

HOUSING AUTHORITY OF HAMMOND, LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED DECEMBER 31, 2022

Mike Estes, P.C.
A Professional Accounting Corporation

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Independent Auditor's Report

Board of Commissioners
Housing Authority of Hammond
Hammond, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of each major fund of the Housing Authority of the City of Hammond, Louisiana as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of Hammond, Louisiana basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective position of each major fund, of the Housing Authority of the City of Hammond, Louisiana as of and for the year ended December 31, 2022, 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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 9 be presented to supplement the basic financial statements.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Hammond, Louisiana's basic financial statements. The financial data schedules, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2023 on our consideration of the Housing Authority of the City of Hammond, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority of the City of Hammond, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the City of Hammond, Louisiana's internal control over financial reporting and compliance.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
June 28, 2023

Housing Authority of Hammond, Louisiana
Management's Discussion and Analysis (MD&A)
For the Year Ended, December 31, 2022

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

This financial report is designed to provide an overview of the Housing Authority's total financial picture for the fiscal year ending December 31, 2022, for those with an interest. Please read this discussion and analysis in conjunction with the Housing Authority's included audited financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Housing Authority of the City of Hammond, 1210 Phoenix Square, Hammond, LA 70403

FINANCIAL HIGHLIGHTS

- The Housing Authority's primary source of funding continues to be subsidies and grants from the United States Department of Housing and Urban Development (HUD). Additionally, the Housing Authority receives rental subsidy from the United States Department of Agriculture (USDA) for the Jackson Square Rural Development.
- The Housing Authority's net position increased by \$126,727 during the fiscal year.
- The Housing Authority's operating revenue decreased by \$145,655 during the fiscal year.
- The Housing Authority's operating expenses decreased by \$120,836 during the fiscal year.
- At the close of the current fiscal year, the Housing Authority's Assets exceeded its Liabilities by \$828,782.
- The Housing Authority administers federal grants to benefit the low income, elderly and disabled citizens of the City of Hammond.

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 Housing Authority's internal controls.

Housing Authority of Hammond, Louisiana
Management's Discussion and Analysis (MD&A)
For the Year Ended, December 31, 2022

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Housing Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2022?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Fund 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, liabilities and deferred outflows/inflows of resources using the accrual basis of accounting, which is similar to the accounting method 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 them. One can think of the Housing Authority's net position – the difference between assets and deferred outflows and liabilities and deferred inflows of resources – as one way to measure the Housing Authority's financial health, or financial position. Over time, increases and decreases in the Housing 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 Housing 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:

Jackson Square Rural Development
Section 8 Housing Choice Vouchers

The Housing Authority's auditors provided varying degrees of assurance in their independent auditor's report with which this MD&A is included. The auditors also provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditor's 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) and United States Department of Agriculture (USDA). 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.

Housing Authority of Hammond, Louisiana
Management's Discussion and Analysis (MD&A)
For the Year Ended, December 31, 2022

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
Condensed Statement of Net Position

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>
ASSETS			
Current assets	\$ 271,740	\$ 267,135	\$ 4,605
Restricted assets	179,555	523,798	(344,243)
Capital assets (net)	615,343	127,127	488,216
Other assets	<u>100</u>	<u>100</u>	<u>-</u>
Total Assets	<u>1,066,738</u>	<u>918,160</u>	<u>148,578</u>
LIABILITIES			
Current liabilities	89,512	59,639	29,873
Deposits due others	7,700	7,065	635
Noncurrent liabilities	<u>140,744</u>	<u>149,401</u>	<u>(8,657)</u>
Total Liabilities	<u>237,956</u>	<u>216,105</u>	<u>21,851</u>
NET POSITION			
Net investment in capital assets	482,865	(21,030)	503,895
Restricted	82,299	367,295	(284,996)
Unrestricted	<u>263,618</u>	<u>355,790</u>	<u>(92,172)</u>
Total Net Position	<u>\$ 828,782</u>	<u>\$ 702,055</u>	<u>\$ 126,727</u>

Current Assets increased by \$4,605.

Capital Assets increased by \$488,216. This increase is a result land, construction in progress, buildings and improvements, as well as, furniture and equipment purchased by the Authority exceeding current depreciation expense during the year.

Current Liabilities increased by \$29,873 as a result of increases in accounts payable to vendors, accrued wages payable, accrued compensated absences and notes payable due within one year. This increase was offset by a decrease in interest payable in FYE 2022 as compared to FYE 2021.

Noncurrent Liabilities decreased by \$8,657 due to a reduction in notes payable, offset by an increase in accrued compensated absences during the year.

Net position - The difference between an organization's assets and its liabilities is its net position. Net position is categorized as one of three types.

- Invested in capital assets, net of related debt - capital assets, net of accumulated depreciation and related debt due to the capital asset and long-term debt activity;

Housing Authority of Hammond, Louisiana
Management's Discussion and Analysis (MD&A)
For the Year Ended, December 31, 2022

- Restricted - the Authority's net position whose use is subject to constraints imposed by law or agreement consisting primarily of debt service reserves;
- Unrestricted - the Authority's net position that are neither invested in capital assets nor restricted which increases principally due to operations. These resources are available to meet the Authority's ongoing obligations to its residents and creditors.

