

**HOUSING AUTHORITY OF
THE CITY OF SLIDELL**

**Basic
Financial Statements and
Supplementary Information**

March 31, 2025



Housing Authority of the City of Slidell

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities the Housing Authority of the City of Slidell (the "Authority"), as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of March 31, 2025, 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.

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.

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.

Change in Accounting Principle

As described in Note A-13 to the financial statements, in 2025 the Authority adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 as listed in the table of contents 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 conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying financial data schedule and schedule of capital fund program costs and advances are presented for purposes of additional analysis as required by U.S. Department of Housing and Urban Development, and are not a required part of the basic financial statements of the Authority. The schedule of compensation, benefits and other payments to agency head of chief executive officer are presented for purposes of additional analysis as required by the State of Louisiana, and are not a required part of the financial statements of the Authority. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also 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 supplementary information is 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 September 26, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 Authority's internal control over financial reporting and compliance.

September 26, 2025
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Housing Authority of the City of Slidell

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended March 31, 2025

As management of the Housing Authority of the City of Slidell (the "Authority"), we offer the readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended March 31, 2025. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Ron Frazier, Housing Authority of the City of Slidell, 1250 Martin Luther King Drive, Slidell, LA 70458.

Financial Points

- The assets of the Authority exceeded the liabilities as of March 31, 2025 by \$4,846,562 (net position), a decrease of \$840,595.
- The Authority's cash balances as of March 31, 2025 were \$2,637,546 representing a decrease of \$637,392.
- The Authority earned revenue, including funding for capital activities, from the U.S. Department of Housing and Urban Development ("HUD") of \$6,005,744.
- Public Housing had an occupancy rate of 96.9%.

Overview of Financial Statements

The financial statements included in this annual report are those of a special-purpose government engaged in a single business-type activity prepared on an accrual basis. Over time, significant changes in the Authority's net position serve as a useful indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any authority, the reader must also consider other non-financial factors such as changes in client household composition, fluctuations in the local economy, HUD mandated program administrative changes and the physical condition of capital assets. The following statements are included:

- Statement of Net Position - this statement reports the Authority's assets less its liabilities at the end of the fiscal year. You can think of the Authority's net position as the difference between the Authority's rights (assets) and the Authority's obligations (liabilities).
- Statement of Revenues, Expenses, and Changes in Net Position - this statement presents information showing how the Authority's net position increased or decreased during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will result in cash inflows and cash outflows in the future periods.
- Statement of Cash Flows - this statement presents information showing the total cash receipts and cash disbursements of the Authority during the current fiscal year. The statement reflects the net changes in cash resulting from operations plus any other cash requirements during the current year (i.e. capital additions, debt service, prior period obligations, etc.). The statement reflects the receipt or disbursement of cash that was obligated to or paid by the Authority in prior periods and subsequently received or paid during the current fiscal year (i.e. receivables and payables).

Overview of Financial Statements (continued)

- Notes to the Basic Financial Statements - the notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided. These notes give greater understanding on the overall activity of the Authority and how values are assigned to certain assets and liabilities and the longevity of these values. In addition, notes reflect the impact (if any) of any uncertainties the Authority may face.

In addition to the basic financial statements listed above, our report includes supplementary information. This information is to provide more detail on the Authority's various programs and the required information mandated by regulatory bodies that fund the Authority's various programs.

Financial Analysis

Statement of Net Position

	2025	2024	Net change
Current assets, net	\$ 2,927,679	\$ 3,584,429	\$ (656,750)
Capital assets, net	2,375,790	2,741,789	(365,999)
Total assets	5,303,469	6,326,218	(1,022,749)
Current liabilities	439,961	628,706	(188,745)
Other noncurrent liabilities	16,946	10,355	6,591
Total liabilities	456,907	639,061	(182,154)
Net investment in capital assets	2,375,790	2,741,789	(365,999)
Restricted net position	14,369	892,110	(877,741)
Unrestricted net position	2,456,403	2,053,258	403,145
Total net position	\$ 4,846,562	\$ 5,687,157	\$ (840,595)

Net Current Assets decreased by \$656,750 primarily due to management putting additional operating funds into unit maintenance and upgrades, resulting in a net reduction of cash and cash equivalents of \$637,392.

