

**THE HOUSING AUTHORITY  
OF THE CITY OF SHREVEPORT  
SHREVEPORT, LOUISIANA  
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA  
YEAR ENDED SEPTEMBER 30, 2022**

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

SHREVEPORT, LOUISIANA

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## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, Louisiana

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of the of the Housing Authority of the City of Shreveport (the Authority) and the aggregate discretely presented component units as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority and the aggregate discretely presented component units, as of September 30, 2022, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Shreveport BDB Housing Partners, LLC which represent 100 percent, of the assets, net position, and revenues of the discrete component unit as of September 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for Shreveport BDB Housing Partners, LLC are based solely on the report of the other auditors.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority 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 opinion.

#### Change in Accounting Principle (Emphasis-of-Matter)

As described in Note M to the financial statements, as of the beginning of the fiscal year, the Authority adopted *Governmental Accounting Standards Board Statement No. 87 – Leases*. Our opinion is not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Authority'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 Audit 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 Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 8 through 13 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 generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Schedule of Completed Program Costs – Family Self Sufficiency Program; 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*; and the Financial Data Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, the accompanying Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented for the Office of the Louisiana Legislative Auditor's information and is 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 Schedule of Completed Program Costs – Family Self Sufficiency Program; Schedule of Expenditures of Federal Awards; Financial Data Schedule; and the Schedule of Compensation, Benefits and Other Payments to the Executive Director 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 March 30, 2023, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting,



Birmingham, Alabama

March 30, 2023

## **INDEPENDENT AUDITORS' 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**

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the City of Shreveport (Authority) and its discretely presented component unit, as of and for the year ended September 30, 2022, and the related notes to business-type activities and the discretely presented component unit which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 30, 2023. Our report includes reference to other auditors who audited the financial statements of Shreveport BDB Housing Partners, LLC as described in our report on Authority's financial statements. The financial statements of Shreveport BDB Housing Partners, LLC were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Shreveport BDB Housing Partners, LLC or that are reported on separately by those auditors who audited the financial statements of Shreveport BDB Housing Partners, LLC.

### ***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 Authority'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 Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Aprio, LLP*

Birmingham, Alabama  
March 30, 2023

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, 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 Shreveport's (the Authority) 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 Authority's major federal programs for the year ended September 30, 2022. The Authority'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 Authority 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 September 30, 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 Authority and to meet our other 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 Authority's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for 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 Authority'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 Authority'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 Authority'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 Authority'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 Authority'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 Authority'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.

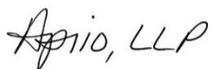
#### ***Report on Internal Control Over Compliance***

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 charged 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.



Birmingham, Alabama  
March 30, 2022

## **Management's Discussion and Analysis**

### **The Housing Authority of the City of Shreveport, Louisiana**

**September 30, 2022**

#### **Preamble**

The Housing Authority of the City of Shreveport ("hereinafter called the "Authority") is an autonomous, quasi-governmental entity (referred to as a special-purpose government by GASB Statement Number 34) which is predominately funded through the United States Department of Housing and Urban Development operating subsidies and modernization of capital grants. Even though the Authority collects rent from its tenants, without HUD funding, the Authority would not be able to sustain its operations and activities.

#### **Presentation**

The requirements of GASB Statement No. 34 mandate all local governmental financial statements to include a Management Discussion & Analysis (MD&A). The goal of the MD&A is to give readers an objective and easily readable overview of the Authority's financial performance. The MD&A is designed to focus on the Authority's most relevant financial information regarding overall financial performance to aid users in assessing whether financial position has improved or deteriorated as a result of the year's operations. Hereinafter, the Authority will briefly discuss the enclosed financial statements and will describe, as well, the currently known facts, decisions, or conditions expected to have a significant impact on financial position or the results of operations.

### **FINANCIAL HIGHLIGHTS**

- The Authority's Net Position increased at year end by \$3,347,818. Since the Authority engages only in business-type activities, the increase is all in the category of business-type Net Position. Net Position was \$28,431,416 (restated) and \$31,779,234 for 2021 and 2022 respectively.
- The Authority's revenues increased by \$2,728,925 during 2022. Revenues were \$24,150,346 and \$26,879,271 for 2021 and 2022 respectively.
- Total program expenses of the Authority's programs increased by \$2,581,685. Total expenses were \$20,949,768 and \$23,531,453 for 2021 and 2022 respectively.

## REVIEW OF THIS ANNUAL REPORT

The following information is for review and consideration:

### **MD&A**

Management's Discussion and Analysis

### **Basic Financial Statements**

Authority Wide Financial Statements  
Notes to the Financial Statements

### **Other Required Supplementary Information**

Required Supplementary Information

### **Authority-Wide Financial Statements**

These Statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equal "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position (formerly equity) is reported in three broad categories:

Net Investment in Capital Assets: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: Consist of Net Position that does not meet the definition of "Net Investment in Capital Assets", or "Restricted Net Position".

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Net Position (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income and HUD subsidies, Operating Expenses, such as administrative, utilities, maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Net Position is the “Changes in Net Position”, which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

## **Enterprise Fund**

The Authority consists exclusively of an Enterprise Fund. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

### **Significant Programs of the Authority:**

Low Rent Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority’s properties.

Capital Fund Program – Under the Capital Fund Program, the Authority administers various constructions contracts to maintain the apartments long term viability.

Section 8 Housing Choice Vouchers Cluster – Under the Section 8 Housing Choice Vouchers Program, the Board administers contracts with independent landlords that own the property. The Board subsidizes the family’s rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Board to structure a lease that sets the participants’ rent at 30% of household income.

Central Office Cost Center (COCC) – The Authority established the COCC to manage and oversee the operations of the Public Housing Developments, Housing Choice Vouchers Program, and other grant programs. Utilizing a “fee for service” approach, the COCC recognizes revenues through management and service fees charged to the other programs. Management fees cannot exceed the “safe harbor” amount established by HUD.

### Other programs are:

- Resident Opportunity and Self Sufficiency – Service Coordinator
- Blended Component Unit
- State and Local
- Business Activities
- HOPE VI

Table 1 reflects the condensed Statement of Net Position compared to the previous year. The Authority is engaged only in Business-Type Activities.

|  | <u>2022</u>                 | <u>Restated<br/>2021</u>    | <u>Variance</u>              |
|--|-----------------------------|-----------------------------|------------------------------|
| Assets:                                    |                             |                             |                              |
| Current Assets & Restricted Assets         | \$ 17,327,042               | \$ 16,775,089               | \$ 551,953                   |
| Capital and Non-Current Assets             | 16,477,972                  | 15,026,880                  | 1,451,092                    |
| <b>Total Assets</b>                        | <b><u>\$ 33,805,014</u></b> | <b><u>\$ 31,801,969</u></b> | <b><u>\$ 2,003,045</u></b>   |
| Liabilities:                               |                             |                             |                              |
| Current Liabilities                        | \$ 993,981                  | \$ 2,291,754                | \$ (1,297,773)               |
| Non Current Liabilities & Deferred Inflows | 1,031,799                   | 1,078,799                   | (47,000)                     |
| <b>Total Liabilities</b>                   | <b><u>\$ 2,025,780</u></b>  | <b><u>\$ 3,370,553</u></b>  | <b><u>\$ (1,344,773)</u></b> |
| Net Position                               |                             |                             |                              |
| Net Investment in Capital Assets           | \$ 10,489,764               | \$ 9,136,011                | \$ 1,353,753                 |
| Restricted Net Position                    | 20,868                      | 475,743                     | (454,875)                    |
| Unrestricted Net Position                  | 21,268,602                  | 18,819,662                  | 2,448,940                    |
| <b>Total Net Position</b>                  | <b><u>\$ 31,779,234</u></b> | <b><u>\$ 28,431,416</u></b> | <b><u>\$ 3,347,818</u></b>   |

### Major Factors Affecting the Statement of Net Position

As illustrated, in the Statement of Net Position, the overall Net Position of the Authority increased by \$3,347,818. Current and restricted assets increased by \$551,953. Current and restricted assets increased primarily due to an increase in cash offset by a decrease in accounts receivable. Capital assets increased as a result of capital additions exceeding depreciation expense and disposals. Liabilities decreased primarily due to a decrease in accounts payable.

Table 2 presents details on the change in Unrestricted Net Position

|   |                             |
|---|-----------------------------|
| Unrestricted Net Position, September 30, 2021 | \$ 18,819,662               |
| Results of Operations                         | 2,990,946                   |
| Transfer from (to) Restricted Assets          | 454,875                     |
| Capital Additions from Operations             | (1,998,867)                 |
| Interest Income                               | 223,944                     |
| Depreciation Expense                          | 778,042                     |
| Unrestricted Net Position, September 30, 2022 | <b><u>\$ 21,268,602</u></b> |

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Business-Type Activities.

**Table 3**  
**Statement of Revenues and Expenses**

|   | <u>2022</u>                | <u>2021</u>                | <u>Variance</u>          |
|---|----------------------------|----------------------------|--------------------------|
| Revenues:   |                            |                            |                          |
| Tenant Rental Revenue                                 | \$ 2,816,023               | \$ 1,079,143               | \$ 1,736,880             |
| Operating Grants                                      | 21,003,626                 | 19,651,965                 | 1,351,661                |
| Capital Grants Received                               | 132,928                    | 503,442                    | (370,514)                |
| Interest Income                                       | 223,944                    | 226,407                    | (2,463)                  |
| Other Income  | 2,702,750                  | 2,703,123                  | (373)                    |
| Loss on Disposition of Assets                         | -                          | (13,734)                   | 13,734                   |
|   | <u>\$ 26,879,271</u>       | <u>\$ 24,150,346</u>       | <u>\$ 2,728,925</u>      |
| Expenses:   |                            |                            |                          |
| Administrative Expenses                               | \$ 3,214,201               | \$ 3,181,629               | \$ 32,572                |
| Tenant Services                                       | 185,086                    | 154,650                    | 30,436                   |
| Utilities   | 91,058                     | 130,202                    | (39,144)                 |
| Maintenance & Operations                              | 2,137,156                  | 2,192,627                  | (55,471)                 |
| General Expense                                       | 1,043,558                  | 749,712                    | 293,846                  |
| Bad Debt Mortgages                                    | -                          | 34,154                     | (34,154)                 |
| HAP Payments  | 16,082,352                 | 13,798,553                 | 2,283,799                |
| Depreciation  | 778,042                    | 708,241                    | 69,801                   |
|   | <u>\$ 23,531,453</u>       | <u>\$ 20,949,768</u>       | <u>\$ 2,581,685</u>      |
| <b>Excess (Deficiency) Revenues<br/>Over Expenses</b> | <u><u>\$ 3,347,818</u></u> | <u><u>\$ 3,200,578</u></u> | <u><u>\$ 147,240</u></u> |

**MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

There was an increase in the excess of revenues over expenses from the prior year. The increase was due to an increase in revenues exceeding an increase in expenses. Revenues increased primarily due to an increase in tenant rental revenue and operating grants received. Rental revenue increased due to an increase in rents collected through the Shreveport Leased Housing program. Operating grants increased due to an increase in HAP payments and Capital funds drawn for operating purposes during the year.

Expenses increased primarily due to an increase in HAP payments during the year due to an increase in vouchers leased.

**Debt**

As of fiscal year-end, the Authority's only long-term debt outstanding was a repayment agreement with HUD in the amount of \$380,404.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

As of year-end, the Authority had \$10,489,764 invested in a variety of capital assets as reflected in the following schedule, which represents a net increase (additions, deductions and depreciation) of 15% from the end of last year. The majority of the increase is due to contract work in process on the Fairfield Estates project.