Financial Analysis
Condensed Statement of Revenues, Expenses and Changes in Net Position

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>
Operating Revenues:			
Dwelling Rental	\$ 34,159	\$ 27,839	\$ 6,320
Governmental operating grants	2,223,045	2,239,717	(16,672)
Other Operating	47,883	183,186	(135,303)
Total operating revenues	<u>2,305,087</u>	<u>2,450,742</u>	<u>(145,655)</u>
Operating Expenses:			
Administrative	242,544	293,524	(50,980)
Utilities	8,278	6,175	2,103
Ordinary maintenance & operations	61,926	36,422	25,504
Protective services	2,259	-	2,259
General expenses	38,146	64,579	(26,433)
Depreciation	28,718	25,802	2,916
Extraordinary maintenance	7,905	27,903	(19,998)
Housing assistance payments	1,855,931	1,912,138	(56,207)
Total operating expenses	<u>2,245,707</u>	<u>2,366,543</u>	<u>(120,836)</u>
Income (Loss) from Operations	<u>59,380</u>	<u>84,199</u>	<u>(24,819)</u>
Non-Operating Revenues (Expenses):			
Interest earnings	161	999	(838)
Interest expenses	(19,640)	(21,701)	2,061
Insurance proceeds	103,170	-	103,170
Loss on disposal of assets	(16,344)	-	(16,344)
Total Non-Operating Revenues (Expenses)	<u>67,347</u>	<u>(20,702)</u>	<u>88,049</u>
Change in net position	126,727	63,497	63,230
Total net position, beginning	<u>702,055</u>	<u>638,558</u>	<u>63,497</u>
Total net position, ending	<u>\$ 828,782</u>	<u>\$ 702,055</u>	<u>\$ 126,727</u>

Housing Authority of Hammond, Louisiana
Management's Discussion and Analysis (MD&A)
For the Year Ended, December 31, 2022

EXPLANATIONS OF FINANCIAL ANALYSIS

Operating Revenue decreased by \$145,655 for the 2022 fiscal year. This decrease represents decreases in governmental operating grants and other operating revenue, offset by an increase in dwelling rental.

Operating Expenses are categorized by the Authority as administrative, utilities, ordinary maintenance and operations, protective services, general expenses, depreciation, extraordinary maintenance and housing assistance payments expense.

Total operating expenses decreased by \$120,836. This decrease is attributable mainly to decreases in administrative expense, general expenses and housing assistance payments, offset by increases in utilities, ordinary maintenance and operations expense, protective services, depreciation, and extraordinary maintenance for the 2022 fiscal year.

Administrative Expenses decreased by \$50,980 for the 2022 fiscal year. Most of the decrease is attributable to decreases in administrative salaries, advertising and marketing expense, employee benefit contributions expense and office expense. This decrease was offset by increases in auditing, legal expense travel expense and other expense in FYE 2022.

Ordinary Maintenance and Operations Expenses increased by \$25,504 for the 2022 fiscal year. The increase is mainly due to increases in maintenance materials and contract costs due to additional maintenance costs relating to the purchase of an office building, as well as, the continuation of unit turnaround efforts in the rural development program for the 2022 fiscal year as compared to the 2021 fiscal year.

General Expenses decreased by \$26,433 for the 2022 fiscal year. This decrease relates to decreases in other general expenses, compensated absences expense and bad debt expense, offset by an increase in insurance expense in FYE 2022 as compared to FYE 2021.

Extraordinary maintenance decreased by \$19,998 for the 2022 fiscal year. This increase directly relates to disaster maintenance expenses incurred due to Hurricane IDA in FYE 2022.

Housing Assistance Payments decreased by \$56,207 for the 2022 fiscal year.

Non-Operating Revenues and Expenses increased by \$88,049, primarily due to insurance proceeds of \$103,170.

CAPITAL ASSET AND DEBT ADMINISTRATION

The Authority's capital assets as of December 31, 2022, amounts to \$615,343 (net of accumulated depreciation). The investment in capital assets includes land, construction in progress, buildings and improvements, furniture and equipment, and accumulated depreciation. The total increase in the Authority's capital assets for the current fiscal year was \$488,216.

Housing Authority of Hammond, Louisiana
Management's Discussion and Analysis (MD&A)
For the Year Ended, December 31, 2022

Capital Assets, Net of Accumulated Depreciation

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>
Land	\$ 114,530	\$ 35,560	\$ 78,970
Construction in progress	6,311	-	6,311
Buildings and improvements	1,120,719	759,488	361,231
Furniture and equipment	100,986	55,080	45,906
Accumulated Depreciation	<u>(727,203)</u>	<u>(723,001)</u>	<u>(4,202)</u>
Total	<u>\$ 615,343</u>	<u>\$ 127,127</u>	<u>\$ 488,216</u>

Additional information on the Housing Authority of Hammond's capital assets can be found in the notes to the financial statements in this report.

DEBT

As of December 31, 2022, the Housing Authority had total debt outstanding of \$132,478 for the USDA loan on the Jackson Square Rural Development. The balance of the total outstanding debt at year end represents a decrease of \$15,679 from the previous year. See the notes to the financial statements for further information.

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

FACTORS AFFECTING NEXT YEAR'S BUDGET

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions. The Housing Choice Voucher program funding is based on actual housing assistance paid and the number of vouchers housed. However, each year HUD prorates the funding for administrative fees based on the Federal budget.

ECONOMIC FACTORS

Significant economic factors which may also affect the financial position of the Authority in the subsequent fiscal year are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development and new rules and regulations, which could be unfunded;
- Local labor supply and demand, which can affect salary and wage rates;
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income as well as the Housing Assistance Payments (HAP) to landlords;
- Natural disasters which can have a devastating impact on the local economy;
- Inflationary pressure on utility rates, housing costs, supplies and other costs; and
- Trends in the current housing market.

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
STATEMENT OF NET POSITION

DECEMBER 31, 2022

	General	Rural Development	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 172,082	\$ 10,343	\$ 182,425
Accounts receivable net	31,210	16,345	47,555
Prepaid expenses	14,841	26,919	41,760
Restricted assets - cash and cash equivalents	82,299	97,256	179,555
Total Current Assets	300,432	150,863	451,295
Capital Assets, net			
Land and other non-depreciated assets	85,281	35,560	120,841
Other capital assets - net of depreciation	234,598	259,904	494,502
Total Capital Assets, net	319,879	295,464	615,343
Other Assets			
Total Other Assets	100	0	100
Total Assets	\$ 620,411	\$ 446,327	\$ 1,066,738
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 66,090	\$ 5,062	\$ 71,152
Compensated absences payable	2,584	0	2,584
Accrued interest payable	0	15	15
Deposits due others	0	7,700	7,700
Notes payable	0	15,761	15,761
Total Current Liabilities	68,674	28,538	97,212
Noncurrent Liabilities			
Compensated absences payable	24,027	0	24,027
Notes payable	0	116,717	116,717
Total Noncurrent Liabilities	24,027	116,717	140,744
Total Liabilities	\$ 92,701	\$ 145,255	\$ 237,956
NET POSITION			
Net investment in capital assets	319,879	162,986	482,865
Restricted	82,299	0	82,299
Unrestricted	125,532	138,086	263,618
Net Position	\$ 527,710	\$ 301,072	\$ 828,782