Net Capital Assets decreased by \$365,999 due to current year depreciation expense of \$435,547 offset by capital assets additions of \$69,548.

Current Liabilities decreased by \$188,745, primarily due to the timing of Housing Assistance Payments ("HAP") revenue, resulting in a reduction of unearned revenue of \$332,083, offset by an increase of \$117,046 in accounts payable.

Net Position - The difference between an organization's assets and its liabilities is its net position. Net position is categorized into three components.

1. Net investment in capital assets - the Authority's capital assets, net of accumulated depreciation and related debt.
2. Restricted - the component of the Authority's net position which is subject to constraints imposed by law or agreement.

Financial Analysis (continued)

Net Position (continued)

3. Unrestricted - the component of the Authority's net position that is neither invested in capital assets nor restricted which increase principally due to operations. These resources are available to meet the Authority's ongoing obligations to its residents and creditors.

	<u>Changes in Net Position</u>		Net
	2025	2024	change
Operating revenue:			
HUD revenue	\$ 5,958,766	\$ 4,535,374	\$ 1,423,392
Other revenue, net	675,143	632,500	42,643
Total operating revenue	6,633,909	5,167,874	1,466,035
Operating expenses:			
Administrative	689,376	596,790	92,586
Tenant services	725	189	536
Utilities	101,659	99,355	2,304
Maintenance	716,217	537,153	179,064
Protective services	59,570	55,953	3,617
General	387,055	332,182	54,873
Depreciation	435,547	481,932	(46,385)
Housing assistance payments	5,145,729	3,590,554	1,555,175
Total operating expenses	7,535,878	5,694,108	1,841,770
Operating income (loss)	(901,969)	(526,234)	(375,735)
Nonoperating revenues:			
Interest income - unrestricted	14,396	21,400	(7,004)
Change in net position before capital contributions	(887,573)	(504,834)	(382,739)
HUD capital grants	46,978	415,530	(368,552)
Change in net position	(840,595)	(89,304)	(751,291)
Total net position - beginning	5,687,157	5,776,461	(89,304)
Total net position - ending	\$ 4,846,562	\$ 5,687,157	\$ (840,595)

HUD Revenue increased by \$1,423,392 mainly due to an increase in housing assistance payments received for Housing Choice Vouchers offset by a decrease in Operating and Capital Fund grants received for the year ended 2025.

Financial Analysis (continued)

Total Operating Expenses increased by \$1,841,770.

- Administrative expense increased by \$92,586 due to increases in administrative salaries and employee benefit contributions, offset by decreases in office expenses and legal expenses;
- Maintenance expense increased by \$179,064 due to the Authority's increased efforts in making repairs and improvements;
- General expense increased \$54,873 due to an increase in insurance premiums and compensated absences, offset by a decrease in other general expenses. Compensated absences increased by \$17,701 due to the implementation of GASB Statement No. 101; and
- Housing assistance payments increased by \$1,555,175 due to increased lease-up of housing choice vouchers.

Capital Assets and Debt Activity

The Authority's capital assets includes land, buildings and improvements, furniture and equipment, construction in progress, and accumulated depreciation. As of March 31, 2025, total capital assets were \$2,375,790 (net of accumulated depreciation). The decrease from the prior year of \$365,999 was due to depreciation expense of \$435,547 offset by additions of \$69,548 which consist of roof repairs, flooring and security cameras. In addition, the Authority disposed of \$165,589 of fully depreciated assets that were no longer in use.

At the end of the fiscal year 2025, the Authority had no long-term debt.

Factors Affecting Next Year's Budget

The Authority is dependent upon HUD for the funding of its Low Rent Public Housing, Housing Choice Voucher ("HCV") and Capital Fund programs; therefore, the Authority is affected by the federal budget. Other portions of the Authority's portfolio, for instance, affordable housing sites and/or third party contract work, are affected more by national and local economic conditions.