**TABLE 4**

|                            | 2022              | 2021             | Variance         | % Change |
|----------------------------|-------------------|------------------|------------------|----------|
| Land                       | \$ 2,150,544      | \$ 2,150,544     | \$ -             | 0%       |
| Buildings and Improvements | 33,903,510        | 32,202,846       | 1,700,664        | 5%       |
| Furniture and Equipment    | 2,006,427         | 1,918,059        | 88,368           | 5%       |
| Construction in Progress   | 2,134,643         | 1,870,905        | 263,738          | 14%      |
| Accumulated Depreciation   | (29,705,360)      | (29,006,343)     | (699,017)        | 2%       |
| <br>Net Capital Assets     | <br>\$ 10,489,764 | <br>\$ 9,136,011 | <br>\$ 1,353,753 | <br>15%  |

The following reconciliation summarizes the change in Capital Assets.

|  |               |
|--|---------------|
| Beginning Balance, October 1, 2021           | \$ 9,136,011  |
| Additions:                                   |               |
| Capital Fund Program - Improvements          | 132,928       |
| Operating Funds - Improvements and Equipment | 1,998,867     |
| Depreciation Expense                         | (778,042)     |
| Ending Balance, September 30, 2022           | \$ 10,489,764 |

### ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development
- 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
- Inflationary pressure on utility rates, supplies and other costs

### FINANCIAL CONTACT

The individual to be contacted regarding this report is Bobby Collins, Executive Director, Shreveport Housing Authority. Specific requests may be submitted to Bobby Collins, Executive Director, Shreveport Housing Authority, 2500 Line Avenue, Shreveport, Louisiana 71104.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA  
 STATEMENT OF NET POSITION  
 SEPTEMBER 30, 2022

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

|   | <b>Enterprise<br/>Fund</b> | <b>Discrete<br/>Component<br/>Unit<br/>12/31/2021<br/>Year End</b> | <b>Total<br/>Reporting<br/>Entity</b> |
|---|----------------------------|--|---------------------------------------|
| <b><u>Current Assets</u></b>                                      |                            |  |                                       |
| Cash and Cash Equivalents   | \$ 16,239,649              | \$ 192,682   | \$ 16,432,331                         |
| Accounts Receivable - Other                                       | 607,223                    | -  | 607,223                               |
| (Allowance for Doubtful Accounts)                                 | (50,923)                   | -  | (50,923)                              |
| Tenants Accounts Receivable                                       | 38,510                     | 50,466   | 88,976                                |
| (Allowance for Doubtful Accounts)                                 | (19,075)                   | -  | (19,075)                              |
| Prepaid Costs   | 265,424                    | 143,586  | 409,010                               |
| Notes Receivable Current  | 57,396                     | -  | 57,396                                |
| Total Current Assets  | <u>17,138,204</u>          | <u>386,734</u>   | <u>17,524,938</u>                     |
| <b><u>Restricted Assets</u></b>                                   |                            |  |                                       |
| Cash and Cash Equivalents   | 188,838                    | 1,268,357  | 1,457,195                             |
| Total Restricted Assets   | <u>188,838</u>             | <u>1,268,357</u>   | <u>1,457,195</u>                      |
| <b><u>Capital Assets</u></b>                                      |                            |  |                                       |
| Land  | 2,150,544                  | -  | 2,150,544                             |
| Buildings and Improvements  | 33,903,510                 | 14,100,033   | 48,003,543                            |
| Furniture and Equipment   | 2,006,427                  | 368,339  | 2,374,766                             |
| Construction in Progress  | 2,134,643                  | -  | 2,134,643                             |
|   | 40,195,124                 | 14,468,372   | 54,663,496                            |
| (Less): Accumulated Depreciation                                  | (29,705,360)               | (1,047,302)  | (30,752,662)                          |
| Net Capital Assets  | <u>10,489,764</u>          | <u>13,421,070</u>  | <u>23,910,834</u>                     |
| <b><u>Other Non-Current Assets</u></b>                            |                            |  |                                       |
| Notes and Interest Receivable net of<br>Allowances of \$1,203,384 | 5,988,208                  | -  | 5,988,208                             |
| Other Assets - Noncurrent   | -                          | 252,660  | 252,660                               |
| Total Other Non-Current Assets                                    | <u>5,988,208</u>           | <u>252,660</u>   | <u>6,240,868</u>                      |
| <b><u>Deferred Outflows of Resources</u></b>                      |                            |  |                                       |
|   | -                          | -  | -                                     |
| Total Assets and Deferred<br>Outflows of Resources                | <u>\$ 33,805,014</u>       | <u>\$ 15,328,821</u>   | <u>\$ 49,133,835</u>                  |

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA  
 STATEMENT OF NET POSITION  
 SEPTEMBER 30, 2022

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

|  | <b>Enterprise<br/>Fund</b> | <b>Discrete<br/>Component<br/>Unit<br/>12/31/2021<br/>2506771</b> | <b>Total<br/>Reporting<br/>Entity</b> |
|--|----------------------------|---|---------------------------------------|
| <b><u>Current Liabilities</u></b>                                    |                            |   |                                       |
| Accounts Payable   | \$ 552,669                 | \$ 52,939   | \$ 605,608                            |
| Accrued Wages and Payroll Taxes                                      | 91,420                     | -   | 91,420                                |
| Accrued Compensated Absences   | 90,136                     | -   | 90,136                                |
| Accrued PILOT  | 35,033                     | -   | 35,033                                |
| Accrued Interest   | -                          | 554,507   | 554,507                               |
| Tenant Security Deposits   | 88,804                     | 15,531  | 104,335                               |
| Unearned Revenues  | 88,369                     | 8,278   | 96,647                                |
| Current Portion - Due to HUD   | 47,550                     | -   | 47,550                                |
| Total Current Liabilities  | <u>993,981</u>             | <u>631,255</u>  | <u>1,625,236</u>                      |
| <b><u>Long-Term Liabilities</u></b>                                  |                            |   |                                       |
| Accrued Compensated Absences   | 168,785                    | -   | 168,785                               |
| FSS Escrows  | 138,854                    | -   | 138,854                               |
| Non - Current Portion - Due to HUD                                   | 332,854                    | -   | 332,854                               |
| Long Term Debt   | -                          | 15,944,536  | 15,944,536                            |
| Total Long-Term Liabilities  | <u>640,493</u>             | <u>15,944,536</u>   | <u>16,585,029</u>                     |
| Total Liabilities  | <u>1,634,474</u>           | <u>16,575,791</u>   | <u>18,210,265</u>                     |
| <b><u>Deferred Inflows of Resources</u></b>                          | <u>391,306</u>             | <u>-</u>  | <u>391,306</u>                        |
| <b><u>Net Position</u></b>   |                            |   |                                       |
| Net Investment in Capital Assets                                     | 10,489,764                 | (2,523,466)   | 7,966,298                             |
| Restricted Net Position  | 20,868                     | 1,268,357   | 1,289,225                             |
| Unrestricted Net Position  | 21,268,602                 | 8,139   | 21,276,741                            |
| Total Net Position   | <u>31,779,234</u>          | <u>(1,246,970)</u>  | <u>30,532,264</u>                     |
| Total Liabilities, Deferred Inflows of<br>Resources and Net Position | <u>\$ 33,805,014</u>       | <u>\$ 15,328,821</u>  | <u>\$ 49,133,835</u>                  |

See the accompanying notes to financial statements.

**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

|   | <b>Enterprise<br/>Fund</b> | <b>Discrete<br/>Component<br/>Unit<br/>12/31/2021<br/>Year End</b> | <b>Total<br/>Reporting<br/>Entity</b> |
|---|----------------------------|--|---------------------------------------|
| <u>Operating Revenues</u>   |                            |  |                                       |
| Dwelling Rent   | \$ 2,816,023               | \$ 1,040,478   | \$ 3,856,501                          |
| Operating Grants  | 21,003,626                 | -  | 21,003,626                            |
| Other Income  | 2,702,750                  | -  | 2,702,750                             |
| Total Operating Revenues  | <u>26,522,399</u>          | <u>1,040,478</u>   | <u>27,562,877</u>                     |
| <u>Operating Expenses</u>   |                            |  |                                       |
| Administrative  | 3,214,201                  | 402,029  | 3,616,230                             |
| Tenant Services   | 185,086                    | -  | 185,086                               |
| Utilities   | 91,058                     | 138,352  | 229,410                               |
| Maintenance and Operations<br>General   | 2,137,156                  | 208,462  | 2,345,618                             |
|   | 1,043,558                  | 219,278  | 1,262,836                             |
| Housing Assistance Payments   | 16,082,352                 | -  | 16,082,352                            |
| Depreciation and Amortization   | 778,042                    | 405,112  | 1,183,154                             |
| Total Operating Expenses  | <u>23,531,453</u>          | <u>1,373,233</u>   | <u>24,904,686</u>                     |
| Operating Income (Loss)   | <u>2,990,946</u>           | <u>(332,755)</u>   | <u>2,658,191</u>                      |
| <u>Non-Operating Revenues (Expenses)</u>  |                            |  |                                       |
| Interest Income   | 14,857                     | 50   | 14,907                                |
| Interest from Mortgages Receivable  | 209,087                    | -  | 209,087                               |
| Interest Expense  | -                          | (511,373)  | (511,373)                             |
| Relocation Costs  | -                          | (290,602)  | (290,602)                             |
| Total Non-Operating Revenues/(Expenses)   | <u>223,944</u>             | <u>(801,925)</u>   | <u>(577,981)</u>                      |
| Increase (Decrease) in Net Position Before<br>Capital Contributions and Transfers | <u>3,214,890</u>           | <u>(1,134,680)</u>   | <u>2,080,210</u>                      |
| Capital Contributions   | <u>132,928</u>             | <u>-</u>   | <u>132,928</u>                        |
| Increase (Decrease) in Net Position   | 3,347,818                  | (1,134,680)  | 2,213,138                             |
| Net Position, Beginning   | 28,683,546                 | (112,290)  | 28,571,256                            |
| Beginning Net Position Adjustment See Note M                                      | (252,130)                  | -  | (252,130)                             |
| Net Position, Ending  | <u>\$ 31,779,234</u>       | <u>\$ (1,246,970)</u>  | <u>\$ 30,532,264</u>                  |

See the accompanying notes to financial statements.

**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

|  | <b>Enterprise<br/>Fund</b> | <b>Component<br/>Unit<br/>12/31/2021<br/>Year End</b> | <b>Total<br/>Reporting<br/>Entity</b> |
|--|----------------------------|---|---------------------------------------|
| <u>Cash flows from operating activities:</u>                               |                            |   |                                       |
| Cash Received from Dwelling Rent   | \$ 2,709,924               | \$ 1,037,371  | \$ 3,747,295                          |
| Cash Received from Operating Grants  | 21,978,475                 | -   | 21,978,475                            |
| Cash Received from Other Sources   | 2,506,771                  | 2,256   | 2,509,027                             |
| Cash Payments for Salaries & Benefits                                      | (3,322,978)                | (192,531)   | (3,515,509)                           |
| Cash Payments to Vendors & Landlords                                       | (20,659,317)               | (886,614)   | (21,545,931)                          |
| Net Cash flows provided (used) by operating activities                     | <u>3,212,875</u>           | <u>(39,518)</u>                                       | <u>3,173,357</u>                      |
| <u>Cash flows from capital and related financing activities:</u>           |                            |   |                                       |
| Capital Outlay   | (2,131,795)                | -   | (2,131,795)                           |
| Proceeds from loans to related parties                                     | -                          | 187,503   | 187,503                               |
| Principal and interest paid on Capital Debt                                | -                          | (343,104)   | (343,104)                             |
| Proceeds from Capital Debt   | -                          | 1,134,681   | 1,134,681                             |
| Capital Grants Received  | 132,928                    | -   | 132,928                               |
| Net cash flows provided (used) by capital and related financing activities | <u>(1,998,867)</u>         | <u>979,080</u>  | <u>(1,019,787)</u>                    |
| <u>Cash flows from investing activities:</u>                               |                            |   |                                       |
| Interest Received  | 65,618                     | 50  | 65,668                                |
| Payments Received on Notes Receivable                                      | 9,765                      | -   | 9,765                                 |
| Net cash flows provided (used) by investing activities                     | <u>75,383</u>              | <u>50</u>   | <u>75,433</u>                         |
| Net Increase (decrease) in cash and cash equivalents                       | <u>1,289,391</u>           | <u>939,612</u>  | <u>2,229,003</u>                      |
| Restricted, Unrestricted Cash and cash equivalents, beginning              | <u>15,139,096</u>          | <u>521,427</u>  | <u>15,660,523</u>                     |
| Restricted, Unrestricted cash and cash equivalents, ending                 | <u>\$ 16,428,487</u>       | <u>\$ 1,461,039</u>                                   | <u>\$ 17,889,526</u>                  |

See the accompanying notes to financial statements.

