total Operating Revenues	347,457
<b>OPERATING EXPENSES</b>	
Administration	184,219
Tenant services	700
Utilities	9,527
Ordinary maintenance & operations	135,157
General expenses	99,020
Depreciation	112,543
Total Operating Expenses	541,166
Income (Loss) from Operations	(193,709)
Non Operating Revenues (Expenses)	
Interest earnings	1,783
Gain on sale of capital assets	700
Total Non-Operating Revenues (Expenses)	2,483
Income (Loss) before contribution	(191,226)
Capital Contribution	0
Change in net position	(191,226)
Total net position - beginning	1,354,230
Total net position - ending	\$ 1,163,004

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2019

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Rental receipts	\$ 146,820
Other receipts	69,135
Federal grants	90,178
Payments to vendors	(225,108)
Payments to employees – net	(187,397)
	(106,372)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(39,176)
Sale of assets	700
	(38,476)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	2,525
Purchase of fixed assets	(1,243)
	1,282
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(143,566)</b>
<b>CASH AND CASH EQUIVALENTS</b>	
Beginning of Fiscal Year	270,322
<b>CASH AND CASH EQUIVALENTS</b>	
End of Fiscal Year	\$ 126,756

Continued

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2019

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

Operating income (loss)	\$	(193,709)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation Expense		112,543
Provision of uncollectible accounts		9,461
Change in assets and liabilities:		
Receivables		(12,667)
Inventories		26,140
Prepaid items		(3,463)
Account payables		(44,520)
Deposits due others		(157)
		<hr/>
Net cash provided (used) by operations	\$	<u>(106,372)</u>

Concluded

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

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

JUNE 30, 2019

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

JUNE 30, 2019

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

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

The Housing Authority has the following units:

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

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

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

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

JUNE 30, 2019

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

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

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

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

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

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

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

JUNE 30, 2019

**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 \$126,756. This is comprised of cash and cash equivalents of \$118,556 and restricted assets – cash of \$8,200, on the statement of net position.

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

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

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

Definitions:

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

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

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

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

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

JUNE 30, 2019

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$500. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

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

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

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

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

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

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

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

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

JUNE 30, 2019

**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, 2019. Deposits are stated at cost, which approximates fair value.

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

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

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

Restricted Cash: \$8,200 is restricted in the General Fund for security deposits.

At June 30, 2019, the Housing Authority's carrying amount of deposits was \$232,016 and the bank balance was \$243,558. The entire bank balance was covered by FDIC Insurance.

**NOTE 3 – ACCOUNTS RECEIVABLE** The receivables at June 30, 2019, are as follows:

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 8,363
HUD	7,120
Total	<u>\$ 15,483</u>

The tenants account receivables is net of an allowance for doubtful accounts of \$30,463.

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

JUNE 30, 2019

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

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 40,454	\$ 0	\$ 0	\$ 40,454
Construction in progress	36,146	0	36,146	0
Depreciable assets:				
Buildings	3,180,180	75,322	0	3,255,502
Furniture and equipment	141,514	0	0	141,514
Total capital assets	3,398,294	75,322	36,146	3,437,470
Less: accumulated depreciation				
Buildings	2,286,974	108,270	0	2,395,244
Furniture and equipment	129,949	4,272	0	134,221
Total accumulated depreciation	2,416,923	112,542	0	2,529,465
Total capital assets, net	\$ 981,371	\$ (37,220)	\$ 36,146	\$ 908,005

**NOTE 5 – ACCOUNTS PAYABLE** The payables at June 30, 2019 are as follows:

Vendors	\$ 3,092
Utilities	974
Total	\$ 4,066

**NOTE 6 – COMPENSATED ABSENCES** At June 30, 2019, employees of the Housing Authority have accumulated and vested \$9,999 of employee leave computed in accordance with GASB, Codification Section C60.

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

JUNE 30, 2019

**NOTE 7 – LONG-TERM OBLIGATIONS** The following is a summary of the long-term obligation transactions for the year ended June 30, 2019.

		Compensated Absences
Balance, beginning	\$	12,553
Additions		11,056
Deletions		(13,610)
Balance, ending		9,999
Amounts due in one year	\$	3,623

**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 month of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 5% of his effective compensation, and may make additional contributions up to the minimum IRS individual limit. The employer is required to make monthly contributions equal to 7.5% 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 \$15,104 for the year ended June 30, 2019, of which \$6,473 was paid by the Housing Authority and \$8,631 was paid by employees. No payments were made out of the forfeiture account.