Economic Factors

Significant economic factors affecting the Authority are as follows:

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

Housing Authority of the City of Slidell

STATEMENT OF NET POSITION

March 31, 2025

ASSETS

CURRENT ASSETS

Cash and cash equivalents - unrestricted	\$ 2,375,798
Cash and cash equivalents - restricted	261,748
Receivables, net	129,137
Due from HUD	25,000
Prepaid expenses	135,996
Total current assets	2,927,679

NONCURRENT ASSETS

Capital assets, net	2,375,790
Total assets	5,303,469

LIABILITIES

CURRENT LIABILITIES

Accounts payable	89,406
Due to other governments	63,738
Accrued salaries and benefits	15,243
Accrued compensated absences	22,368
Tenant security deposits	47,841
Unearned revenue	201,365
Total current liabilities	439,961

NONCURRENT LIABILITIES

Accrued compensated absences	16,946
Total liabilities	456,907

NET POSITION

Net investment in capital assets	2,375,790
Restricted	14,369
Unrestricted	2,456,403
Total net position	\$ 4,846,562

The accompanying notes are an integral part of this financial statement.

Housing Authority of the City of Slidell

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the year ended March 31, 2025

OPERATING REVENUES

HUD operating revenues	\$ 5,958,766
Tenant revenue, net	527,129
Portability revenue	130,844
Other operating revenue	<u>17,170</u>
Total operating revenues	<u>6,633,909</u>

OPERATING EXPENSES

Administrative	689,376
Tenant services	725
Utilities	101,659
Maintenance	716,217
Protective services	59,570
General	387,055
Depreciation	435,547
Housing assistance payments	<u>5,145,729</u>
Total operating expenses	<u>7,535,878</u>

OPERATING LOSS

(901,969)

NONOPERATING REVENUES

Interest income - unrestricted	<u>14,396</u>
Change in net position before capital contributions	(887,573)

CAPITAL CONTRIBUTIONS

HUD capital grants	<u>46,978</u>
Change in net position	(840,595)
Total net assets - beginning	<u>5,687,157</u>
Total net position - ending	<u><u>\$ 4,846,562</u></u>

The accompanying notes are an integral part of this financial statement.

Housing Authority of the City of Slidell

STATEMENT OF CASH FLOWS

For the year ended March 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Collections from HUD operating grants	\$ 5,754,816
Collections from tenants	525,161
Collections from other sources	85,403
Payments to employees	(571,517)
Payments to suppliers	(1,277,352)
Housing assistance payments	(5,145,729)
Net cash used in operating activities	<u>(629,218)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	<u>14,396</u>
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**CASH FLOWS FROM CAPITAL AND RELATED FINANCING
ACTIVITIES**

Purchase of property and equipment	(69,548)
Capital grant revenue	<u>46,978</u>
Net cash used in capital and related financing activities	<u>(22,570)</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS

Cash at beginning of the year	<u>3,274,938</u>
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CASH AT END OF THE YEAR

\$ <u><u>2,637,546</u></u>

**AS PRESENTED ON THE ACCOMPANYING STATEMENT
OF NET POSITION**

Cash and cash equivalents - unrestricted	\$ 2,375,798
Cash and cash equivalents - restricted	<u>261,748</u>
\$ <u><u>2,637,546</u></u>	

The accompanying notes are an integral part of this financial statement.

Housing Authority of the City of Slidell

STATEMENT OF CASH FLOWS (continued)

For the year ended March 31, 2025

**RECONCILIATION OF OPERATING LOSS TO NET CASH
USED IN OPERATING ACTIVITIES**

Operating loss	\$	(901,969)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation		435,547
Change in provision for allowance for doubtful accounts		17,531
(Increase) decrease in assets:		
Receivables, net		(86,710)
Due from HUD		128,133
Prepaid expenses		(39,596)
Increase (decrease) in liabilities:		
Accounts payable		53,308
Due to other governments		63,738
Accrued salaries and benefits		10,796
Accrued compensated absences		17,487
Tenant security deposits		4,600
Unearned revenue		<u>(332,083)</u>
Net cash used in operating activities	\$	<u><u>(629,218)</u></u>

The accompanying notes are an integral part of this financial statement.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended March 31, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting entity

The Housing Authority of the City of Slidell (the "Authority") is a political subdivision of the State of Louisiana established on March 11, 1967, pursuant to the laws of the State of Louisiana, to provide low-rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development ("HUD") and other Federal Agencies. The primary purpose of the Authority is to provide safe, decent, sanitary, and affordable housing to low-income, elderly, and disabled families in Slidell, Louisiana.