**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

|  | <b>Enterprise<br/>Fund</b> | <b>Component<br/>Unit<br/>12/31/2021<br/>Year End</b> | <b>Total<br/>Reporting<br/>Entity</b> |
|--|----------------------------|---|---------------------------------------|
| <b><u>Reconciliation of operating income to net cash<br/>provided by (used in) operating activities:</u></b> |                            |   |                                       |
| Operating Income (Loss)  | \$ 2,990,946               | \$ (332,755)  | \$ 2,658,191                          |
| Adjustment to reconcile operating income (loss) to net cash<br>provided by (used in) operating activities:   |                            |   |                                       |
| Depreciation and Amortization  | 778,042                    | 405,112   | 1,183,154                             |
| Bad Debt Expense   | 134,630                    | -   | 134,630                               |
| Change in Accounts Receivable  | 734,188                    | 3,041   | 737,229                               |
| Change in Prepaid Expenses   | (80,158)                   | (99,887)  | (180,045)                             |
| Change in Accounts Payable   | (1,135,593)                | (18,650)  | (1,154,243)                           |
| Change in Accrued Expenses   | (11,361)                   | 7,513   | (3,848)                               |
| Change in Tenant Security Deposits   | (8,847)                    | 2,256   | (6,591)                               |
| Change in Unearned Revenues  | (62,353)                   | (6,148)   | (68,501)                              |
| Change in Other Liabilities  | (126,619)                  | -   | (126,619)                             |
| Net cash provided by (used in) operating activities  | <u>\$ 3,212,875</u>        | <u>\$ (39,518)</u>                                    | <u>\$ 3,173,357</u>                   |

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
SHREVEPORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Housing Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund, in accordance with GASB Statement 34, paragraph 138.

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the "enterprise fund" in the basic financial statements as follows:

Enterprise Fund – In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This required the Housing Authority to account for operations in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

Governmental Accounting Standards - The Housing Authority has applied all applicable Governmental Accounting Standards Board pronouncements.

FURTHER SIGNIFICANT ACCOUNTING POLICIES:

Cash and Cash Equivalents

The Housing Authority considers cash on hand and cash in checking to be cash equivalents.

Accounts Receivable

Tenant accounts receivables are carried at the amount considered by management to be collectible. Other accounts receivable consists of amounts due from HUD and State and Local governments for grant income.

Unearned Revenue

The Authority recognizes revenues as earned. Amounts received in advance of the period in which it is earned are recorded as a liability under Unearned Revenue.

Prepaid Items

Prepaid Items consists of payments made to vendors for services that will benefit future periods

Revenue Accounting Policies

Dwelling rent income, HUD grants received for operations, other operating fund grants and operating miscellaneous income are shown as operating income. HUD grants received for capital assets and all other revenue is shown as non-operating revenue.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE A - SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

#### Indirect Cost Recovery

Direct costs are charged to the Authority's applicable programs. The Authority charges indirect costs to its Central Office Cost Center and charges the programs management fees based on fee rates provided by the Department of Housing and Urban Development.

#### Capital Assets

Capital assets are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed while significant renewals and betterments are capitalized. Small dollar value minor equipment items are expensed. Depreciation of assets has been expensed in the statement of revenues and expenses. Estimated useful lives are as follows:

|                            |               |
|----------------------------|---------------|
| Buildings and Improvements | 15 - 40 years |
| Furniture and Equipment    | 3 - 7 years   |

Authority management has assessed the carrying values of capital asset balances as of September 30, 2022, and as of March 30, 2023. No significant capital asset value impairments exist as of the noted dates.

#### Intangible Assets – Discrete Component Unit

Intangible assets, which consist of low-income housing tax credit monitoring fees, are being amortized over the tax credit compliance period of 15 years using the straight-line method. Future amortization for the next five years is \$8,940.

#### Income Taxes – Discrete Component Unit

Income taxes on income of the Discrete Component Unit are levied on the members at the members' level. Accordingly, all profits and losses of the Discrete Component Unit are recognized by each member on its respective tax return.

### NOTE B - REPORTING ENTITY DEFINITION

The Housing Authority is a separate non-profit corporation with a Board of Commissioners. The applicable jurisdictions appoint the Board of Commissioners. However, the Housing Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses. No separate agency receives a financial benefit nor imposes a financial burden on the Authority.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in *Governmental Accounting Standards Board (GASB) No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 39*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following component units:

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE B - REPORTING ENTITY DEFINITION - CONTINUED

**Shreveport Leased Housing Corporation** (*Blended Component Unit*) was established in August 1974 as a non-profit organization pursuant to Louisiana Statutes. The Corporation has a Board of Directors to oversee its operations. Shreveport Leased Housing was created to assist, as a public charity, needy persons of low income by providing safe, sanitary, and affordable housing. Additional information concerning the Shreveport Leased Housing Corporation can be obtained by contacting the Authority.

**HACS BDB Housing, LLC** (*Blended Component Unit*) is a limited liability company formed under the laws of the State of Louisiana. The Company was formed to act as general partner of Shreveport BDB Housing Partners LLC a limited partnership established for the purpose of holding low income housing tax credits under Section 42 of the Internal Revenue Code, and to develop Barton Drive Manor and Briarwood Village apartment complexes.

**Renaissance at Allendale GP, LLC** (*Blended Component Unit*) is a limited liability company formed under the laws of the State of Louisiana. The Company was formed to act as general partner of The Renaissance at Allendale LP, a limited partnership established for the purpose of holding low income housing tax credits under Section 42 of the Internal Revenue Code, and a forty unit complex.

**Cypress Landing, GP, LLC** (*Blended Component Unit*) is a limited liability company formed under the laws of the State of Louisiana. The Company was formed to act as general partner of Cypress Landing, LP a limited partnership established for the purpose of holding low income housing tax credits under Section 42 of the Internal Revenue Code, and to develop a 124 unit apartment complex.

**Shreveport BDB Housing Partners, LLC** (*Discretely Presented Component Unit*) was formed as a limited partnership under the laws of the State of Louisiana on October 2, 2017, for the purpose of investing in real estate and the construction, and sale and/or leasing of the Company property. The project consists of a 100-unit apartment complex known as Barton Drive Manor Apartment Complex and a 32 unit apartment complex known as Briarwood Village Apartment Complex located in Shreveport, Louisiana. The managing member is HACS BDB Housing, LLC. The special member is ITEX BDB Housing, LLC. The investor member is AHP Housing Fund 163, LLC. The project qualifies for low-income housing tax credits pursuant to Internal Revenue Code Section 42, which regulates the use of the project as to occupant eligibility and unit gross rent, among other requirements.

### NOTE C - CASH AND INVESTMENT DEPOSITS

*Custodial Credit Risk* - The Authority policy is to limit credit risk by adherence to the list of HUD permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government.

*Interest Rate Risk* - The Housing Authority's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility.

The U.S. Department of HUD requires housing authorities to invest excess funds in obligations of the U.S., certificates of deposit or any other Federally insured investments.

The Authority's cash and cash equivalents consist of cash held in interest bearing checking accounts totaling \$16,428,173. The various accounts bear interest up to .30%. The remaining \$314 is held in cash in petty cash funds. Deposits with financial institutions are secured as follows:

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE C - CASH AND INVESTMENT DEPOSITS - CONTINUED

|   | <u>Per Books</u>     | <u>Per Bank</u>      |
|---|----------------------|----------------------|
| Insured by FDIC   | \$ 250,000           | \$ 250,000           |
| Investments held in U.S. Treasury Obligations   | -                    | -                    |
| Collateralized with specific securities in the Authority name which are held by the financial institution | 14,192,757           | 14,305,811           |
| Non Federalized funds which do not require collateral   | 1,985,416            | 2,007,682            |
| Uncollateralized  | -                    | -                    |
|   | <u>\$ 16,428,173</u> | <u>\$ 16,563,493</u> |

The Discrete Component Unit maintains cash balances at a commercial bank these balances can at times exceed the FDIC insured deposit limit of \$250,000 per financial institution. The Company has not experienced any losses in these accounts through the date when the financial statements were available to be issued.

NOTE D - CONTRACTUAL COMMITMENTS

The significant outstanding contractual commitments as of the Statement of Net Position Date are as follows:

| <u>Type Commitment</u> | <u>Amount</u> |
|------------------------|---------------|
| Modernization          | \$280,755     |

NOTE E - RISK MANAGEMENT

The Housing Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Housing Authority carries commercial insurance for all risks of loss, including workman’s compensation and employee health and accident insurance. The Housing Authority has not had any significant reductions in insurance coverage, or any claims not reimbursed.

NOTE F – CONCENTRATION OF RISK

The Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

NOTE G – COMPENSATED ABSENCES

The Authority follows Louisiana Civil Service regulations for accumulated annual leave and sick time. Employees may accumulate up to 300 hours annual leave which may be received upon termination or retirement. In a case where the employee notifies the Authority not less than six months prior to retirement or resignation, annual leave in excess of 300 may be utilized prior to separation of employment. Sick leave hours accumulate, but the employee is not paid for them if not used by the retirement or termination date. Leave accrued but not yet paid as of September 30, 2022, is shown as a liability allocated between current and noncurrent.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE H – USE OF ESTIMATES IN PREPARING FINANCIAL STATEMENTS

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, liabilities and deferred outflows and inflows, revenues, and expenses in the financial statements. Accordingly, actual results could differ from those estimates.

NOTE I - PENSION PLAN

The Authority participates in the Housing-Renewal and Local Agency Retirement Plan, a defined contribution plan administered by Automatic Data Processing Retirement Services. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing one year of continuous and uninterrupted employment. The plan provisions and changes to the plan contributions are determined by the Board of the Housing Authority.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes an amount equal to 11% of the employees' base salary (excluding overtime). The Authority's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years of continuous service. Up to 100% of Authority contributions for, and interest forfeited by, employees who leave employment before five years of service are refundable to the Authority and are used to offset future contributions of the Housing Authority. During the current audit period, total contributions made by the Authority and employees totaled \$232,648 and \$17,882, respectively.