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

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

YEAR ENDED DECEMBER 31, 2022

	General	Rural Development	Total
OPERATING REVENUES			
Dwelling rental	\$ 0	\$ 34,159	\$ 34,159
Governmental operating grants	2,065,491	157,554	2,223,045
Port-In Revenue	43,653	0	43,653
Other	1,427	2,803	4,230
Total Operating Revenues	2,110,571	194,516	2,305,087
OPERATING EXPENSES			
Administration	205,083	37,461	242,544
Utilities	2,529	5,749	8,278
Ordinary maintenance & operations	11,485	50,441	61,926
General expenses	21,861	16,285	38,146
Depreciation	10,062	18,656	28,718
Housing assistance payments	1,818,848	0	1,818,848
Port Payments	37,083	0	37,083
Extraordinary maintenance	0	7,905	7,905
Protective services	2,259	0	2,259
Total Operating Expenses	2,109,210	136,497	2,245,707
Income (Loss) from Operations	1,361	58,019	59,380
Non Operating Revenues (Expenses)			
Interest earnings	90	71	161
Interest expense	0	(19,640)	(19,640)
Loss on disposal of assets	0	(16,344)	(16,344)
Insurance proceeds	0	103,170	103,170
Total Non-Operating Revenues (Expenses)	90	67,257	67,347
Income (Loss) before contribution	1,451	125,276	126,727
Capital Contribution	0	0	0
Change in net position	1,451	125,276	126,727
Total net position - beginning	526,259	175,796	702,055
Total net position - ending	\$ 527,710	\$ 301,072	\$ 828,782

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

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2022

	General	Rural Development	Total
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Rental receipts	\$ 0	\$ 34,372	\$ 34,372
Other receipts	75,339	(276)	75,063
Federal grants	2,081,309	167,575	2,248,884
Payments to vendors	(148,163)	(110,483)	(258,646)
Payments to employees – net	(98,451)	(14,210)	(112,661)
Payments to private landlords	(1,855,931)	0	(1,855,931)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operating activities	54,103	76,978	131,081
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Payments on capital debt	0	(15,679)	(15,679)
Interest expense	0	(19,641)	(19,641)
Purchase of fixed assets	(325,745)	(207,533)	(533,278)
Insurance proceeds	0	103,170	103,170
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by capital and related financing activities	(325,745)	(139,683)	(465,428)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	90	71	161
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by investing activities	90	71	161
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(271,552)	(62,634)	(334,186)
CASH AND CASH EQUIVALENTS			
Beginning of Fiscal Year	525,933	170,233	696,166
	<u> </u>	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS			
End of Fiscal Year	\$ 254,381	\$ 107,599	\$ 361,980
	<u> </u>	<u> </u>	<u> </u>

Continued

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2022

	General	Rural Development	Total
	<u> </u>	<u> </u>	<u> </u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 1,361	\$ 58,019	\$ 59,380
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation Expense	10,062	18,656	28,718
Provision of uncollectible accounts	10,183	0	10,183
Change in assets and liabilities:			
Receivables	(176)	213	37
Prepaid items	(2,186)	(8,889)	(11,075)
Account payables	34,859	8,344	43,203
Deposits due others	0	635	635
Net cash provided (used) by operations	<u>\$ 54,103</u>	<u>\$ 76,978</u>	<u>\$ 131,081</u>

Concluded

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

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

DECEMBER 31, 2022

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

DECEMBER 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of the City of Hammond 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 Hammond, serve staggered multi-year terms.

The Housing Authority has the following units:

<u>Program</u>	<u>Units/Vouchers</u>
Jackson Square Rural Development	20
Housing Choice Vouchers	326
VASH	13

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

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 HAMMOND, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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

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

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

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program. The housing choice voucher fund accounts for the Section 8 Housing Choice Voucher 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.

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 and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

DECEMBER 31, 2022

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

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$361,980. This is comprised of cash and cash equivalents of \$182,425 and restricted assets – cash of \$179,555, 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 HAMMOND, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,500. 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	5 years

J. COMPENSATED ABSENCES It is the Housing Authority's policy to permit employees to accumulate earned but unused vacation pay benefits. In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences," vacation pay is accrued when incurred and reported as a liability.

Employees can earn from 40 to 160 hours per year in vacation time. Employees with more than twenty years of service also earn one day per year of service over 20. Employees may accumulate an unlimited number of vacation time hours. Depending upon their length of service, classified employees receive payment for up to 300 vacation time hours upon termination or retirement at their then current rate of pay. However, unclassified employees are not capped regarding the amount of hours received for vacation time upon termination or retirement. The cost of current leave privileges, computed in accordance with GASB Codification, is recognized as a current year expense when leave is earned. Employees may request a payment of unused vacation leave.

K. UNEARNED REVENUES The Housing Authority reports unearned revenues on its combined statement of net position. Unearned 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 incurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for unearned revenue is removed from the combined statement of net position and the revenue is recognized.

L. POST EMPLOYMENT BENEFITS The Authority does not recognize or pay any post employment benefits.

M. NET POSITION AND FLOW ASSUMPTIONS Net position is reported as restricted when constraints 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.

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

DECEMBER 31, 2022

Sometime the Authority may fund outlays from both restricted and unrestricted resources. In the event that should occur, the Authority must make a flow assumption about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

N. INTERFUND ACTIVITY Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate. Services provided, deemed to be at market, or near market rates, are treated as revenues and expenses. All other interfund transfers are reported as transfers. Reimbursements are when one fund incurs a cost, changes the benefiting fund and reduces its related cost as reimbursement. All other interfund transactions are treated as transfers.