The Authority is not a component unit of the City, as defined in Governmental Accounting Standards Board's ("GASB") *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100, *Defining the Financial Reporting Entity*, as the Board independently oversees the Authority's operations.

The definition of the reporting entity as described by GASB Codification Section 2100 is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. The Authority's reporting entity is comprised of an enterprise fund which includes the activities of several housing programs.

The authority is related to the City of Slidell only to the extent that Commissioners are appointed by the Mayor of the City of Slidell. The City of Slidell is not financially accountable for the Authority as it cannot impose its will on the Authority and there is no potential for the Authority to provide financial benefit to, or impose financial burdens on, the City of Slidell. Accordingly, the Authority is not a component unit of the City of Slidell.

2. Government-wide and fund financial statements

The government-wide financial statements report information about the reporting government as a whole excluding fiduciary activities. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities rely, to a significant extent, on fees and charges for support.

Governments use fund accounting, whereby funds are organized into three major categories: governmental, proprietary and fiduciary. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflow of resources, fund net position, revenues and expenditures/expenses.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended March 31, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. Government-wide and fund financial statements (continued)

For financial reporting purposes, the Authority reports all of its operations as a single business activity in a single enterprise fund. Therefore, the government-wide and the fund financial statements are the same.

Enterprise funds are proprietary funds. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating activities generally arise from providing services in connection with a proprietary fund's principal activity. The operating revenues of the Authority consist primarily of rental charges to tenants and operating grants from the U.S. Department of Housing and Urban Development ("HUD"), and include, to a lesser extent, certain operating amounts of capital grants that offset operating expenses. Operating expenses for the Authority include the cost of administrative, tenant services, general, maintenance, utilities, protective services, depreciation and housing assistance payments. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses, except for capital contributions, which are presented separately.

When restricted resources meet the criteria to be available for use and unrestricted resources are also available for use, it is the Authority's policy to use restricted resources first, and then unrestricted resources, as needed.

3. Measurement focus and basis of accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. The proprietary fund utilizes an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied. The basis of accounting used is similar to businesses in the private sector, thus, these funds are maintained on the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

For financial reporting purposes, the Authority considers its grants associated with operations as operating revenue because these funds more closely represent revenues generated from operating activities rather than non-operating activities. Grants associated with capital acquisition and improvements are considered capital contributions and are presented after non-operating activity on the accompanying statement of revenues, expenses and changes in net position. The Authority maintains its accounts in accordance with the chart of accounts prescribed by HUD.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended March 31, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Measurement focus and basis of accounting (continued)

As provided by GASB Codification Section P80.115, *Proprietary Fund Accounting and Financial Reporting: Defining Operating Expenses*, and related guidance, tenant revenue is reported net of accounts written off in the amount of \$17,531.

4. Summary of HUD programs

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

Low Rent Public Housing Programs

The Authority provides housing to eligible families under leasing arrangements. The Authority manages two sites, Washington Heights and Country Gardens Estates. Washington Heights encompasses 75 one, two and three-bedroom units. Country Gardens Estates is for elderly families and consists of 50 one-bedroom units.

The purpose of the public housing program is to provide decent and affordable housing to low-income families at reduced rents. The developments/units are acquired, developed and modernized under HUD's Development and Capital Fund programs. Funding of the program operations and development is provided by federal annual contributions, operating subsidies and tenant rentals (determined as a percentage of family income, adjusted for family composition and other allowances).

Housing Assistance Payments ("HAP") Programs

HAP Programs utilize existing privately owned family rental housing units to provide decent and affordable housing to low-income families. The Section 8 Housing Choice Voucher program ("HCV") is funded through federal housing assistance contributions from HUD for the difference between the approved landlord contract rent and the rent paid by the tenants.