NOTE J – CAPITAL ASSETS

A summary of capital assets of the Enterprise Fund is as follows as of September 30, 2022:

|                               | <u>PUBLIC<br/>HOUSING</u> | <u>CAPITAL<br/>FUND<br/>PROGRAM</u>   | <u>HOPE VI</u>     | <u>HOUSING<br/>CHOICE<br/>VOUCHERS</u> |
|-------------------------------|---------------------------|---------------------------------------|--------------------|--|
| Land                          | \$ 763,469                | \$ -                                  | \$ -               | \$ -                                   |
| Building and Improvements     | 7,630,340                 | -                                     | 15,300             | -                                      |
| Furniture and Equipment       | 245,616                   | -                                     | -                  | 532,054                                |
| Construction in Progress      | -                         | 55,746                                | -                  | -                                      |
| Less Accumulated Depreciation | <u>(7,045,772)</u>        | <u>-</u>                              | <u>(12,750)</u>    | <u>(516,933)</u>                       |
| Total Capital Assets          | <u>\$ 1,593,653</u>       | <u>\$ 55,746</u>                      | <u>\$ 2,550</u>    | <u>\$ 15,121</u>                       |
|                               | <u>STATE/<br/>LOCAL</u>   | <u>BLENDED<br/>COMPONENT<br/>UNIT</u> | <u>COCC</u>        | <u>TOTAL</u>                           |
| Land                          | \$ 3,033                  | \$ 1,384,042                          | \$ -               | \$ 2,150,544                           |
| Building and Improvements     | -                         | 25,153,952                            | 1,103,918          | 33,903,510                             |
| Furniture and Equipment       | 4,770                     | 635,810                               | 588,177            | 2,006,427                              |
| Construction in Progress      | -                         | 2,078,897                             | -                  | 2,134,643                              |
| Less Accumulated Depreciation | <u>(4,770)</u>            | <u>(21,020,827)</u>                   | <u>(1,104,308)</u> | <u>(29,705,360)</u>                    |
| Total Capital Assets          | <u>\$ 3,033</u>           | <u>\$ 8,231,874</u>                   | <u>\$ 587,787</u>  | <u>\$ 10,489,764</u>                   |

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE J – CAPITAL ASSETS – CONTINUED

|                                       | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Transfers &amp;<br/>Deletions</u> | <u>Ending<br/>Balance</u> |
|---------------------------------------|------------------------------|---------------------|--------------------------------------|---------------------------|
| Land                                  | \$ 2,150,544                 | \$ -                | \$ -                                 | \$ 2,150,544              |
| Construction in Progress              | <u>1,870,905</u>             | <u>1,872,226</u>    | <u>(1,608,488)</u>                   | <u>2,134,643</u>          |
| Total Assets not<br>being depreciated | 4,021,449                    | 1,872,226           | (1,608,488)                          | 4,285,187                 |
| Buildings and Improvements            | 32,202,846                   | 56,159              | 1,644,505                            | 33,903,510                |
| Furniture and Equipment               | <u>1,918,059</u>             | <u>203,410</u>      | <u>(115,042)</u>                     | <u>2,006,427</u>          |
| Total Capital Assets                  | 38,142,354                   | 2,131,795           | (79,025)                             | 40,195,124                |
| Less Accumulated Depreciation:        |                              |                     |                                      |                           |
| Buildings and Improvements            | (27,441,693)                 | (698,173)           | (70,000)                             | (28,209,866)              |
| Furniture and Equipment               | <u>(1,564,650)</u>           | <u>(79,869)</u>     | <u>149,025</u>                       | <u>(1,495,494)</u>        |
| Net Book Value                        | <u>\$ 9,136,011</u>          | <u>\$ 1,353,753</u> | <u>\$ -</u>                          | <u>\$ 10,489,764</u>      |

A summary of capital assets of the Discrete Component Unit is as follows on December 31, 2020

|                                | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Transfers &amp;<br/>Deletions</u> | <u>Ending<br/>Balance</u> |
|--------------------------------|------------------------------|---------------------|--------------------------------------|---------------------------|
| Buildings and Improvements     | \$ 14,663,256                | \$ -                | \$ (563,223)                         | \$ 14,100,033             |
| Furniture and Equipment        | <u>391,257</u>               | <u>-</u>            | <u>(22,918)</u>                      | <u>368,339</u>            |
| Total Capital Assets           | 15,054,513                   | -                   | (586,141)                            | 14,468,372                |
| Less Accumulated Depreciation: | <u>(651,130)</u>             | <u>(396,172)</u>    | <u>-</u>                             | <u>(1,047,302)</u>        |
| Net Book Value                 | <u>\$ 14,403,383</u>         | <u>\$ (396,172)</u> | <u>\$ (586,141)</u>                  | <u>\$ 13,421,070</u>      |

NOTE K – OTHER NON-CURRENT ASSETS

Other non-current assets of the Discrete Component unit consist of the following as of December 31, 2021:

|   |                   |
|---|-------------------|
| Prepaid Land Lease                              | \$ 138,240        |
| Tax Credit Fees net of Amortization of \$19,743 | <u>114,420</u>    |
| Total Other Non-Current Assets                  | <u>\$ 252,660</u> |

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE L – NOTES RECEIVABLE

#### Due from Cypress Landing, LP

1. Cypress Landing, LP entered into a loan with Cypress Landing GP, LLC (a Business Activity of the Authority) in the amount of \$300,000. The note bears interest at a rate of six percent compounded annually and has a maturity date of December 31, 2030. On the 30<sup>th</sup> day of November in each year during the term of the Note, the borrower shall pay to the lender 100% of the cash flow as defined by the partnership agreement. The loan is secured by all real and personal property. The loan is subordinate to the Senior Sponsor note with the Department of Housing and Urban Development and the above Promissory note. As of September 30, 2022, the loan balance is \$235,799 and accrued interest on the loan is \$3,569.

#### Due from Renaissance at Allendale, LP

2. Renaissance at Allendale GP, LLC entered into a Promissory Note with the Housing Authority of the City of Shreveport in the amount of \$390,874. The note bears interest at a rate of six percent compounded annually and has a maturity date of March 31, 2044. On the 31<sup>st</sup> day of March in each year, commencing March 31, 2016, the borrower shall pay to the lender 100% of the cash flow as defined by the partnership agreement. The loan is secured by all real and personal property. As of September 30, 2022, the loan balance is \$390,874 and accrued interest is \$248,713. The Authority has fully reserved the note balance and accrued interest.

#### Due from Shreveport BDB Housing Partners, LLC

3. Shreveport BDB Housing Partners, LLC entered into a Promissory Note with the Housing Authority of the City of Shreveport in the amount of \$4,656,000. The note bears interest at a rate of 3.06 percent compounded annually and has a maturity date of July 13, 2058. Principal payments are payable from available cash flow, as defined in the Operating Agreement. The loan is secured by a vendor's lien and privilege and special mortgage as well as a Mortgage and Security Agreement. As of September 30, 2022, the loan balance is \$4,656,000 and accrued interest is \$635,981.
4. The Authority advanced funds to the Company in the amount of \$600,000 to finance the acquisition and rehabilitation of the Project. The loan is secured by a Mortgage and Security Agreement. The loan does not bear interest and shall be due and payable upon the tax-exempt loan conversion. Principal payments are made from available cash flow, as defined in the Operating Agreement. As of September 30, 2022, the balance is \$600,000. The Authority has fully reserved the balance of this loan.
5. The Authority advanced funds to the Company in the amount of \$144,000 to prepay the ground lease of the Project. The Ground Lease Loan is secured by a vendor's lien and privilege and special mortgage as well as a Mortgage and Security Agreement. The Ground Lease Loan does not bear interest and shall be due and payable on July 13, 2058. Principal payments are payable from available cash flow, as defined in the Operating Agreement. As of September 30, 2022, the balance is \$144,000.
6. The Authority advanced funds in the amount of \$40,500 to finance the acquisition and rehabilitation of the Project. The loan does not bear interest and is payable from available cash flows, as defined in the Operating Agreement. As of September 30, 2022, the balance is \$40,500.

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE L – NOTES RECEIVABLE – CONTINUED

#### Home Mortgages Receivable

1. In 2021, Habitat for Humanity transferred 24 home mortgages to the Authority. The monthly payments are collected by Southern Loan Servicing, Inc. The total monthly payments are \$5,351 with maturity dates from 2022 through 2039. The balance of the mortgages at September 30, 2022 was \$329,755 of which \$57,396 was due within a year.

### NOTE M – DEFERRED GROUND LEASE

The Authority entered into a ground lease agreement on November 13, 2012, with Cypress Landing L.P., under which the Authority leased land to the Partnership for a term of 99 years and total rent of \$212,500. A rental payment for the full term of the lease in the amount of \$212,500 was paid at commencement. During fiscal year 2022, the Authority recognized rent revenue applicable to the lease of \$2,146 and has deferred recognition of \$188,889 of the rent as of September 30, 2022, which is reported as a deferred inflow of resources in the Statement of Net Position.

The Authority entered into a ground lease on February 21, 2014 with the Renaissance at Allendale, L.P. under which the Authority leased land to the Partnership for a term of 99 years and total rent of \$75,000. A rental payment for the full term of the lease in the amount of \$75,000 was paid at commencement. During fiscal year 2022, the Authority recognized rent revenue applicable to the lease of \$758 and has deferred recognition of \$68,497 of the rent as of September 30, 2022, which is reported as a deferred inflow of resources in the Statement of Net Position.

The Authority entered into a ground lease on July 1, 2018 with the Shreveport BDB Housing Partners, LLC. under which the Authority leased land to the Partnership for a term of 75 years and total rent of \$144,000. A rental payment for the full term of the lease in the amount of \$144,000 was paid at commencement. During fiscal year 2022, the Authority recognized rent revenue applicable to the lease of \$1,920 and has deferred recognition of \$133,920 of the rent as of September 30, 2022, which is reported as a deferred inflow of resources in the Statement of Net Position.

Upon the adoption of *Governmental Accounting Standards Board Statement No. 87 – Leases*, as of the beginning of the Authority's fiscal year 2022, the Authority has deferred recognition of \$391,306 of the rent revenue applicable to the three land leases. The effect of the adoption of the Standard as of September 1, 2021, increased deferred inflows of resources by \$391,306 and reduced net position by \$252,130 and liabilities by \$139,176.

### NOTE N – AMOUNTS DUE TO HUD

Fiscal year ended September 30, 2012 audit finding 12-04 identified questionable payments made by the Authority using Replacement Housing Factor grants 501.07 and 501.08. The funds were not expended to develop or acquire new public housing rental units as stated by the grant requirements, but instead, were used to modify existing public housing properties. Prior to the 2014 fiscal year, these amounts were identified as contingent liabilities, as the New Orleans HUD Office had not notified the Authority of a correction plan. On July 7, 2014, the Office of General Counsel decreed that the monies owed of \$713,254 must be repaid using any non-federal funds at the Authority's disposal and/or Capital Fund Program funds. The \$713,254 will be repaid over 15 years with a zero percent interest rate. The Authority will utilize a portion of the Capital Fund Program funds for the next ten years, beginning on October 1, 2015, and will make an annual payment of \$47,550. As of September 30, 2022, the balance was \$380,404.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE N – AMOUNTS DUE TO HUD - CONTINUED

| <u>Fiscal Year</u> | <u>Repayment Amount</u> |
|--------------------|-------------------------|
| 2023               | 47,550                  |
| 2024               | 47,550                  |
| 2025               | 47,550                  |
| 2026               | 47,550                  |
| 2027 - 2030        | 190,204                 |
| Total              | <u>\$ 380,404</u>       |

NOTE O – NOTES AND MORTGAGES – DISCRETE COMPONENT UNIT

On July 13, 2018 the Company obtained a loan in the amount of \$8,500,000 from Wilmington Trust, National Association for the construction of the Project. The construction loan is collateralized by the Project and bears interest on the outstanding principal balance at an adjustable interest rate that shall be determined by the lender on each rate determination date. During 2021, interest in the amount of \$31,157 was capitalized and included in capital assets. As of December 31, 2021, the outstanding balance of the construction loan was \$8,500,000 and accrued interest was \$8,747. The loan has been reduced by debt issuance cost of \$571,423.

Debt issuance costs in the amount of \$928,513 and bond issuance cost of \$123,794 are being amortized to interest expense over the term of the mortgage. During 2021, amortization of debt issuance costs expensed was \$132,223. As of December 31, 2021 accumulated amortization of debt issuance costs and bond issuance costs was \$480,884.

Home Loan Payable – Shreveport BDB Housing Partners, LLC

On July 13, 2018, the Company obtained a loan in the amount of \$1,000,000 from Louisiana Housing Corporation to finance the rehabilitation of the Project. The HOME loan is secured by the HOME Mortgage, as defined in the HOME loan Agreement, and bears interest at an annual rate of 2.75%. Payments of interest and principal shall be made in annual installments in the amount of 50% of available surplus cash commencing on the earlier of April 1, 2022 or April 1 of the year the deferred developer fee is paid in full. As of December 31, 2021 the outstanding balance was \$938,000 and accrued interest was \$51,590.

Related Party Loans

The Authority, a related party of Shreveport BDB Housing Partners, LLC, advanced funds to the Company in the amount of \$4,656,000 to finance the acquisition of the Project. The loan is secured by a vendor's lien and privilege and special mortgage as well as a Mortgage and Security Agreement. The loan bears interest at an annual rate of 3.06%, compounded annually, and is due and payable on July 13, 2058. Principal payments are payable from available cash flow, as defined in the Operating Agreement. As of December 31, 2021, the outstanding balance was \$4,656,000 and accrued interest was \$494,170.