O. 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 December 31, 2022. Deposits are stated at cost, which approximates fair value.

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

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

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

Restricted Cash: \$82,299 of remaining Section Eight Disaster-related funds are restricted in the General Fund. In the Rural Development Fund, \$89,556 for the Reserve Account is restricted for an equal amount of cash. \$7,700 of cash is restricted for tenant security deposits.

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

DECEMBER 31, 2022

At December 31, 2022, the Housing Authority's carrying amount of deposits was \$361,980 and the bank balance was \$404,475. \$360,131 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$44,344 was covered by pledged securities. However, this \$44,344 was exposed to custodial credit risk, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand. Investments during the year were solely in time deposits at banks.

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at December 31, 2022, are as follows:

	General	Rural Development	Total
<u>Class of Receivables</u>			
Local sources:			
Tenants	\$ 0	\$ 1,556	\$ 1,556
Other	538	3,714	4,252
Ports	6,280	0	6,280
FEMA-Disaster	20,754	11,075	31,829
Federal sources:			
Grants	3,638	0	3,638
Total	\$ 31,210	\$ 16,345	\$ 47,555

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

DECEMBER 31, 2022

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

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 35,560	\$ 78,970	\$ 0	\$ 114,530
Construction in progress	0	6,311	0	6,311
Depreciable assets:				
Buildings	759,488	402,091	40,860	1,120,719
Furniture and equipment	55,080	45,906	0	100,986
Total capital assets	850,128	533,278	40,860	1,342,546
Less: accumulated depreciation				
Buildings	684,888	0	6,371	678,517
Furniture and equipment	38,113	28,718	18,145	48,686
Total accumulated depreciation	723,001	28,718	24,516	727,203
Total capital assets, net	\$ 127,127	\$ 504,560	\$ 16,344	\$ 615,343

NOTE 5 – ACCOUNTS PAYABLE The payables at December 31, 2022 are as follows:

	General	Rural Development	Total
Vendors	\$ 8,923	\$ 5,062	\$ 13,985
Payroll taxes & Retirement withheld	3,957	0	3,957
Ports	53,210	0	53,210
Total	\$ 66,090	\$ 5,062	\$ 71,152

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

DECEMBER 31, 2022

NOTE 6 – LONG-TERM OBLIGATIONS The long-term liability at December 31, 2022 represents a housing revenue note payable to the United States Department of Agriculture, Rural Development Administration under the Rural Rental Housing Loan Program (CFDA#10.415). The note is due in monthly installments of \$1,424 through January 2031, with an annual interest rate of 13.25%. The following is a summary of the changes in long-term obligations for the note payable for the year ended December 31, 2022:

		Compensated Absences
Balance, beginning	\$	148,157
Additions		0
Deletions		(15,679)
Balance, ending		132,478
Amounts due in one year	\$	15,761

Because of the variable terms of the USDA program (CFDA#10.415), it is not possible to determine exactly what the long-term debt amortization is. The estimated annual requirements to amortize long-term debt outstanding at December 31, 2022 are as follows:

Year ending December 31,	Principal	Interest	Total
2023	15,761	20,854	36,615
2024	15,918	19,754	35,672
2025	16,078	18,454	34,532
2026	16,332	16,854	33,186
2027	16,403	14,854	31,257
2028-2033	51,986	48,000	99,986
Total	\$ 132,478	\$ 138,770	\$ 271,248

The Housing Authority has also entered into an interest credit and rental assistance agreement with the USDA, Rural Development under which the Housing Authority earns a credit against the interest payable on the mortgage note. The Credit may result in an effective interest rate as low as one percent (1%). USDA, Rural Development may terminate the interest credit agreement if it is determined that no subsidy is necessary or if the Housing Authority is determined to be in noncompliance with the loan agreement or other applicable UDSDA, Rural Development rules or regulations. The note is due in monthly installment over a fifty (50) year period through January 2031, with a stated annual interest of 13.25%; however, the current annual interest being charged and paid is one percent (1%), the latter is how management has chosen to present the liability on the financial statements.

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

DECEMBER 31, 2022

Also included in the long-term debt as of December 31, 2022, is \$26,611 which represents the long-term portion of compensated absences. The following is a summary of the changes in long-term obligations for compensated absences for the year ended December 31, 2022.

		Compensated Absences
Balance, beginning	\$	19,156
Additions		7,455
		26,611
Balance, ending		26,611
Amounts due in one year	\$	2,584

NOTE 7 – RESERVED FUND ACCOUNT During 1982, the Housing Authority received a \$659,140 loan from USDA, Rural Development (CFDA #10.415) for the construction of housing accommodations for disabled and low income individuals. The loan agreement requires the establishment of a reserve fund bank account. The Housing Authority must transfer into this fund an amount not less than \$6,000 annually. At December 31, 2022, the Housing Authority had a balance of \$89,556 in the reserve account.

The following is summary of the changes in the reserve fund balance for the year ended December 31, 2022:

		Reserve Fund Account
Balance, beginning	\$	88,379
Transfer from checking		6,600
Interest earned		27
Withdrawal		(5,450)
		89,556
Balance, ending		89,556

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

DECEMBER 31, 2022

NOTE 8 – RENTAL SERVICE AGREEMENT The Housing Authority has entered into a contract with the USDA, Rural Development that provides rental assistance payments on behalf of eligible lower income persons or families. Under this contract, the Housing Authority agrees to rent only to eligible persons or families at USDA Rural Development approved rates and to adhere to certain rules of operation. USDA Rural Development may, at its option, terminate the contract if the Housing Authority is determined to be in noncompliance with the USDA Rural Development loan agreement or other applicable USDA Rural Development rules or regulations. USDA Rural Development may also reduce the number of units covered by the contract should it determine that there is a lack of eligible tenants in the area.