5. Budgets

Budgets are prepared on an annual basis for each program and are used as a management tool throughout the accounting cycle. Budgets are not, however, legally adopted nor required in the basic financial statement presentation.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS

For the year ended March 31, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Assets, liabilities and net position

a. Cash and cash equivalents

For financial statement purposes cash and cash equivalents are considered to be amounts in demand deposits, interest-bearing demand deposits, and time deposits and other investments with original maturities of three months or less. Under state law, the Authority may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

b. Receivables and amounts due from HUD

Receivables, net consist of revenues earned at year-end and not yet collected. Amounts presented as due from HUD principally result from grant revenue being accrued for allowable program expenses not yet funded. Other receivables consist of tenant receivables, portability receivables for the housing assistance payments programs and receivables from various parties in the normal course of business. An allowance for uncollectible amounts is estimated by management based on historical collection experience and a review of the current status of accounts receivable (see Note B-2).

c. Prepaid items

Payments made to vendors for services that will benefit periods beyond the fiscal year end are recorded as prepaid items on the Authority's statement of net position.

d. Capital assets

The Authority's policy is to capitalize assets with a value in excess of \$5,000 and a useful life in excess of two years. The Authority capitalizes the costs of site acquisition and improvement, structures, infrastructure, equipment and direct development costs meeting the capitalization policy. Assets are valued at historical cost, or estimated historical cost if actual historical cost is not available, and contributed assets are valued at fair value on the date contributed. When land, buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

Depreciation has been provided using the straight-line method over the estimated useful lives, which range as follows:

Buildings and improvements	15 - 40 years
Equipment - dwelling and administration	3 - 7 years

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended March 31, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Assets, liabilities and net position (continued)

e. *Tenant security deposits*

Tenant security deposits are deposits held by the Authority that are required of tenants before they are allowed to move into an Authority owned site. The Authority records this cash as restricted, with an offsetting liability, as these funds may be reimbursable to the tenant when they move out.

f. *Accrued compensated absences*

Compensated absences are absences for which employees will be paid, such as sick leave, vacation, and other approved leave amounts. In accordance with the provisions of GASB Codification Section C60, *Compensated Absences*, the estimated liability for vested leave benefits is recorded when it is earned as an expense and the cumulative unpaid amount is reported as a liability. Accrued amounts are based on the current salary rates. Full-time permanent employees are granted leave benefits to specified maximums depending on tenure with the Authority.

g. *Unearned revenues*

Unearned revenues include amounts collected before revenue recognition criteria are met and generally consist of prepaid tenant rents and subsidy received before the amounts are earned. As of March 31, 2025, unearned revenue consists of prepaid rents of \$1,827, and unspent Presidentially Declared Disaster Grant ("PDD") funds of \$199,538.

h. *Net position*

In accordance with GASB Codification Section 1800.155, *Reporting Net Position in Government-Wide Financial Statements*, total equity as of March 31, 2025, is classified into three components of net position:

i.) *Net investment in capital assets*

This category consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, and improvements of those assets.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended March 31, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Assets, liabilities and net position (continued)

h. Net position (continued)

ii.) Restricted component of net position

This category consists of components of net position restricted in their use by (1) external groups such as grantors, creditors or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The statement of net position of the Authority reports \$14,369 of restricted net position which is made up of HCV HAP reserves.

iii.) Unrestricted component of net position

This category includes all of the remaining net position that does not meet the definition of the other two components. Certain amounts of unrestricted net position, even though categorized as unrestricted in accordance with generally accepted accounting standards, are still programmatically restricted based on the funding streams provided by HUD.

7. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

8. Income taxes

The Authority is a governmental entity and is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been made in the financial statements.

9. Impairment of long-lived assets

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that impairment is other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. Impaired capital assets that will no longer be used are reported at the lower of carrying value or fair value. Impairment of capital assets with physical damage generally are measured using the restoration cost approach, which uses the estimated cost to restore the capital asset to identify the portion of the historical cost of the capital asset that should be written-off. Management has determined that long-lived assets were not impaired at March 31, 2025.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended March 31, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. Financial data schedule

As required by HUD, the Authority prepares its financial data schedule in accordance with HUD requirements in a prescribed format which differs from the presentation of the basic financial statements. The schedule's format presents certain operating items as non-operating such as depreciation expense, housing assistance payments and extraordinary maintenance expense. In addition, the schedule's format includes non-operating items as operating such as investment revenue, HUD capital grants revenue, gains and losses on the disposal of fixed assets and interest expense. Furthermore, the schedule reflects tenant revenue and bad debt expense separately.