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

JUNE 30, 2019

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

**Commitments** On June 27, 2018 the Authority extended an Employment Agreement with the Executive Director. The present agreement extends through June 27, 2023.

The contract may be terminated for cause, as specified in the contract. The Board may also terminate without cause, if such termination, in the Board's opinion, serves the best interests of the Authority. If the Executive Director is terminated for any reason, due process is required, as outlined in the agreement. The Director may terminate the agreement upon 45 days of written notice to the Board.

The Executive Director will be paid any accrued salary through the date of termination, in the event termination should occur. The Director is also entitled to all earned annual leave at the time of separation, regardless of the reason for the separation.

**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, 2019. 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.

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

JUNE 30, 2019

**NOTE 10 – OTHER INCOME** Included in other income of \$60,579 total is \$26,080 of management fees earned from administering the Section Eight program for the City of New Roads. Also included was \$16,836 and \$10,054, respectively, of PILOT waiver and sale of old equipment.

**NOTE 11 – ECONOMIC DEPENDENCE** The Department of Housing and Urban Development provided \$97,298 to the Housing Authority, which represents approximately 22% of the Housing Authority's total revenue and capital contributions for the year.

**NOTE 12 - SUBSEQUENT EVENTS** On October 16, 2019, in two separate closings, the Authority obtained 7.429 acres and .879 acres of land to be potentially used for future development. The acquisition costs were \$92,862 and \$10,987, respectively.



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

Independent Auditor's Report

Housing Authority of New Roads  
New Roads, Louisiana

We 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 each major fund of the Housing Authority of the City of New Roads, Louisiana, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of New Roads, Louisiana's basic financial statements, and have issued our report thereon dated February 24, 2020.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of New Roads, Louisiana'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of New Roads, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of New Roads, Louisiana's internal control.

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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Audit Finding 2019-001 that we consider to be a significant deficiency.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Housing Authority of the City of New Roads, 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 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.

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
February 24, 2020

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

YEAR ENDED YEAR ENDED JUNE 30, 2019

**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 NEW ROADS, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

**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 2019-001- Late Filing With the Louisiana Legislative Auditor

Criteria and Condition

State law requires that the annual audit report be filed no later than six months after fiscal year end with the Louisiana Legislative Auditor.

Context

The audit report was not filed by the due date.

Cause

The Executive Director was seriously ill the last couple of months of 2019. She had a heart procedure in December. A request for an extension was duly filed with the Legislative Auditor. The extension was only granted through January 31<sup>st</sup>.

Effect

State law was not complied with. In addition, any recommendations in this audit could not be made on a timely basis.

Questioned Costs

None

Recommendation

The audit process should be timely started and finished.

Views of Responsible Officials and Planned Corrective Action

We will timely submit the audit report in the future.

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

**Corrective Action Plan for the Current Year Findings and Questioned Costs**  
**For the Year Ended June 30, 2019**

**Corrective Action Plan Finding:**

2019-001-Late Filing With the Louisiana Legislative Auditor

**Condition:**

State law requires that the annual audit report be filed no later than six months after fiscal year end with the Louisiana Legislative Auditor.

**Corrective Action Planned:** We will timely submit the audit report in the future.

**Person responsible for corrective action:**

Paula Battley, Executive Director  
Housing Authority of New Roads  
151 Cherry St  
New Roads, LA 70760

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

**Anticipated Completion Date:** The anticipated completion date is December 31, 2020.

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

YEAR ENDED JUNE 30, 2019

**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:**

There were no prior audit findings.

**SUPPLEMENTARY INFORMATION**

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

YEAR ENDED JUNE 30, 2019

CASH BASIS

	2015 Capital Fund	2016 Capital Fund	2017 Capital Fund	2018 Capital Fund	2019 Capital Fund
Funds approved	\$ 71,078	\$ 74,920	\$ 74,684	\$ 126,374	\$ 130,095
Funds expended	71,078	74,920	0	0	0
Excess of funds approved	\$ 0	\$ 0	\$ 74,684	\$ 126,374	\$ 130,095
Funds advanced	\$ 71,078	\$ 74,920	\$ 0	\$ 0	\$ 0
Funds expended	71,078	74,920	0	0	0
Excess (Deficiency) of funds advanced	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See accountants' report

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

YEAR ENDED JUNE 30, 2019

**Agency Head Name:** Paula Battley, Executive Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 86,312
Benefits-insurance	4,066
Benefits-retirement	6,474
Benefits-<list any other here>	
Car allowance	
Vehicle provided by government	4,550
Per diem	1,200
Reimbursements	
Travel	
Registration fees	
Conference travel	2,460
Continuing professional education fees	1,395
Housing	
Unvouchered expenses*	
Special meals	
<b>Total</b>	<b>\$ 106,457</b>

See accountants' report

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

YEAR ENDED JUNE 30, 2019

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	\$ 93,500
Total United States Department of Housing and Urban Development		\$ 93,500
Total Expenditures of Federal Awards		\$ 93,500

The accompanying notes are an integral part of this schedule.