The Authority, a related party of Shreveport BDB Housing Partners, LLC, advanced funds to the Company in the amount of \$600,000 to finance the acquisition and rehabilitation of the Project. The loan is secured through a Mortgage and Security Agreement. The loan does not bear interest and is due and payable on the tax-exempt loan conversion. Principal payments are payable from available cash flow, as defined in the Operating Agreement. As of December 31, 2021, the outstanding balance was \$600,000.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE O – NOTES AND MORTGAGES – DISCRETE COMPONENT UNIT - CONTINUED

Related Party Loans - Continued

The Authority, a related party of Shreveport BDB Housing Partners, LLC, advanced funds to the Company in the amount of \$144,000 to prepay the ground lease of the Project. The ground lease loan is secured by a vendor’s lien and privilege and special mortgage as well as a Mortgage and Security Agreement. The loan does not bear interest and is due and payable on July 13, 2058. Principal payments are payable from available cash flow, as defined in the Operating Agreement. As of December 31, 2021, the outstanding balance was \$144,000.

Itex Development, LLC a related party of the Special Member, advanced funds for payment of debt issuance costs to the Company. As of December 31, 2021 reimbursements of \$177,625 were due to Itex Development, LLC.

Developer Fee Payable

Pursuant to the Development Agreement, Itex Development, LLC, a related party of the special member of Shreveport BDB Housing Partners, LLC, earned a development fee in the total of \$1,995,873 for development services rendered in connection with the construction of the Project. Per the Operating Agreement, the deferred portion of the developer fee is \$1,038,849. The development fee payable does not bear interest. As of December 31, 2021, a development fee payable of \$1,500,334 was outstanding.

NOTE P – LONG TERM DEBT

A summary of long-term liability activity for the year ended September 30, 2022 is as follows:

Enterprise Fund:

|                      | <u>Beginning<br/>Balance</u> | <u>Increases</u>  | <u>Decreases</u>  | <u>Ending<br/>Balance</u> | <u>Due Within<br/>One Year</u> |
|----------------------|------------------------------|-------------------|-------------------|---------------------------|--------------------------------|
| Compensated Absences | \$ 155,416                   | \$ 179,072        | \$ 75,567         | \$ 258,921                | \$ 90,136                      |
| Due to HUD           | 380,404                      | -                 | -                 | 380,404                   | 47,550                         |
| FSS Escrows          | 264,489                      | -                 | 125,635           | 138,854                   | -                              |
| Long Term Debt       | <u>\$ 800,309</u>            | <u>\$ 179,072</u> | <u>\$ 201,202</u> | <u>\$ 778,179</u>         | <u>\$ 137,686</u>              |

Discrete Component Unit:

|                           | <u>Beginning<br/>Balance</u> | <u>Increases</u>    | <u>Decreases</u>  | <u>Ending<br/>Balance</u> | <u>Due Within<br/>One Year</u> |
|---------------------------|------------------------------|---------------------|-------------------|---------------------------|--------------------------------|
| Construction Loan Payable | \$ 7,335,642                 | \$ 1,164,358        | \$ -              | \$ 8,500,000              | \$ -                           |
| Note Payable HACS         | 5,400,000                    | -                   | -                 | 5,400,000                 | -                              |
| HOME Loan Payable         | 938,000                      | -                   | -                 | 938,000                   | -                              |
| Developer Fee Payable     | 1,795,873                    | -                   | 295,539           | 1,500,334                 | -                              |
| Due to Itex Development   | -                            | 177,625             | -                 | 177,625                   | -                              |
| Deferred Loan Costs       | (541,746)                    | 29,677              | -                 | (571,423)                 | -                              |
| Long Term Debt            | <u>\$ 14,927,769</u>         | <u>\$ 1,371,660</u> | <u>\$ 295,539</u> | <u>\$ 15,944,536</u>      | <u>\$ -</u>                    |

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE Q – INTERPROGRAM ACTIVITY

The Housing Authority manages several programs. Many charges, i.e., payroll, benefits, insurance, etc. are paid by the Housing Authority's various funds and subsequently reimbursed by the Public Housing Program. Balances due for such charges are reflected in the Interprogram Due to/Due from account balances. Interprograms on September 30, 2022 consisted of the following:

|             |                    |
|-------------|--------------------|
| COCC        | \$ 57,124          |
| HOPE VI     | (7,531)            |
| ROSS        | (19,234)           |
| State/Local | (4,745)            |
| YouthBuild  | (25,614)           |
| Total       | <u><u>\$ -</u></u> |

### NOTE R – ACCOUNTS RECEIVABLE OTHER

The Authority's accounts receivable other consists of the following as of the end of the fiscal year:

|  |                          |
|--|--------------------------|
|  | Enterprise Fund          |
| Due from HUD - Capital Fund Program      | \$ 37,005                |
| Due from HUD - Other Programs            | 122,236                  |
| Accounts Receivable - Managed Properties | 169,907                  |
| Miscellaneous Accounts Receivable        | 227,152                  |
| Total (Net of Allowance of \$50,923)     | <u><u>\$ 556,300</u></u> |

### NOTE S – RESTRICTED CASH AND RESTRICTED NET POSITION

The Authority's restricted cash consists of the following as of the end of the fiscal year:

| <u>Enterprise Fund</u>           | Restricted<br>Cash         | Restricted Net<br>Position |
|----------------------------------|----------------------------|----------------------------|
| Restricted for HAP               | \$ 18,396                  | \$ 18,396                  |
| Restricted for Emergency Housing | 29,116                     | -                          |
| Restricted for FSS Forfeitures   | 2,472                      | 2,472                      |
| Restricted for FSS Escrows       | 138,854                    | -                          |
| Total                            | <u><u>\$ 188,838</u></u>   | <u><u>\$ 20,868</u></u>    |
|                                  | Restricted<br>Cash         | Restricted Net<br>Position |
| Discrete Component Unit          |                            |                            |
| Reserve for Replacement          | <u>\$ 1,268,357</u>        | <u>\$ 1,268,357</u>        |
| Total Restricted Cash            | <u><u>\$ 1,268,357</u></u> | <u><u>\$ 1,268,357</u></u> |

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE T – COMPONENT UNITS – DISCRETELY PRESENTED

In the current year’s financial statements, Shreveport BDB Housing Partners, LLC is reported as discretely a presented component unit. The decision to include the partnerships was based on the Governmental Accounting Standards Board Statements Nos. 14, 39 and 61.

GASB Statement No. 14, *The Financial Reporting Entity*, requires that all potential component units are to be evaluated for inclusion in the financial reporting entity. GASB Statement Nos. 39 and 61 amend Statement No. 14 to provide additional guidance to determine whether certain organizations should be reported as component units based on the nature and significance of their relationship with the primary government.

Based on the significance of the funds invested in the projects by the Authority, the Authority’s apparent interest in the projects, and satisfaction of the remaining criteria outlined above, management of the Authority has elected to report Shreveport BDB Housing Partners, LLC as a discretely presented component unit.

### NOTE U – DIFFERENT REPORTING STANDARDS

Shreveport BDB Housing Partners, LLC (discrete component unit) is not audited in accordance with *Governmental Auditing Standards*. However, in these financial statements, items have been presented and reported in the same categories as the Housing Authority’s Enterprise Fund.

### NOTE V – COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

### NOTE W – PILOT AGREEMENT

The Authority has entered into a Payment in Lieu of Taxes (PILOT) Agreement with the City of Shreveport whereby the Authority agrees to pay a negotiated sum in lieu of city real property taxes. As of September 30, 2022, the Authority owes the City \$35,033 for PILOT costs for the year.

### NOTE X – RECEIVABLE VARIANCES DUE TO DIFFERENT FISCAL YEAR ENDS

The following schedule reconciles the Authority’s applicable note receivable balances due from the discrete component units as of December 31, 2021 to the receivable balances reported as of September 30, 2022 before any allowances.

|                                     | <u>Cypress<br/>Landing, LP</u> | <u>Renaissance at<br/>Allendale, LP</u> | <u>Shreveport<br/>BDB Housing<br/>Partners, LLC</u> | <u>Total</u>        |
|-------------------------------------|--------------------------------|---|---|---------------------|
| Note Receivable as of 12/31/2021    | \$ 250,999                     | \$ 611,950                              | \$ 5,894,170  | \$ 6,757,119        |
| Interest accrued through 9/30/2022  | 11,739                         | 27,637                                  | 182,311   | 221,687             |
| Payments received through 9/30/2022 | (23,370)                       | -                                       | -   | (23,370)            |
| Notes Receivable as of 9/30/2022    | <u>\$ 239,368</u>              | <u>\$ 639,587</u>                       | <u>\$ 6,076,481</u>                                 | <u>\$ 6,955,436</u> |

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE Y – SUBSEQUENT EVENTS

In preparing financial statements, management evaluated subsequent events through March 30, 2023, the date the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

### NOTE Z – CONDENSED BLENDED COMPONENT UNIT FINANCIAL STATEMENTS

#### Condensed Blended Component Unit - Statement of Net Position

|                                  | Shreveport<br>Leased<br>Housing<br>Corporation |
|----------------------------------|--|
| <b>Assets</b>                    |  |
| Current assets                   | \$ 1,850,735                                   |
| Other assets                     | 14,277,478                                     |
| Total assets                     | <u>\$ 16,128,213</u>                           |
| <b>Liabilities</b>               |  |
| Current liabilities              | \$ 274,041                                     |
| Long term liabilities            | 171,439  |
| Total liabilities                | <u>\$ 445,480</u>                              |
| <b>Net position</b>              |  |
| Net Investment in capital assets | \$ 8,231,874                                   |
| Unrestricted net position        | 7,450,859                                      |
| Total net position               | <u>\$ 15,682,733</u>                           |

#### Revenues, Expenses and Changes in Net Position

|  | Shreveport<br>Leased<br>Housing<br>Corporation |
|--|--|
| <b>Revenues</b>                            |  |
| Leased Housing Income                      | \$ 2,518,555                                   |
| Mortgage Interest Income                   | 209,087  |
| Other Income                               | 279,591  |
| Total revenues                             | <u>3,007,233</u>                               |
| <b>Expenses</b>                            |  |
| Administrative and General                 | 762,413  |
| Maintenance, Utilities and Tenant Services | 792,509  |
| Depreciation                               | 527,318  |
| Total expenses                             | <u>2,082,240</u>                               |
| Operating Income                           | <u>924,993</u>                                 |
| Increase in net position                   | 924,993  |
| Beginning net position                     | 9,109,983                                      |
| Transfer in from Public Housing            | 5,647,757                                      |
| Ending net position                        | <u>\$ 15,682,733</u>                           |

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE Z – CONDENSED BLENDED COMPONENT UNIT FINANCIAL STATEMENTS

Condensed Blended Component Unit - Statement of Cash Flows

|  | Shreveport<br>Leased<br>Housing<br>Corporation |
|--|--|
|  | <u>                    </u>                    |
| Cash flows from operating activities   | \$ 1,538,111                                   |
| Cash flows used by investing and capital activities                              | <u>(1,828,027)</u>                             |
| Net decrease in cash and equivalents   | (289,916)                                      |
| Beginning current and restricted cash  | <u>2,104,426</u>                               |
| Ending current and restricted cash   | <u><u>\$ 1,814,510</u></u>                     |
|  |  |
| Reconciliation of operating income to net cash provided by operating activities: |  |
| Operating income   | \$ 924,993                                     |
| Depreciation expense   | 527,318  |
| Change in receivables and payables   | 85,800   |
|  | <u>                    </u>                    |
| Net cash provided by operating activities  | <u><u>\$ 1,538,111</u></u>                     |