11. Leasing activities

The Authority is the lessor of dwelling units to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time or renewed every year. The Authority may cancel the leases only for cause. Revenues associated with these leases are recorded in the accompanying financial statements and related schedules within tenant revenue. Primarily all of the capital assets of the Authority are for these leasing activities except for administrative offices and equipment.

In accordance with the provisions of GASB Codification Section L20, *Leases*, the determination of whether an arrangement is a lease is made at the lease's inception and a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having the right to direct the use of the asset. A lessee is required to recognize a lease liability and an intangible right of use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Management only reevaluates its determination if the terms and conditions of the contract are changed.

12. Impact of recently issued accounting policies

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement is effective for the Authority's March 31, 2026 fiscal year end.

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement is effective for the Authority's March 31, 2027 fiscal year end.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This statement is effective for the Authority's March 31, 2027 fiscal year end.

Management is currently evaluating the impact of the adoption of these statements on the Authority's financial statements.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended March 31, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

13. Adoption of new accounting standards

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. The Authority adopted the requirements of the guidance effective April 1, 2024, and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard had no material effect on the Authority's March 31, 2025 financial statements.

NOTE B - DETAILED NOTES

1. Deposits and investments

As of March 31, 2025, the Authority's cash consist of cash accounts with carrying amounts of \$2,637,546.

In accordance with GASB Codification Section C20, *Cash Deposits with Financial Institutions*, the Authority's exposure to deposit and investments risk is disclosed as follows:

Custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority does have a deposit policy for custodial credit risk, which requires collateral to be held in the Authority's name by its agent or by the bank's trust department. As of March 31, 2025, none of the Authority's bank balance was exposed to custodial credit risk.

Restricted deposits

As of March 31, 2025 restricted cash and cash equivalents consist of the following:

Current:	
HCV HAP reserves	\$ 14,369
PDD grant advances	199,538
Tenant security deposits	<u>47,841</u>
Total restricted cash	<u>\$ 261,748</u>

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended March 31, 2025

NOTE B - DETAILED NOTES (continued)

2. Receivables, net

As of March 31, 2025, receivables, net consist of:

Portability receivables	\$ 109,383
Due from other governments	1,852
Tenant receivables	10,191
Miscellaneous	10,860
Fraud recovery	8,689
Total receivables	140,975
Allowance for doubtful accounts - tenants	(3,149)
Allowance for doubtful accounts - fraud	(8,689)
	<u><u>\$ 129,137</u></u>

3. Capital assets, net

A summary of changes in capital assets, net is as follows:

	Balance at April 1, 2024	Transfers in/ additions	Transfers out/ deletions	Balance at March 31, 2025
Non-depreciable:				
Land	\$ 779,855	\$ -	\$ -	\$ 779,855
Construction in progress	-	23,031	-	23,031
Total non-depreciable	779,855	23,031	-	802,886
Depreciated:				
Buildings and improvements	9,422,696	23,947	(161,885)	9,284,758
Equipment - dwelling	126,232	22,570	-	148,802
Equipment - administration	70,632	-	(3,704)	66,928
Total depreciated	9,619,560	46,517	(165,589)	9,500,488
Total capital assets	10,399,415	69,548	(165,589)	10,303,374
Less accumulated depreciation:				
Buildings and improvements	(7,565,353)	(404,999)	161,885	(7,808,467)
Equipment - dwelling	(65,752)	(24,069)	-	(89,821)
Equipment - administration	(26,521)	(6,479)	3,704	(29,296)
Total accumulated depreciation	(7,657,626)	(435,547)	165,589	(7,927,584)
Capital assets, net	<u><u>\$ 2,741,789</u></u>	<u><u>\$ (365,999)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,375,790</u></u>

The Authority's additions, totaling \$69,548, consist of roof repairs, flooring, and security cameras for their public housing sites. The reductions of capital assets and accumulated depreciation reflect the removal of fully depreciated assets that are no longer in use.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended March 31, 2025

NOTE B - DETAILED NOTES (continued)

4. Noncurrent liabilities

A summary of changes in noncurrent liabilities is as follows:

	Payable at April 1, 2024	Additions	Reductions	Payable at March 31, 2025	Current portion
Compensated absences	\$ 21,827	\$ 30,602	\$ (13,115)	\$ 39,314	\$ 22,368

5. Risk management

The Authority is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As part of the Authority's risk management program, the Authority carries commercial insurance, for risks of loss regarding workers' compensation, employee health and general liability. There were no significant reductions of insurance coverage from prior years and settlements did not exceed insurance coverage for each of the past three years.