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

YEAR ENDED JUNE 30, 2019

**NOTE 1 – BASIS OF PRESENTATION** The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the City of New Roads, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended June 30, 2019. 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	\$	93,500
Capital contributions		0
Total	\$	93,500

**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.



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### AGREED UPON PROCEDURES REPORT

Independent Accountant’s Report  
On Applying Agreed-Upon Procedures

### AGREED UPON PROCEDURES REPORT

Independent Accountant’s Report  
On Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the New Roads Housing Authority and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA’s Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The New Roads Housing Authority’s management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

#### *Written Policies and Procedures*

---

1. Obtain and inspect the entity’s written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity’s operations):
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) **Disbursements**, including processing, reviewing, and approving

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity’s ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results of Testing:

We noted in the prior year that the Authority still needed to adopt the policies of Budgeting, Purchasing-Disbursements-Contracting [three in one], Receipts, Credit Cards, and Ethics. The Authority still needs to adopt these policies. Regarding [k] above, the Authority has received satisfactory responses from both its fee accountant and its software provider.

Corrective Action Response:

We will adopt the policies noted above within sixty days of this audit report.

***Board or Finance Committee***

---

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board’s enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

#### Results of Testing:

- a) The board met with a quorum on a basis in accordance with its bylaws.
- b) The board minutes do not note that the board reviewed the year-to-date budgeted to actual income and expenses. We note that the fee accountant provides a handy one page summary that facilitates this review.
- c) The prior year's ending unassigned fund balance was a positive amount.

#### Corrective Action Response:

We will ensure that our minutes note the budgeted year-to-date income and expenses were compared to the actual amounts.

#### **Bank Reconciliations**

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

Results of Testing:

As noted in the Year 3 instructions, if this category had no exceptions in Year 2, Year 3 tests may be omitted. Since there were no Year 2 exceptions, these tests are omitted.

*Collections (excluding EFTs)*

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

Results of Testing:

The Authority only has one collection site.

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

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Results of Testing:

All employees who have access to cash are covered by a bond for theft.

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

Results of Testing:

- a) All receipts tested are sequentially pre-numbered.
- b) All tested receipts were agreed to the deposit slip.
- c) All tested deposit slip totals were agreed to the actual deposit slip in the bank statement.
- d) We noted exceptions in the prior year about timeliness of deposits. In the current year, from the date forward after we discussed this with Management for the prior audit, no exceptions were noted.
- e) The tested deposits per the bank statement were traced to the general ledger.

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

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

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests were omitted.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- b) At least two employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.)]

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

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

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

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

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

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
- b) Observe that finance charges and late fees were not assessed on the selected statements.

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

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

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

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

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14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

## ***Contracts***

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

### Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

## ***Payroll and Personnel***

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

### Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

### Corrective Action Response:

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

Results of Testing:

Since there were no Year 2 exceptions in this category, these tests are omitted.

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

Results of Testing:

Management asserts that no termination payments were made in the audit year. We noted none in our tests.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Results of Testing:

Since there were no Year 2 exceptions noted in this category, these tests are omitted.

*Ethics*

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
  - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Results of Testing:

- a) Management could not provide documentation that each employee and board member completed the required ethics training during the audit year.
- b) Management did not have signature verifications that all employees and board members read the ethics policy during the audit year.

Corrective Action Response:

Before the end of the audit year ended June 30, 2020, we will ensure that each employee and board member obtains one hour of ethics training and also reads the ethics policy. We will retain documentation of each.

***Debt Service***

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

Results of Testing:

Not applicable.

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

Results of Testing:

Not applicable.

***Other***

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

Results of Testing:

Management asserts that they are not aware of any misappropriation of public funds or assets during the year. We noted none in our audit tests.

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

Results of Testing:

The notice is properly posted.