**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA  
 SCHEDULE OF COMPLETED PROGRAM COSTS  
 FAMILY SELF SUFFICIENCY PROGRAM  
 SEPTEMBER 30, 2022**

|                           | <b>Public Housing<br/>Capital Fund<br/>Program<br/>FSS21LA3690</b> |
|---------------------------|--|
| Funds Approved            | \$ 103,854   |
| Funds Disbursed           | 103,854  |
| Excess Funds Approved     | <u>\$ -</u>  |
| <br>                      |  |
| Funds Advanced            | \$ 103,854   |
| Funds Disbursed           | 103,854  |
| Excess Funds (Deficiency) | <u>\$ -</u>  |

1. The distribution of costs as shown on the Federal Financial Report submitted to HUD for approval is in agreement with the Housing Authority's records.
2. All Modernization costs have been paid and all related liabilities have been discharged through payment.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
SHREVEPORT, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2022

EXPENDITURES

|   |               |
|---|---------------|
| Low Rent Public Housing Expenditures                              |               |
| Total Assistance Listing Number 14.850                            | \$ 2,346,176  |
| Housing Voucher Cluster   |               |
| Section 8 Housing Choice Vouchers                                 | 16,897,605    |
| HCV CARES Act Expenditures  | 63,496        |
| Housing Choice Vouchers Emergency Housing Funding                 | 142,200       |
| Total Assistance Listing Number 14.871                            | 17,103,301    |
| Mainstream Vouchers   |               |
| Total Assistance Listing Number 14.879                            | 316,542       |
| Total Housing Voucher Cluster                                     | 17,419,843    |
| Public Housing Capital Fund Program                               |               |
| Total Assistance Listing Number 14.872                            | 1,213,490     |
| Family Self-Sufficiency Program                                   |               |
| Total Assistance Listing Number 14.896                            | 121,530       |
| YouthBuild Program  |               |
| Total Assistance Listing Number 17.274                            | 35,515        |
| TOTAL DEPARTMENT OF HOUSING AND URBAN<br>DEVELOPMENT EXPENDITURES | 21,136,554    |
| TOTAL FEDERAL EXPENDITURES  | \$ 21,136,554 |

Note 1 - Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of the Authority and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of operations of the Authority it is not intended to and does not present the financial net position, changes in net position or cash flows of the 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 allowed or are limited as to reimbursement.

Note 3 – Indirect Cost Rate

The Authority did not elect to use the 10% *De Minimus Cost Rate*.



**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT [LA002]  
SHREVEPORT, LOUISIANA  
FINANCIAL DATA SCHEDULE  
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|       | 14.850a<br>LOW RENT                               | 14.872<br>CFP | 14.871<br>SECTION 8<br>HCV | 14.HCC<br>HCV CARES<br>ACT FUNDING | 14.879<br>MAINSTREAM<br>VOUCHERS | 14.EHV<br>EMERGENCY<br>HSG VOUCHER | 14.866<br>HOPE<br>VI | 14.896<br>PIH FSS | 14.EFA<br>FSS ESCROW<br>FORFEITURES | STATE / LOCAL | COCC      |
|-------|---|---------------|----------------------------|------------------------------------|----------------------------------|------------------------------------|----------------------|-------------------|-------------------------------------|---------------|-----------|
| 322   | ACCRUED COMPENSATED ABSENCES                      | 4,090         | -                          | 17,178                             | -                                | -                                  | -                    | 2,470             | -                                   | -             | 51,999    |
| 324   | ACCRUED CONTINGENCY LIABILITY                     | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 325   | ACCRUED INTEREST PAYABLE                          | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 331   | ACCOUNTS PAYABLE - HUD PHA PROGRAMS               | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 332   | ACCOUNTS PAYABLE - PHA PROJECTS                   | -             | -                          | 1,444                              | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 333   | ACCOUNTS PAYABLE OTHER GOVT                       | 35,033        | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 341   | TENANT SECURITY DEPOSIT                           | 39,536        | -                          | 425                                | -                                | -                                  | -                    | -                 | -                                   | 2,240         | -         |
| 342   | UNEARNED REVENUES                                 | 529           | -                          | -                                  | -                                | 52,297                             | -                    | -                 | -                                   | -             | -         |
| 343   | CURRENT PORTION OF LT DEBT CAPITAL                | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 344   | CURRENT PORTION OF LT DEBT OPERATING              | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 348   | LOAN LIABILITIES - CURRENT                        | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | 47,550    |
| 345   | OTHER CURRENT LIABILITIES                         | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 346   | ACCRUED LIABILITIES - OTHER                       | -             | -                          | -                                  | 17,919                           | 5,090                              | -                    | -                 | -                                   | -             | -         |
| 347   | INTERPROGRAM DUE TO                               | -             | -                          | -                                  | -                                | -                                  | 7,531                | 19,234            | -                                   | 4,745         | -         |
| 310   | TOTAL CURRENT LIABILITIES                         | 97,200        | 25,791                     | 104,010                            | -                                | 17,919                             | 57,387               | 7,531             | 21,704                              | 6,985         | 403,021   |
|       | NONCURRENT LIABILITIES                            |               |                            |                                    |                                  |                                    |                      |                   |                                     |               |           |
| 351   | LONG TERM DEBT NET OF CURRENT CAPITAL             | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 352   | LONG TERM DEBT NET OF CURRENT OPERATING           | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 354   | LONG TERM PORTION OF COMPENSATED ABSENC           | 7,770         | -                          | 32,357                             | -                                | -                                  | -                    | -                 | -                                   | -             | 105,259   |
| 355   | LOAN LIABILITIES - OTHER                          | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | 332,854   |
| 353   | NONCURRENT LIABILITIES OTHER                      | -             | -                          | 129,054                            | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 350   | TOTAL NONCURRENT LIABILITIES                      | 7,770         | -                          | 161,411                            | -                                | -                                  | -                    | -                 | -                                   | -             | 438,113   |
| 300   | TOTAL LIABILITIES                                 | 104,970       | 25,791                     | 265,421                            | -                                | 17,919                             | 57,387               | 7,531             | 21,704                              | 6,985         | 841,134   |
| 400   | DEFERRED INFLOWS OF RESOURCES                     | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 508.4 | NET INVESTMENT IN CAPITAL ASSETS                  | 1,593,653     | 55,746                     | 15,121                             | -                                | -                                  | 2,550                | -                 | -                                   | 3,033         | 587,787   |
| 511.4 | RESTRICTED NET POSITION                           | -             | -                          | 15,600                             | -                                | 2,796                              | -                    | -                 | 2,472                               | -             | -         |
| 512.1 | UNRESTRICTED NET POSITION                         | 10,220,612    | -                          | 1,823,110                          | -                                | 571                                | 1,149                | (7,531)           | -                                   | 23,782        | 2,009,116 |
| 513   | TOTAL EQUITY                                      | 11,814,265    | 55,746                     | 1,853,831                          | -                                | 3,367                              | 1,149                | (4,981)           | -                                   | 2,472         | 2,596,903 |
| 600   | TOTAL LIABILITIES, DEF. INFLOWS OF RES & EQUITY   | 11,919,235    | 81,537                     | 2,119,252                          | -                                | 21,286                             | 58,536               | 2,550             | 21,704                              | 2,472         | 3,438,037 |
|       | REVENUE   |               |                            |                                    |                                  |                                    |                      |                   |                                     |               |           |
| 70300 | NET TENANT RENTAL REVENUE                         | 260,350       | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 70400 | TENANT REVENUE - OTHER                            | 37,118        | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 70500 | TOTAL TENANT REVENUE                              | 297,468       | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 70600 | HUD PHA GRANTS                                    | 2,346,176     | 1,080,562                  | 16,897,605                         | 63,496                           | 316,542                            | 142,200              | -                 | 121,530                             | -             | -         |
| 70610 | CAPITAL GRANTS RECEIVED                           | -             | 132,928                    | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 70710 | MANAGEMENT FEE                                    | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | 725,284   |
| 70720 | ASSET MANAGEMENT FEE                              | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | 47,880    |
| 70730 | BOOK-KEEPING FEE                                  | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | 249,751   |
| 70750 | OTHER FEES  | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 70800 | OTHER GOVT GRANTS                                 | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 71100 | INVESTMENT INCOME - UNRESTRICTED                  | 3,342         | -                          | 3,034                              | -                                | 5                                  | 59                   | -                 | -                                   | -             | 7,854     |
| 71200 | MORTGAGE INTEREST INCOME                          | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 71300 | PROCEEDS FROM DISPOSITION OF ASSETS HELD FOR SALE | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 71310 | COST OF SALE OF ASSETS                            | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 71400 | FRAUD RECOVERY                                    | -             | -                          | 675                                | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 71500 | OTHER REVENUE                                     | 134,569       | -                          | 186,787                            | -                                | -                                  | -                    | -                 | -                                   | 2,472         | 2,108,571 |
| 71600 | GAIN OR LOSS ON THE DISPOSAL OF CAPITAL ASSETS    | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 72000 | INVESTMENT INCOME - RESTRICTED                    | -             | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 70000 | TOTAL REVENUE                                     | 2,781,555     | 1,213,490                  | 17,088,101                         | 63,496                           | 316,547                            | 142,259              | -                 | 121,530                             | 2,472         | 3,139,340 |
|       | EXPENSES  |               |                            |                                    |                                  |                                    |                      |                   |                                     |               |           |
|       | ADMINISTRATIVE                                    |               |                            |                                    |                                  |                                    |                      |                   |                                     |               |           |
| 91100 | ADMINISTRATIVE SALARIES                           | 105,219       | -                          | 360,749                            | 35,411                           | 37,801                             | 10,427               | -                 | -                                   | -             | 1,094,160 |
| 91200 | AUDITING FEES                                     | 9,149         | -                          | 14,853                             | 897                              | -                                  | -                    | -                 | -                                   | -             | 6,750     |
| 91300 | MANAGEMENT FEES                                   | 106,951       | 129,032                    | 337,176                            | -                                | 6,876                              | -                    | -                 | -                                   | -             | -         |
| 91310 | BOOKKEEPING FEE                                   | 14,303        | -                          | 210,735                            | -                                | 4,298                              | -                    | -                 | -                                   | -             | -         |
| 91400 | ADVERTISING AND MARKETING                         | 525           | -                          | -                                  | -                                | -                                  | -                    | -                 | -                                   | -             | -         |
| 91500 | EMPLOYEE BENEFIT CONTRIBUTION                     | 35,694        | -                          | 116,944                            | 10,596                           | 16,199                             | 4,797                | -                 | -                                   | -             | 383,126   |