NOTE 9 – POST EMPLOYMENT BENEFITS The Housing Authority does not provide post employment health benefits; therefore, the Housing Authority does not include any entries for unfunded actuarial accrued liability, net OPEB expense, or annual contribution required.

NOTE 10 – RETIREMENT SYSTEM The Housing Authority participates in the Louisiana Housing Council Group Retirement Plan which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, which are members of the Louisiana Housing Council. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees who have attained age 18 are eligible to participate in the plan on the first day of the month after completing three months of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer was required to make monthly contributions equal to 8 percent of each participant's basic (excludes overtime) compensation from January 2014 through June 2014; however, as of July 2014, the required employer contribution was reduced to 6 percent of each participant's basic compensation. Employees are required to contribute 6 percent of their annual covered salary.

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.

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

DECEMBER 31, 2022

Normal retirement date shall be the first day of the month following the employee's sixty-fifth birthday. Early retirement may be elected on the first day of any month within 10 years of the employee's normal retirement date, provided the employee has completed five years of service with the Housing Authority.

With the Housing Authority's consent, employees may defer retirement to the first day of any month beyond normal retirement date.

The Housing Authority made the required contributions of \$5,400 for the year ended December 31, 2022, of which \$2,700 was paid by the Housing Authority and \$2,700 was paid by employees. No payments were made out of the forfeiture account.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Commitments The Authority entered into an Employment Agreement with the Executive Director, effective November 1, 2021. The Agreement is for five years, and the Board will vote on an additional five year term at least ninety days in advance of the end of the current five year term. The Executive Director may terminate the Agreement at any time, provided she gives at least sixty days written notice to the Board prior to her resignation.

The Agreement may be terminated by the Board at any time, provided thirty days written notice is given and due process is followed. If the Executive Director is terminated without cause, the Authority is obligated to pay a lump sum equal to the salary and benefits she would have received for the remainder of the five year term. If the Executive Director leaves for any reason, the Authority is obligated to pay all unused but earned annual leave, in accordance with the Employment Agreement.

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 December 31, 2022. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

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

DECEMBER 31, 2022

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, and public liability. 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 Insurance Risk Management Agency risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

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

NOTE 12 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$2,223,045 to the Housing Authority, which represents approximately 96% of the Housing Authority's total revenue and capital contributions for the year.

NOTE 13 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net position date through, June 28, 2023, of the independent auditor's report for potential recognition or disclosure in the financial statements.



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AUDIT QUALITY CENTER

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

Independent Auditor's Report

Housing Authority of Hammond
Hammond, 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 Hammond, Louisiana, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Hammond, Louisiana's basic financial statements, and have issued our report thereon dated June 28, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Hammond, Louisiana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Hammond, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Hammond, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Hammond, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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
June 28, 2023



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Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Housing Authority of Hammond
Hammond, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Housing Authority of the City of Hammond, Louisiana's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Hammond, Louisiana's major federal programs for the year ended December 31, 2022. The Housing Authority of the City of Hammond, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of the City of Hammond, Louisiana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Housing Authority of the City of Hammond, Louisiana and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Housing Authority of the City of Hammond, Louisiana's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Housing Authority of the City of Hammond, Louisiana's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Housing Authority of the City of Hammond, Louisiana's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Housing Authority of the City of Hammond, Louisiana's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Housing Authority of the City of Hammond, Louisiana's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Housing Authority of the City of Hammond, Louisiana's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Hammond, Louisiana's internal control over compliance. Accordingly no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned

functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charge with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Housing Authority of Hammond, Louisiana's each major fund, and the aggregate remaining fund information of the Housing Authority of the City of Hammond, Louisiana, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Hammond, Louisiana's basic financial statements. We issued our report thereon dated June 28, 2023, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
June 28, 2023

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

YEAR ENDED DECEMBER 31, 2022

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Housing Choice Voucher	14.871	2,065,491
Total United States Department of Housing and Urban Development		\$ 2,065,491
FEMA	97.036	55,164
U. S. Department of Agriculture Direct Programs:		
Rural Rental Housing Administration	10.415	1> 250,547
Total Expenditures of Federal Awards		\$ 2,371,202

The calculation of the Schedule of Expenditures of Federal Awards as noted below are in accordance with the Uniform Guidance requirements.

1> Includes the beginning of year, January 1, 2022 indebtedness to the Farmers Home Administration of \$148,157, plus current year subsidy of \$102,390.

The accompanying notes are an integral part of this schedule.

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

YEAR ENDED DECEMBER 31, 2022

NOTE 1 – BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the City of Hammond, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended December 31, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

	Federal Sources
Enterprise Funds	
Governmental operating grants	\$ 2,233,045
Total	\$ 2,233,045

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 – RURAL RENTAL HOUSING Not included in the Schedule of Expenditures of Federal Awards is \$132,478 in an outstanding long-term housing revenue note payable at December 31, 2022. The note is payable to the Rural Development Administration under CFDA #10.415. Of the \$102,390 reported under the CFDA #10.415, \$35,321 consists of rental assistance and \$67,069 consists of a loan subsidy.

NOTE 6 – DE MINIMIS INDIRECT COST RATE The Housing Authority did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

YEAR ENDED DECEMBER 31, 2022

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

Audit of Federal Awards

1. Internal Control Over Major Programs:
 - a. Material weakness(es) identified? _____ yes ✓ no
 - b. Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes ✓ none reported
2. Type of Auditor’s Report Issued on Compliance For Major Programs – Unmodified.
3. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (2 CFR 200)? _____ yes ✓ no
4. The programs tested as major programs include:

CFDA# 14.871

Section 8 Housing Choice Voucher

5. Dollar threshold used to distinguish between Type A and Type B Programs as described in the Uniform Guidance (2 CFR 200): \$ 750,000
6. Auditee qualified as low-risk auditee under Uniform Guidance (2 CFR 200)? ✓ yes _____ no
7. Nonstatistical sampling was used. To determine sample sizes, the AICPA Audit Guide *Audit Sampling* was used.