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

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

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
February 24, 2020

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

<b>Entity Wide Balance Sheet Summary</b>			
	Project Total	Subtotal	Total
111 Cash - Unrestricted	\$118,556	\$118,556	\$118,556
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted			
114 Cash - Tenant Security Deposits	\$8,200	\$8,200	\$8,200
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$126,756	\$126,756	\$126,756
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects	\$7,120	\$7,120	\$7,120
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous	\$3,108	\$3,108	\$3,108
126 Accounts Receivable - Tenants	\$35,718	\$35,718	\$35,718
126.1 Allowance for Doubtful Accounts - Tenants	-\$29,028	-\$29,028	-\$29,028
126.2 Allowance for Doubtful Accounts - Other	-\$1,435	-\$1,435	-\$1,435
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$15,483	\$15,483	\$15,483
131 Investments - Unrestricted	\$105,260	\$105,260	\$105,260
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$21,690	\$21,690	\$21,690
143 Inventories	\$10,082	\$10,082	\$10,082
143.1 Allowance for Obsolete Inventories	-\$504	-\$504	-\$504
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$278,767	\$278,767	\$278,767
161 Land	\$40,454	\$40,454	\$40,454
162 Buildings	\$2,806,736	\$2,806,736	\$2,806,736
163 Furniture, Equipment & Machinery - Dwellings	\$40,099	\$40,099	\$40,099
164 Furniture, Equipment & Machinery - Administration	\$101,415	\$101,415	\$101,415
165 Leasehold Improvements	\$448,766	\$448,766	\$448,766
166 Accumulated Depreciation	-\$2,529,465	-\$2,529,465	-\$2,529,465
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$908,005	\$908,005	\$908,005
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$908,005	\$908,005	\$908,005
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$1,186,772	\$1,186,772	\$1,186,772

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

<b>Entity Wide Balance Sheet Summary</b>			
	Project Total	Subtotal	Total
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$3,092	\$3,092	\$3,092
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable			
322 Accrued Compensated Absences - Current Portion	\$3,623	\$3,623	\$3,623
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government			
341 Tenant Security Deposits	\$8,200	\$8,200	\$8,200
342 Unearned Revenue	\$1,503	\$1,503	\$1,503
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other	\$974	\$974	\$974
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$17,392	\$17,392	\$17,392
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current	\$6,376	\$6,376	\$6,376
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	\$6,376	\$6,376	\$6,376
300 Total Liabilities	\$23,768	\$23,768	\$23,768
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets	\$908,005	\$908,005	\$908,005
511.4 Restricted Net Position			
512.4 Unrestricted Net Position	\$254,999	\$254,999	\$254,999
513 Total Equity - Net Assets / Position	\$1,163,004	\$1,163,004	\$1,163,004
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,186,772	\$1,186,772	\$1,186,772

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$177,887		\$177,887
70400 Tenant Revenue - Other	\$11,693		\$11,693
70500 Total Tenant Revenue	\$189,580	\$0	\$189,580
70600 HUD PHA Operating Grants	\$97,298		\$97,298
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$1,783		\$1,783
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	\$60,579		\$60,579
71600 Gain or Loss on Sale of Capital Assets	\$700		\$700
72000 Investment Income - Restricted			
70000 Total Revenue	\$349,940	\$0	\$349,940
91100 Administrative Salaries	\$106,931		\$106,931
91200 Auditing Fees	\$9,755		\$9,755
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$936		\$936
91500 Employee Benefit contributions - Administrative	\$23,884		\$23,884
91600 Office Expenses	\$21,345		\$21,345
91700 Legal Expense	\$3,351		\$3,351
91800 Travel	\$9,900		\$9,900
91810 Allocated Overhead			
91900 Other	\$8,117		\$8,117
91000 Total Operating - Administrative	\$184,219	\$0	\$184,219
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$700		\$700
92500 Total Tenant Services	\$700	\$0	\$700
93100 Water	\$640		\$640
93200 Electricity	\$6,638		\$6,638
93300 Gas	\$1,141		\$1,141
93400 Fuel			
93500 Labor			
93600 Sewer	\$1,108		\$1,108

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$9,527	\$0	\$9,527
94100 Ordinary Maintenance and Operations - Labor	\$34,931		\$34,931
94200 Ordinary Maintenance and Operations - Materials and Other	\$77,453		\$77,453
94300 Ordinary Maintenance and Operations Contracts	\$16,772		\$16,772
94500 Employee Benefit Contributions - Ordinary Maintenance	\$6,001		\$6,001
94000 Total Maintenance	\$135,157	\$0	\$135,157
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$17,996		\$17,996
96120 Liability Insurance	\$5,357		\$5,357
96130 Workmen's Compensation	\$7,112		\$7,112
96140 All Other Insurance	\$3,347		\$3,347
96100 Total insurance Premiums	\$33,812	\$0	\$33,812
96200 Other General Expenses			
96210 Compensated Absences	\$10,539		\$10,539
96300 Payments in Lieu of Taxes	\$16,836		\$16,836
96400 Bad debt - Tenant Rents	\$37,833		\$37,833
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$65,208	\$0	\$65,208
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$428,623	\$0	\$428,623
97000 Excess of Operating Revenue over Operating Expenses	-\$78,683	\$0	-\$78,683
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$112,543		\$112,543
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$541,166	\$0	\$541,166