**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT [LA002]  
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SEPTEMBER 30, 2022**

|                                      | BLENDED<br>COMPONENT<br>UNIT | DISCRETE<br>COMPONENT<br>UNIT | 17.274<br>YOUTH<br>BUILD | ELIMINATIONS |              |
|--------------------------------------|------------------------------|-------------------------------|--------------------------|--------------|--------------|
| <b>ASSETS</b>                        |                              |                               |                          |              |              |
| <b>CURRENT ASSETS</b>                |                              |                               |                          |              |              |
| <b>CASH</b>                          |                              |                               |                          |              |              |
| 111                                  | 1,758,107                    | 177,151                       | -                        | -            | 16,328,421   |
| 115                                  | -                            | -                             | -                        | -            | -            |
| 112                                  | -                            | -                             | -                        | -            | -            |
| 113                                  | 9,800                        | 1,268,357                     | -                        | -            | 1,457,195    |
| 114                                  | 46,603                       | 15,531                        | -                        | -            | 103,910      |
| 100                                  | 1,814,510                    | 1,461,039                     | -                        | -            | 17,889,526   |
| <b>ACCOUNTS AND NOTES RECEIVABLE</b> |                              |                               |                          |              |              |
| 121                                  | -                            | -                             | -                        | -            | 8,261        |
| 122                                  | -                            | -                             | -                        | -            | 159,241      |
| 124                                  | -                            | -                             | 35,516                   | -            | 124,419      |
| 125                                  | 15,158                       | -                             | -                        | -            | 315,302      |
| 126                                  | 27,497                       | 50,466                        | -                        | -            | 88,976       |
| 126.1                                | (16,702)                     | -                             | -                        | -            | (19,075)     |
| 126.2                                | -                            | -                             | -                        | -            | (50,923)     |
| 127                                  | 57,396                       | -                             | -                        | -            | 57,396       |
| 128                                  | -                            | -                             | -                        | -            | -            |
| 128.1                                | -                            | -                             | -                        | -            | -            |
| 129                                  | -                            | -                             | -                        | -            | -            |
| 120                                  | 83,349                       | 50,466                        | 35,516                   | -            | 683,597      |
| <b>CURRENT INVESTMENTS</b>           |                              |                               |                          |              |              |
| 131                                  | -                            | -                             | -                        | -            | -            |
| 135                                  | -                            | -                             | -                        | -            | -            |
| 132                                  | -                            | -                             | -                        | -            | -            |
| 142                                  | 10,272                       | 143,586                       | -                        | -            | 409,010      |
| 143                                  | -                            | -                             | -                        | -            | -            |
| 143.1                                | -                            | -                             | -                        | -            | -            |
| 144                                  | -                            | -                             | -                        | (57,124)     | -            |
| 145                                  | -                            | -                             | -                        | -            | -            |
| 150                                  | 1,908,131                    | 1,655,091                     | 35,516                   | (57,124)     | 18,982,133   |
| <b>NONCURRENT ASSETS</b>             |                              |                               |                          |              |              |
| <b>FIXED ASSETS</b>                  |                              |                               |                          |              |              |
| 161                                  | 1,384,042                    | -                             | -                        | -            | 2,150,544    |
| 168                                  | -                            | -                             | -                        | -            | -            |
| 162                                  | 24,448,534                   | 14,100,033                    | -                        | -            | 47,042,142   |
| 163                                  | 281,812                      | 368,339                       | -                        | -            | 740,608      |
| 164                                  | 353,998                      | -                             | -                        | -            | 1,634,158    |
| 165                                  | 705,418                      | -                             | -                        | -            | 961,401      |
| 167                                  | 2,078,897                    | -                             | -                        | -            | 2,134,643    |
| 166                                  | (21,020,827)                 | (1,047,302)                   | -                        | -            | (30,752,662) |
| 160                                  | 8,231,874                    | 13,421,070                    | -                        | -            | 23,910,834   |
| 171                                  | 5,988,208                    | -                             | -                        | -            | 5,988,208    |
| 172                                  | -                            | -                             | -                        | -            | -            |
| 173                                  | -                            | -                             | -                        | -            | -            |
| 174                                  | -                            | 252,660                       | -                        | -            | 252,660      |
| 176                                  | -                            | -                             | -                        | -            | -            |
| 180                                  | 14,220,082                   | 13,673,730                    | -                        | -            | 30,151,702   |
| 200                                  | -                            | -                             | -                        | -            | -            |
| 290                                  | 16,128,213                   | 15,328,821                    | 35,516                   | (57,124)     | 49,133,835   |
| <b>LIABILITIES AND EQUITY</b>        |                              |                               |                          |              |              |
| <b>CURRENT LIABILITIES</b>           |                              |                               |                          |              |              |
| 311                                  | -                            | -                             | -                        | -            | -            |
| 312                                  | 179,565                      | 45,087                        | 7,833                    | -            | 573,303      |
| 313                                  | -                            | -                             | -                        | -            | -            |
| 321                                  | -                            | -                             | -                        | -            | 91,420       |

**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT [LA002]  
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SEPTEMBER 30, 2022**

|       |   | BLENDED<br>COMPONENT<br>UNIT | DISCRETE<br>COMPONENT<br>UNIT | 17.274<br>YOUTH<br>BUILD | ELIMINATIONS |            |
|-------|---|------------------------------|-------------------------------|--------------------------|--------------|------------|
| 322   | ACCRUED COMPENSATED ABSENCES                      | 12,330                       | -                             | 2,069                    | -            | 90,136     |
| 324   | ACCRUED CONTINGENCY LIABILITY                     | -                            | -                             | -                        | -            | -          |
| 325   | ACCRUED INTEREST PAYABLE                          | -                            | 554,507                       | -                        | -            | 554,507    |
| 331   | ACCOUNTS PAYABLE - HUD PHA PROGRAMS               | -                            | -                             | -                        | -            | -          |
| 332   | ACCOUNTS PAYABLE - PHA PROJECTS                   | -                            | -                             | -                        | -            | 1,444      |
| 333   | ACCOUNTS PAYABLE OTHER GOVT                       | -                            | -                             | -                        | -            | 35,033     |
| 341   | TENANT SECURITY DEPOSIT                           | 46,603                       | 15,531                        | -                        | -            | 104,335    |
| 342   | UNEARNED REVENUES                                 | 35,543                       | 8,278                         | -                        | -            | 96,647     |
| 343   | CURRENT PORTION OF LT DEBT CAPITAL                | -                            | -                             | -                        | -            | -          |
| 344   | CURRENT PORTION OF LT DEBT OPERATING              | -                            | -                             | -                        | -            | -          |
| 348   | LOAN LIABILITIES - CURRENT                        | -                            | -                             | -                        | -            | 47,550     |
| 345   | OTHER CURRENT LIABILITIES                         | -                            | -                             | -                        | -            | -          |
| 346   | ACCRUED LIABILITIES - OTHER                       | -                            | 7,852                         | -                        | -            | 30,861     |
| 347   | INTERPROGRAM DUE TO                               | -                            | -                             | 25,614                   | (57,124)     | -          |
| 310   | TOTAL CURRENT LIABILITIES                         | 274,041                      | 631,255                       | 35,516                   | (57,124)     | 1,625,236  |
|       | NONCURRENT LIABILITIES                            |                              |                               |                          |              |            |
| 351   | LONG TERM DEBT NET OF CURRENT CAPITAL             | -                            | 15,944,536                    | -                        | -            | 15,944,536 |
| 352   | LONG TERM DEBT NET OF CURRENT OPERATING           | -                            | -                             | -                        | -            | -          |
| 354   | LONG TERM PORTION OF COMPENSATED ABSENC           | 23,399                       | -                             | -                        | -            | 168,785    |
| 355   | LOAN LIABILITIES - OTHER                          | -                            | -                             | -                        | -            | 332,854    |
| 353   | NONCURRENT LIABILITIES OTHER                      | 9,800                        | -                             | -                        | -            | 138,854    |
| 350   | TOTAL NONCURRENT LIABILITIES                      | 33,199                       | 15,944,536                    | -                        | -            | 16,585,029 |
| 300   | TOTAL LIABILITIES                                 | 307,240                      | 16,575,791                    | 35,516                   | (57,124)     | 18,210,265 |
| 400   | DEFERRED INFLOWS OF RESOURCES                     | 391,306                      | -                             | -                        | -            | 391,306    |
| 508.4 | NET INVESTMENT IN CAPITAL ASSETS                  | 8,231,874                    | (2,523,466)                   | -                        | -            | 7,966,298  |
| 511.4 | RESTRICTED NET POSITION                           | -                            | 1,268,357                     | -                        | -            | 1,289,225  |
| 512.1 | UNRESTRICTED NET POSITION                         | 7,197,793                    | 8,139                         | -                        | -            | 21,276,741 |
| 513   | TOTAL EQUITY                                      | 15,429,667                   | (1,246,970)                   | -                        | -            | 30,532,264 |
| 600   | TOTAL LIABILITIES, DEF. INFLOWS OF RES & EQUITY   | 15,736,907                   | 15,328,821                    | 35,516                   | (57,124)     | 48,742,529 |
|       | REVENUE   | 391,306                      | -                             | -                        | -            | 391,306    |
| 70300 | NET TENANT RENTAL REVENUE                         | 2,462,319                    | 999,093                       | -                        | -            | 3,721,762  |
| 70400 | TENANT REVENUE - OTHER                            | 56,236                       | 41,385                        | -                        | -            | 134,739    |
| 70500 | TOTAL TENANT REVENUE                              | 2,518,555                    | 1,040,478                     | -                        | -            | 3,856,501  |
| 70600 | HUD PHA GRANTS                                    | -                            | -                             | 35,515                   | -            | 21,003,626 |
| 70610 | CAPITAL GRANTS RECEIVED                           | -                            | -                             | -                        | -            | 132,928    |
| 70710 | MANAGEMENT FEE                                    | -                            | -                             | -                        | (725,284)    | -          |
| 70720 | ASSET MANAGEMENT FEE                              | -                            | -                             | -                        | (47,880)     | -          |
| 70730 | BOOK-KEEPING FEE                                  | -                            | -                             | -                        | (249,751)    | -          |
| 70750 | OTHER FEES  | -                            | -                             | -                        | -            | -          |
| 70800 | OTHER GOVT GRANTS                                 | -                            | -                             | -                        | -            | -          |
| 71100 | INVESTMENT INCOME - UNRESTRICTED                  | 563                          | 50                            | -                        | -            | 14,907     |
| 71200 | MORTGAGE INTEREST INCOME                          | 209,087                      | -                             | -                        | -            | 209,087    |
| 71300 | PROCEEDS FROM DISPOSITION OF ASSETS HELD FOR SALE | -                            | -                             | -                        | -            | -          |
| 71310 | COST OF SALE OF ASSETS                            | -                            | -                             | -                        | -            | -          |
| 71400 | FRAUD RECOVERY                                    | -                            | -                             | -                        | -            | 675        |
| 71500 | OTHER REVENUE                                     | 278,092                      | -                             | -                        | (8,416)      | 2,702,075  |
| 71600 | GAIN OR LOSS ON THE DISPOSAL OF CAPITAL ASSETS    | -                            | -                             | -                        | -            | -          |
| 72000 | INVESTMENT INCOME - RESTRICTED                    | -                            | -                             | -                        | -            | -          |
| 70000 | TOTAL REVENUE                                     | 3,006,297                    | 1,040,528                     | 35,515                   | (1,031,331)  | 27,919,799 |
|       | EXPENSES  |                              |                               |                          |              |            |
|       | ADMINISTRATIVE                                    |                              |                               |                          |              |            |
| 91100 | ADMINISTRATIVE SALARIES                           | 153,499                      | 192,531                       | 20,602                   | -            | 2,010,399  |
| 91200 | AUDITING FEES                                     | 13,351                       | -                             | -                        | -            | 45,000     |
| 91300 | MANAGEMENT FEES                                   | 145,249                      | 47,551                        | -                        | (725,284)    | 47,551     |
| 91310 | BOOKKEEPING FEE                                   | 20,415                       | -                             | -                        | (249,751)    | -          |
| 91400 | ADVERTISING AND MARKETING                         | 127                          | 1,008                         | 5,195                    | -            | 6,855      |
| 91500 | EMPLOYEE BENEFIT CONTRIBUTION                     | 43,824                       | -                             | 4,867                    | -            | 616,047    |