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

YEAR ENDED DECEMBER 31, 2022

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

None

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

YEAR ENDED DECEMBER 31, 2022

Section III – Findings and questioned costs for federal awards which are required to be reported under Uniform Guidance

None

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED DECEMBER 31, 2022

There were no audit findings.

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

YEAR ENDED DECEMBER 31, 2022

The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:

There were no prior audit findings.

SUPPLEMENTARY INFORMATION

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

YEAR ENDED DECEMBER 31, 2022

Agency Head Name: Jennifer Brunet, Executive Director

Purpose	Amount
Salary	\$ 60,400
Benefits-insurance	
Benefits-retirement	3,273
Benefits-<list any other here>	351
Car allowance	
Vehicle provided by government	<enter amount reported on W-2>
Per diem	
Reimbursements	
Travel	2,295
Registration fees	1,441
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	
Total	\$ 67,760



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and the
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AGREED UPON PROCEDURES REPORT

Independent Accountant’s Report
 On Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the Hammond 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 January 1, 2022 through December 31, 2022. The Hammond Housing Authority’s management is responsible for those C/C areas identified in the SAUPs.

The Hammond Housing Authority has agreed to an acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA’s SAUPs for the fiscal period January 1, 2022 through December 31, 2022. Additionally, LLA has agreed and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity’s operations:
 - i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **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.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - iv. **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).

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

Results of Testing:

All of the above policies were adopted before the end of the fiscal year.

2) Board or Finance Committee

- A. 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
 - i. 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.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-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.*

- iii. 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.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results of Testing:

- (i)-The board of commissioners met in accordance with the bylaws.
- (ii)-The minutes properly referenced the budget-to-actual comparisons
- (iii)-The unassigned fund balance at the end of the prior year was positive amount.
- (iv)-The prior audit report did not include any audit findings.

3) *Bank Reconciliations*

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a 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
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results of Testing:

No exceptions were noted in the above tests.

4) *Collections (excluding electronic funds transfers)*

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

Results of Testing:

Tenant payments are received and processed only at the Authority office.

- B. 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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then 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
- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also 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; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results of Testing:

No exceptions were noted in the above tests.

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

Results of Testing:

A fidelity/surety bond was in force for the entire year that covered employees who had access to cash.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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). *Alternatively, 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:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Results of Testing:

No exceptions were noted in the above tests.

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

- A. 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:

Payments were made and processed only at the Authority.

- B. For each location selected under procedure #5A 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, then 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 or 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; and
 - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

(Note: Findings related 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:

No exceptions were noted in the above tests.

- C. For each location selected under procedure #5A 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
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

Results of Testing:

No exceptions were noted in the above tests.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results of Testing:

No exceptions were noted in the above tests.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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:

Management asserts that the list of credit and debit cards we have is complete.

- B. 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 whether 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) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

Results of Testing:

No exceptions were noted in the above tests.

- C. Using the monthly statements or combined statements selected under procedure #7B 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 (e.g., each card should have 10 transactions subject to inspection). 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 observe 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:

No exceptions were noted in the above tests.

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

- A. 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 and 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
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. 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 Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results of Testing:

No exceptions were noted in the above tests.

8) *Contracts*

- A. 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. *Alternatively, 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
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
 - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

- iv. 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:

No exceptions were noted in the above tests.

9) Payroll and Personnel

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

Results of Testing:

No exceptions were noted in the above tests.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Results of Testing:

No exceptions were noted in the above tests.

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

Results of Testing:

Management asserts that there were no termination payments made during the audit year. We did not note any in our tests.

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

Results of Testing:

Management asserts that all payroll related liabilities and reports were timely paid and filed. We did not note any past-due payments in our tests.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- a. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - b. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results of Testing:

The proper ethics training was obtained during the year.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results of Testing:

An ethics designee was properly appointed in April 2023.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Results of Testing:

No exceptions were noted in the above tests.

- B. 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:

No exceptions were noted in our tests.

12) Fraud Notice

- A. 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 as required by R.S. 24:523.

Results of Testing:

- B. 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:

Management asserts that they are not aware of any misappropriations of public funds or assets during the year. We did not note any during our tests.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results of Testing:

We performed the procedures and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results of Testing:

There were no terminated employees during the year.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Results of Testing:

No exceptions were noted in our tests.

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

Results of Testing:

The policy is properly posted.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Results of Testing:

Management asserts they did not receive any sexual harassment complaints during the audit year.

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

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

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

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
June 28, 2023

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2022

Entity Wide Balance Sheet Summary								
	97.036 Disaster Grants - Presidentially Declared Disasters	14.IKE DHAP- IKE	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
111 Cash - Unrestricted			\$10,343	\$172,082		\$182,425		\$182,425
112 Cash - Restricted - Modernization and Development								
113 Cash - Other Restricted			\$89,556		\$82,299	\$171,855		\$171,855
114 Cash - Tenant Security Deposits			\$7,700			\$7,700		\$7,700
115 Cash - Restricted for Payment of Current Liabilities								
100 Total Cash	\$0	\$0	\$107,599	\$172,082	\$82,299	\$361,980		\$361,980
121 Accounts Receivable - PHA Projects				\$6,280		\$6,280		\$6,280
122 Accounts Receivable - HUD Other Projects				\$3,638		\$3,638		\$3,638
124 Accounts Receivable - Other Government			\$11,075	\$20,754		\$31,829		\$31,829
125 Accounts Receivable - Miscellaneous			\$3,714	\$538		\$4,252		\$4,252
126 Accounts Receivable - Tenants			\$1,556			\$1,556		\$1,556
126.1 Allowance for Doubtful Accounts -Tenants			\$0			\$0		\$0
126.2 Allowance for Doubtful Accounts - Other			\$0	\$0		\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current								
128 Fraud Recovery				\$43,683		\$43,683		\$43,683
128.1 Allowance for Doubtful Accounts - Fraud				-\$43,683		-\$43,683		-\$43,683
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$16,345	\$31,210	\$0	\$47,555		\$47,555
131 Investments - Unrestricted								
132 Investments - Restricted								
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets			\$26,919	\$14,841		\$41,760		\$41,760
143 Inventories								
143.1 Allowance for Obsolete Inventories								
144 Inter Program Due From								
145 Assets Held for Sale								
150 Total Current Assets	\$0	\$0	\$150,863	\$218,133	\$82,299	\$451,295		\$451,295