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$191,226	\$0	-\$191,226
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,354,230	\$0	\$1,354,230
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$63,976	-\$63,976	\$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	707		707
11210 Number of Unit Months Leased	692		692
11270 Excess Cash	\$194,389		\$194,389
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 NEW ROADS, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

<b>Entity Wide Revenue and Expense Summary</b>			
	Project Total	Subtotal	Total
70300 Net Tenant Rental Revenue	\$177,887	\$177,887	\$177,887
70400 Tenant Revenue - Other	\$11,693	\$11,693	\$11,693
70500 Total Tenant Revenue	\$189,580	\$189,580	\$189,580
70600 HUD PHA Operating Grants	\$97,298	\$97,298	\$97,298
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$1,783	\$1,783	\$1,783
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	\$60,579	\$60,579	\$60,579
71600 Gain or Loss on Sale of Capital Assets	\$700	\$700	\$700
72000 Investment Income - Restricted			
70000 Total Revenue	\$349,940	\$349,940	\$349,940
91100 Administrative Salaries	\$106,931	\$106,931	\$106,931
91200 Auditing Fees	\$9,755	\$9,755	\$9,755
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$936	\$936	\$936
91500 Employee Benefit contributions - Administrative	\$23,884	\$23,884	\$23,884
91600 Office Expenses	\$21,345	\$21,345	\$21,345
91700 Legal Expense	\$3,351	\$3,351	\$3,351
91800 Travel	\$9,900	\$9,900	\$9,900
91810 Allocated Overhead			
91900 Other	\$8,117	\$8,117	\$8,117
91000 Total Operating - Administrative	\$184,219	\$184,219	\$184,219
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$700	\$700	\$700
92500 Total Tenant Services	\$700	\$700	\$700
93100 Water	\$640	\$640	\$640
93200 Electricity	\$6,638	\$6,638	\$6,638
93300 Gas	\$1,141	\$1,141	\$1,141
93400 Fuel			
93500 Labor			
93600 Sewer	\$1,108	\$1,108	\$1,108

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

<b>Entity Wide Revenue and Expense Summary</b>			
	Project Total	Subtotal	Total
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$9,527	\$9,527	\$9,527
94100 Ordinary Maintenance and Operations - Labor	\$34,931	\$34,931	\$34,931
94200 Ordinary Maintenance and Operations - Materials and Other	\$77,453	\$77,453	\$77,453
94300 Ordinary Maintenance and Operations Contracts	\$16,772	\$16,772	\$16,772
94500 Employee Benefit Contributions - Ordinary Maintenance	\$6,001	\$6,001	\$6,001
94000 Total Maintenance	\$135,157	\$135,157	\$135,157
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$17,996	\$17,996	\$17,996
96120 Liability Insurance	\$5,357	\$5,357	\$5,357
96130 Workmen's Compensation	\$7,112	\$7,112	\$7,112
96140 All Other Insurance	\$3,347	\$3,347	\$3,347
96100 Total insurance Premiums	\$33,812	\$33,812	\$33,812
96200 Other General Expenses			
96210 Compensated Absences	\$10,539	\$10,539	\$10,539
96300 Payments in Lieu of Taxes	\$16,836	\$16,836	\$16,836
96400 Bad debt - Tenant Rents	\$37,833	\$37,833	\$37,833
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$65,208	\$65,208	\$65,208
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$428,623	\$428,623	\$428,623
97000 Excess of Operating Revenue over Operating Expenses	-\$78,683	-\$78,683	-\$78,683
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$112,543	\$112,543	\$112,543
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$541,166	\$541,166	\$541,166

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

<b>Entity Wide Revenue and Expense Summary</b>			
	Project Total	Subtotal	Total
10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$191,226	-\$191,226	-\$191,226
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,354,230	\$1,354,230	\$1,354,230
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	707	707	707
11210 Number of Unit Months Leased	692	692	692
11270 Excess Cash	\$194,389	\$194,389	\$194,389
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