**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT [LA002]  
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SEPTEMBER 30, 2022**

|       |  | BLENDED<br>COMPONENT<br>UNIT | DISCRETE<br>COMPONENT<br>UNIT | 17.274<br>YOUTH<br>BUILD | ELIMINATIONS |            |
|-------|--|------------------------------|-------------------------------|--------------------------|--------------|------------|
| 91600 | OFFICE EXPENSE                             | 4,520                        | -                             | 4,480                    | -            | 165,644    |
| 91700 | LEGAL                                      | 41,475                       | 49,595                        | -                        | -            | 93,374     |
| 91800 | TRAVEL                                     | -                            | -                             | -                        | -            | 10,100     |
| 91900 | OTHER OPERATING ADMINISTRATIVE             | 49,565                       | 111,344                       | 371                      | (8,416)      | 621,260    |
| 92000 | ASSET MANAGEMENT FEE                       | 28,410                       | -                             | -                        | (47,880)     | -          |
|       | TENANT SERVICES                            |                              |                               |                          |              |            |
| 92100 | TENANT SERVICES SALARIES                   | -                            | -                             | -                        | -            | 80,569     |
| 92200 | RELOCATION COSTS                           | -                            | -                             | -                        | -            | -          |
| 92300 | EMPLOYEE BENEFIT CONTRIBUTION              | -                            | -                             | -                        | -            | 43,982     |
| 92400 | TENANT SERVICES OTHER                      | -                            | -                             | -                        | -            | 60,535     |
|       | UTILITIES                                  |                              |                               |                          |              |            |
| 93100 | WATER                                      | 2,303                        | -                             | -                        | -            | 5,855      |
| 93200 | ELECTRICITY                                | 10,484                       | -                             | -                        | -            | 65,645     |
| 93300 | GAS  | 2,838                        | -                             | -                        | -            | 13,707     |
| 93400 | FUEL                                       | -                            | -                             | -                        | -            | -          |
| 93500 | LABOR                                      | -                            | -                             | -                        | -            | -          |
| 93600 | SEWER                                      | 2,351                        | -                             | -                        | -            | 5,851      |
| 93700 | EMPLOYEE BENEFIT CONTRIBUTION UTILITY      | -                            | -                             | -                        | -            | -          |
| 93800 | OTHER UTILITIES                            | -                            | 138,352                       | -                        | -            | 138,352    |
|       | ORDINARY MAINTENANCE & OPERATION           |                              |                               |                          |              |            |
| 94100 | ORDINARY MAINT AND OP LABOR                | 136,623                      | -                             | -                        | -            | 433,903    |
| 94200 | ORDINARY MAINTENANCE AND OP MATERIALS      | 96,912                       | -                             | -                        | -            | 168,352    |
| 94300 | ORDINARY MAINTENANCE AND OP CONTRACT       | 250,003                      | 208,462                       | -                        | -            | 751,654    |
| 94500 | EMPLOYEE BENEFIT CONTRIBUTION              | 51,201                       | -                             | -                        | -            | 180,960    |
|       | PROTECTIVE SERVICES                        |                              |                               |                          |              |            |
| 95100 | PROTECTIVE SERVICES - LABOR                | -                            | -                             | -                        | -            | -          |
| 95200 | PROTECTIVE SERVICES - OTHER CONTRACT COSTS | -                            | -                             | -                        | -            | -          |
| 95300 | PROTECTIVE SERVICES - OTHER                | -                            | -                             | -                        | -            | -          |
| 95500 | EMPLOYEE BENEFIT CONTRIBUTION PS           | -                            | -                             | -                        | -            | -          |
|       | GENERAL EXPENSES                           |                              |                               |                          |              |            |
| 96100 | INSURANCE PREMIUMS                         | 159,470                      | 212,025                       | -                        | -            | 561,884    |
| 96200 | OTHER GENERAL EXPENSE                      | 3,914                        | 7,253                         | -                        | -            | 348,249    |
| 96210 | COMPENSATED ABSENCES                       | 16,229                       | -                             | -                        | -            | 179,073    |
| 96300 | PAYMENTS IN LIEU OF TAXES                  | -                            | -                             | -                        | -            | 39,000     |
| 96400 | BAD DEBT - TENANT                          | 45,208                       | -                             | -                        | -            | 67,228     |
| 96500 | BAD DEBT - MORTGAGES                       | -                            | -                             | -                        | -            | -          |
| 96600 | BAD DEBT - OTHER                           | 37,157                       | -                             | -                        | -            | 67,402     |
| 96700 | INTEREST EXPENSE                           | -                            | 511,373                       | -                        | -            | 511,373    |
| 96730 | AMORTIZATION OF BOND ISSUE COSTS           | -                            | 8,940                         | -                        | -            | 8,940      |
| 96800 | SEVERANCE EXPENSE                          | -                            | -                             | -                        | -            | -          |
| 96900 | TOTAL OPERATING EXPENSES                   | 1,315,128                    | 1,488,434                     | 35,515                   | (1,031,331)  | 7,348,744  |
| 97000 | EXCESS OPERATING REVENUE OVER OP EXP       | 1,691,169                    | (447,906)                     | -                        | -            | 20,571,055 |
|       | EXTRAORDINARY MAINTENANCE                  |                              |                               |                          |              |            |
| 97100 | EXTRAORDINARY MAINTENANCE                  | -                            | -                             | -                        | -            | 568,426    |
| 97200 | CASUALTY LOSSES - NON CAPITALIZED          | 239,794                      | -                             | -                        | -            | 242,323    |
| 97300 | HAP  | -                            | -                             | -                        | -            | 15,975,937 |
| 97350 | HAP - PORTABILITY IN                       | -                            | -                             | -                        | -            | 106,415    |
| 97400 | DEPRECIATION EXPENSE                       | 527,318                      | 396,172                       | -                        | -            | 1,174,214  |
| 97500 | FRAUD LOSSES                               | -                            | -                             | -                        | -            | -          |
| 97600 | CAPITAL OUTLAYS GOVT FUNDS                 | -                            | -                             | -                        | -            | -          |
| 97700 | DEBT PRINCIPAL PAYMENT GOVT FUNDS          | -                            | -                             | -                        | -            | -          |
| 97800 | DWELLING UNITS RENT EXPENSE                | -                            | -                             | -                        | -            | -          |
| 90000 | TOTAL EXPENSES                             | 2,082,240                    | 1,884,606                     | 35,515                   | (1,031,331)  | 25,416,059 |
|       | OPERATING TRANSFERS IN                     |                              |                               |                          |              |            |
| 10010 | OPERATING TRANSFERS IN                     | -                            | -                             | -                        | (5,000)      | -          |
| 10020 | OPERATING TRANSFERS OUT                    | -                            | -                             | -                        | 5,000        | -          |
| 10060 | PROCEEDS FROM PROPERTY SALES               | -                            | -                             | -                        | -            | -          |
| 10070 | EXTRAORDINARY ITEMS (NET GAIN/LOSS)        | -                            | 290,602                       | -                        | -            | 290,602    |
| 10080 | SPECIAL ITEMS (NET GAIN/LOSS)              | -                            | -                             | -                        | -            | -          |
| 10091 | INTERPROJECT EXCESS CASH TRANSFER IN       | -                            | -                             | -                        | -            | -          |
| 10092 | INTERPROJECT EXCESS CASH TRANSFER OUT      | -                            | -                             | -                        | -            | -          |
| 10093 | INTERPROJECT EXCESS CASH TRANSFER IN       | -                            | -                             | -                        | -            | -          |
| 10094 | INTERPROJECT EXCESS CASH TRANSFER OUT      | -                            | -                             | -                        | -            | -          |

**THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT [LA002]  
SHREVEPORT, LOUISIANA  
FINANCIAL DATA SCHEDULE  
SEPTEMBER 30, 2022**

|       |  | BLENDED<br>COMPONENT<br>UNIT | DISCRETE<br>COMPONENT<br>UNIT | 17.274<br>YOUTH<br>BUILD | ELIMINATIONS |            |
|-------|--|------------------------------|-------------------------------|--------------------------|--------------|------------|
| 10100 | TOTAL OTHER FINANCING SOURCES (USES)             | -                            | 290,602                       | -                        | -            | 290,602    |
| 10000 | EXCESS REVENUE OVER EXPENSES                     | 924,057                      | (553,476)                     | -                        | -            | 2,794,342  |
| 11030 | BEGINNING EQUITY                                 | 9,109,983                    | (112,290)                     | -                        | -            | 28,571,256 |
| 11040 | EQUITY TRANSFERS                                 | -                            | -                             | -                        | -            | -          |
| 11040 | PRIOR PERIOD ADJUSTMENT                          | (252,130)                    | -                             | -                        | -            | -          |
| 11040 | EQUITY TRANSFERS - 912/062                       | 2,540,629                    | -                             | -                        | -            | -          |
| 11040 | EQUITY TRANSFERS - 915/065                       | 3,092,595                    | -                             | -                        | -            | -          |
| 11040 | EQUITY TRANSFERS                                 | 14,533                       | -                             | -                        | -            | -          |
|       | ENDING EQUITY                                    | 15,429,667                   | (665,766)                     | -                        | -            | 31,365,598 |
|       |  | -                            | 581,204                       | -                        | -            | 833,334    |
| 11200 | GROSS # UNITS                                    | 2,841                        | -                             | -                        | -            | 47,688     |
| 11210 | # UNIT MONTHS LEASED                             | 2,580                        | -                             | -                        | -            | 33,554     |
| 11170 | ADMINISTRATIVE FEE EQUITY                        | -                            | -                             | -                        | -            | 1,838,231  |
| 11180 | HOUSING ASSISTANCE PAYMENTS EQUITY               | -                            | -                             | -                        | -            | 15,600     |
| 11610 | LAND PURCHASES                                   | -                            | -                             | -                        | -            | -          |
| 11620 | BUILDING PURCHASES                               | -                            | -                             | -                        | -            | -          |
| 11630 | FURNITURE & EQUIPMENT - DWELLING PURCHASES       | -                            | -                             | -                        | -            | -          |
| 11640 | FURNITURE & EQUIPMENT - ADMINISTRATIVE PURCHASES | -                            | -                             | -                        | -            | -          |
| 11650 | LEASEHOLD IMPROVEMENT PURCHASES                  | -                            | -                             | -                        | -            | 132,928    |

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
SHREVEPORT, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SEPTEMBER 30, 2022

**Section I: Summary of Auditors' Results:**

**FINANCIAL STATEMENTS**

|   |            |                      |
|---|------------|----------------------|
| Type of Auditors' report issued:  | Unmodified |                      |
| Internal Control over financial reporting:<br>Are material weaknesses identified?             | ___ Yes    | _X_ No               |
| Are significant deficiencies that are not considered<br>to be material weaknesses identified? | ___ Yes    | _X_ None<br>Reported |
| Is noncompliance that could have a material effect<br>on the financial statements identified? | ___ Yes    | _X_ No               |

**FEDERAL AWARDS**

|   |            |                      |
|---|------------|----------------------|
| Internal control over major programs:<br>Are material weaknesses identified?  | ___ Yes    | _X_ None             |
| Are significant deficiencies that are not considered<br>to be material weaknesses identified?   | ___ Yes    | _X_ None<br>Reported |
| Type of report issued on compliance with requirements<br>applicable to each major program:  |            |                      |
| 14.871/14.879 - Housing Vouchers Cluster  | Unmodified |                      |
| 14.872 - Public Housing Capital Fund  | Unmodified |                      |
| Are there any audit findings that are required to be<br>reported in accordance with 2CFR Section 200.516(a) of<br>the Uniform Guidance? | ___ Yes    | _X_ No               |

Identification of major programs:

| <u>Name of Federal Program</u>    | <u>Assistance Listing Number.</u> |
|-----------------------------------|-----------------------------------|
| Public Housing Capital Fund       | 14.872                            |
| Housing Vouchers Cluster          |                                   |
| Section 8 Housing Choice Vouchers | 14.871                            |
| Section 8 Mainstream Vouchers     | 14.879                            |

Dollar threshold used to distinguish between type A and type B programs: \$750,000

|  |         |        |
|--|---------|--------|
| Is the auditee identified as a low-risk auditee? | ___ Yes | _X_ No |
|--|---------|--------|

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
SHREVEPORT, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SEPTEMBER 30, 2022

**Section II: Financial Statement Findings:**

**Prior Year Findings and Questioned Costs:**

None Noted

**Current Year Findings and Questioned Costs:**

None Noted

**Section III: Federal Award Findings and Questioned Costs:**

**Prior Year Findings and Questioned Costs:**

None Noted

**Section III: Federal Award Findings and Questioned Costs:**

**Current Year Findings and Questioned Costs - continued:**

None Noted

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
SHREVEPORT, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SEPTEMBER 30, 2022

EXPENDITURE PURPOSE

|   |                   |
|---|-------------------|
| Salary  | \$ 296,495        |
| Bonuses   | 27,490            |
| Benefits - Insurance                            | 18,864            |
| Benefits - Retirement                           | 23,720            |
| Car Allowance                                   | 6,000             |
| Per Diem  | 2,079             |
| Registration Fees                               | 1,025             |
| Total Compensation, Benefits and Other Payments | <u>\$ 375,673</u> |

Agency Head: Bobby Collins, Executive Director

Basis of Presentation:

The above Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of the *Louisiana Revised Statute (R.S.) 24:513A.(3)*, as amended by *Act 706 of the 2014 Legislative Session*.