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2022

Entity Wide Balance Sheet Summary								
	97.036 Disaster Grants - Presidentially Declared Disasters	14.IKE DHAP-IKE	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
161 Land			\$35,560	\$78,970		\$114,530		\$114,530
162 Buildings			\$815,178	\$205,665		\$1,020,843		\$1,020,843
163 Furniture, Equipment & Machinery - Dwellings			\$43,943			\$43,943		\$43,943
164 Furniture, Equipment & Machinery - Administration			\$15,252	\$41,791		\$57,043		\$57,043
165 Leasehold Improvements			\$99,876			\$99,876		\$99,876
166 Accumulated Depreciation			-\$714,345	-\$12,858		-\$727,203		-\$727,203
167 Construction in Progress				\$6,311		\$6,311		\$6,311
168 Infrastructure								
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$295,464	\$319,879	\$0	\$615,343		\$615,343
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				\$100		\$100		\$100
176 Investments in Joint Ventures								
180 Total Non-Current Assets	\$0	\$0	\$295,464	\$319,979	\$0	\$615,443		\$615,443
200 Deferred Outflow of Resources								
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$446,327	\$538,112	\$82,299	\$1,066,738		\$1,066,738
311 Bank Overdraft								
312 Accounts Payable <= 90 Days			\$5,062	\$8,923		\$13,985		\$13,985
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable				\$3,957		\$3,957		\$3,957
322 Accrued Compensated Absences - Current Portion				\$2,584		\$2,584		\$2,584
324 Accrued Contingency Liability								
325 Accrued Interest Payable			\$15			\$15		\$15
331 Accounts Payable - HUD PHA Programs								
332 Account Payable - PHA Projects				\$53,210		\$53,210		\$53,210

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2022

Entity Wide Balance Sheet Summary								
	97.036 Disaster Grants - Presidentially Declared Disasters	14.IKE DHAP-IKE	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
333 Accounts Payable - Other Government								
341 Tenant Security Deposits			\$7,700			\$7,700		\$7,700
342 Unearned Revenue								
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$15,761			\$15,761		\$15,761
344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities								
346 Accrued Liabilities - Other								
347 Inter Program - Due To								
348 Loan Liability - Current								
310 Total Current Liabilities	\$0	\$0	\$28,538	\$68,674	\$0	\$97,212		\$97,212
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$116,717			\$116,717		\$116,717
352 Long-term Debt, Net of Current - Operating Borrowings								
353 Non-current Liabilities - Other								
354 Accrued Compensated Absences - Non Current				\$24,027		\$24,027		\$24,027
355 Loan Liability - Non Current								
356 FASB 5 Liabilities								
357 Accrued Pension and OPEB Liabilities								
350 Total Non-Current Liabilities	\$0	\$0	\$116,717	\$24,027	\$0	\$140,744		\$140,744
300 Total Liabilities	\$0	\$0	\$145,255	\$92,701	\$0	\$237,956		\$237,956
400 Deferred Inflow of Resources								
508.4 Net Investment in Capital Assets			\$162,986	\$319,879		\$482,865		\$482,865
511.4 Restricted Net Position								
512.4 Unrestricted Net Position	\$0	\$0	\$138,086	\$125,532	\$82,299	\$345,917		\$345,917
513 Total Equity - Net Assets / Position	\$0	\$0	\$301,072	\$445,411	\$82,299	\$828,782		\$828,782
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$0	\$446,327	\$538,112	\$82,299	\$1,066,738		\$1,066,738

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2022

Entity Wide Revenue and Expense Summary								
	97.036 Disaster Grants - Presidentially Declared Disasters	14.IKE DHAP-IKE	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue			\$34,159			\$34,159		\$34,159
70400 Tenant Revenue - Other			\$1,075			\$1,075		\$1,075
70500 Total Tenant Revenue	\$0	\$0	\$35,234	\$0	\$0	\$35,234		\$35,234
70600 HUD PHA Operating Grants				\$2,065,491		\$2,065,491		\$2,065,491
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	\$55,164		\$102,390			\$157,554		\$157,554
71100 Investment Income - Unrestricted			\$71	\$90		\$161		\$161
71200 Mortgage Interest Income								
71300 Proceeds from Disposition of Assets Held for Sale								
71310 Cost of Sale of Assets								
71400 Fraud Recovery				\$1,427		\$1,427		\$1,427
71500 Other Revenue			\$104,898	\$43,653		\$148,551		\$148,551
71600 Gain or Loss on Sale of Capital Assets			-\$16,344			-\$16,344		-\$16,344
72000 Investment Income - Restricted								
70000 Total Revenue	\$55,164	\$0	\$226,249	\$2,110,661	\$0	\$2,392,074		\$2,392,074
91100 Administrative Salaries			\$13,200	\$90,777		\$103,977		\$103,977
91200 Auditing Fees			\$750	\$15,855		\$16,605		\$16,605
91300 Management Fee								
91310 Book-keeping Fee								
91400 Advertising and Marketing			\$9	\$200		\$209		\$209
91500 Employee Benefit contributions - Administrative			\$1,010	\$11,011		\$12,021		\$12,021
91600 Office Expenses	\$15,987		\$4,801	\$32,159		\$52,947		\$52,947

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2022

Entity Wide Revenue and Expense Summary								
	97.036 Disaster Grants - Presidentially Declared Disasters	14.IKE DHAP- IKE	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
91700 Legal Expense				\$758		\$758		\$758
91800 Travel				\$2,777		\$2,777		\$2,777
91810 Allocated Overhead								
91900 Other			\$1,704	\$51,546		\$53,250		\$53,250
91000 Total Operating - Administrative	\$15,987	\$0	\$21,474	\$205,083	\$0	\$242,544		\$242,544
92000 Asset Management Fee								
92100 Tenant Services - Salaries								
92200 Relocation Costs								
92300 Employee Benefit Contributions - Tenant Services								
92400 Tenant Services - Other								
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0		\$0
93100 Water			\$281	\$154		\$435		\$435
93200 Electricity			\$5,318	\$1,870		\$7,188		\$7,188
93300 Gas				\$505		\$505		\$505
93400 Fuel								
93500 Labor								
93600 Sewer			\$150			\$150		\$150
93700 Employee Benefit Contributions - Utilities								
93800 Other Utilities Expense								
93000 Total Utilities	\$0	\$0	\$5,749	\$2,529	\$0	\$8,278		\$8,278
94100 Ordinary Maintenance and Operations - Labor								
94200 Ordinary Maintenance and Operations - Materials and Other			\$1,463	\$2,879		\$4,342		\$4,342
94300 Ordinary Maintenance and Operations Contracts			\$48,978	\$8,606		\$57,584		\$57,584
94500 Employee Benefit Contributions - Ordinary Maintenance								
94000 Total Maintenance	\$0	\$0	\$50,441	\$11,485	\$0	\$61,926		\$61,926
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs				\$2,259		\$2,259		\$2,259

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2022

Entity Wide Revenue and Expense Summary								
	97.036 Disaster Grants - Presidentially Declared Disasters	14.IKE DHAP-IKE	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
95300 Protective Services - Other								
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	\$0	\$0	\$0	\$2,259	\$0	\$2,259		\$2,259
96110 Property Insurance			\$15,627	\$1,292		\$16,919		\$16,919
96120 Liability Insurance				\$4,833		\$4,833		\$4,833
96130 Workmen's Compensation				\$2,423		\$2,423		\$2,423
96140 All Other Insurance			\$658	\$6,037		\$6,695		\$6,695
96100 Total insurance Premiums	\$0	\$0	\$16,285	\$14,585	\$0	\$30,870		\$30,870
96200 Other General Expenses				\$2,109		\$2,109		\$2,109
96210 Compensated Absences				\$5,167		\$5,167		\$5,167
96300 Payments in Lieu of Taxes								
96400 Bad debt - Tenant Rents								
96500 Bad debt - Mortgages								
96600 Bad debt - Other								
96800 Severance Expense								
96000 Total Other General Expenses	\$0	\$0	\$0	\$7,276	\$0	\$7,276		\$7,276
96710 Interest of Mortgage (or Bonds) Payable			\$19,640			\$19,640		\$19,640
96720 Interest on Notes Payable (Short and Long Term)								
96730 Amortization of Bond Issue Costs								
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$19,640	\$0	\$0	\$19,640		\$19,640
96900 Total Operating Expenses	\$15,987	\$0	\$113,589	\$243,217	\$0	\$372,793		\$372,793
97000 Excess of Operating Revenue over Operating Expenses	\$39,177	\$0	\$112,660	\$1,867,444	\$0	\$2,019,281		\$2,019,281
97100 Extraordinary Maintenance	\$7,905					\$7,905		\$7,905
97200 Casualty Losses - Non-capitalized								
97300 Housing Assistance Payments				\$1,818,848		\$1,818,848		\$1,818,848
97350 HAP Portability-In				\$37,083		\$37,083		\$37,083

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2022

Entity Wide Revenue and Expense Summary								
	97.036 Disaster Grants - Presidentially Declared Disasters	14.IKE DHAP-IKE	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
97400 Depreciation Expense			\$18,656	\$10,062		\$28,718		\$28,718
97500 Fraud Losses								
97600 Capital Outlays - Governmental Funds								
97700 Debt Principal Payment - Governmental Funds								
97800 Dwelling Units Rent Expense								
90000 Total Expenses	\$23,892	\$0	\$132,245	\$2,109,210	\$0	\$2,265,347		\$2,265,347
10010 Operating Transfer In								
10020 Operating transfer Out								
10030 Operating Transfers from/to Primary Government								
10040 Operating Transfers from/to Component Unit								
10050 Proceeds from Notes, Loans and Bonds								
10060 Proceeds from Property Sales								
10070 Extraordinary Items, Net Gain/Loss								
10080 Special Items (Net Gain/Loss)								
10091 Inter Project Excess Cash Transfer In								
10092 Inter Project Excess Cash Transfer Out								
10093 Transfers between Program and Project - In								
10094 Transfers between Project and Program - Out								
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$31,272	\$0	\$94,004	\$1,451	\$0	\$126,727		\$126,727
11020 Required Annual Debt Principal Payments	\$0	\$0	\$15,679	\$0	\$0	\$15,679		\$15,679
11030 Beginning Equity	\$0	\$125,406	\$175,796	\$158,964	\$241,889	\$702,055		\$702,055
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$31,272	-\$125,406	\$31,272	\$284,996	-\$159,590	\$0		\$0
11050 Changes in Compensated Absence Balance								
11060 Changes in Contingent Liability Balance								
11070 Changes in Unrecognized Pension Transition Liability								
11080 Changes in Special Term/Severance Benefits Liability								
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents								

HOUSING AUTHORITY OF HAMMOND, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2022

Entity Wide Revenue and Expense Summary								
	97.036 Disaster Grants - Presidentially Declared Disasters	14.IKE DHAP- IKE	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
11100 Changes in Allowance for Doubtful Accounts - Other								
11170 Administrative Fee Equity				\$445,411		\$445,411		\$445,411
11180 Housing Assistance Payments Equity				\$0		\$0		\$0
11190 Unit Months Available			240	4023		4263		4263
11210 Number of Unit Months Leased			225	3717		3942		3942
11270 Excess Cash								
11610 Land Purchases								
11620 Building Purchases								
11630 Furniture & Equipment - Dwelling Purchases								
11640 Furniture & Equipment - Administrative Purchases								
11650 Leasehold Improvements Purchases								
11660 Infrastructure Purchases								
13510 CFFP Debt Service Payments								
13901 Replacement Housing Factor Funds								