6. Commitments and contingencies

a. Legal

Generally, the Authority is party to various pending or threatened legal actions arising from the normal course of operations. As of the date of this report, management is not aware of any such instances.

b. Grants and contracts

The Authority participates in various federally-assisted grant programs that are subject to review and audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. As of the date of this report, management is not aware of any such examinations.

c. Funds awarded

The Authority received funding from HUD through the Capital Fund program to help subsidize the cost of project repairs, improvements and certain operating costs. As of March 31, 2025, the Authority had unspent awards of \$939,767 for the Capital Fund program.

Housing Authority of the City of Slidell
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended March 31, 2025

NOTE B - DETAILED NOTES (continued)

7. Concentrations

As of and for the year ended March 31, 2025, 89% of revenues and 16% of the receivables reflected in the basic financial statements are from HUD.

The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes. In addition, any excess reserves may reduce future funding levels and possibly be subject to recapture.

8. Subsequent events

The Authority has evaluated subsequent events through the date noted on the Independent Auditor's Report, the date the financial statements were available to be issued and has determined that no material transactions have occurred that would warrant additional adjustment or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

Housing Authority of the City of Slidell

FINANCIAL DATA SCHEDULE

For the year ended March 31, 2025

PHA: LA103 FYED: 03/31/2025							
Line Item No.	Account Description	Public and Indian Housing 14.850	Public Housing Capital Fund 14.872	Section 8 Housing Choice Voucher Program 14.871	Presidentially Declared Disasters 97.036	Eliminations	Total
111	Cash - Unrestricted	2,260,770	-	115,028	-	-	2,375,798
113	Cash - Other Restricted	-	-	14,369	-	-	14,369
114	Cash - Tenant Security Deposits	47,841	-	-	-	-	47,841
115	Cash - Restricted for payment of current liability	-	-	-	199,538	-	199,538
100	Total Cash	2,308,611	-	129,397	199,538	-	2,637,546
121	Accounts Receivable - PHA Projects	-	-	109,383	-	-	109,383
122	Accounts Receivable - HUD	25,000	-	-	-	-	25,000
124	Accounts Receivable - Other Government	1,852	-	-	-	-	1,852
125	Accounts Receivable - Miscellaneous	321	-	10,539	-	-	10,860
126	Accounts Receivable - Tenants Dwelling Rents	10,191	-	-	-	-	10,191
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(3,149)	-	-	-	-	(3,149)
128	Fraud recovery	-	-	8,689	-	-	8,689
128.1	Allowance for Doubtful Accounts - Fraud	-	-	(8,689)	-	-	(8,689)
120	Total Receivables, net of allowances for doubtful accounts	34,215	-	119,922	-	-	154,137
142	Prepaid Expenses and Other Assets	129,039	-	6,957	-	-	135,996
150	Total Current Assets	2,471,865	-	256,276	199,538	-	2,927,679
161	Land	779,855	-	-	-	-	779,855
162	Buildings	9,284,758	-	-	-	-	9,284,758
163	Furniture, Equipment & Machinery - Dwellings	148,802	-	-	-	-	148,802
164	Furniture, Equipment & Machinery - Administration	48,564	-	18,364	-	-	66,928
166	Accumulated Depreciation	(7,917,665)	-	(9,919)	-	-	(7,927,584)
160	Total Fixed Assets, Net of Accumulated Depreciation	2,367,345	-	8,445	-	-	2,375,790
180	Total Non-Current Assets	2,367,345	-	8,445	-	-	2,375,790
190	Total Assets	4,839,210	-	264,721	199,538	-	5,303,469
290	Total Assets and Deferred Outflows of Resources	4,839,210	-	264,721	199,538	-	5,303,469
312	Accounts Payable <= 90 Days	79,554	-	9,852	-	-	89,406
321	Accrued Wage/Payroll Taxes Payable	8,721	-	6,522	-	-	15,243
322	Accrued Compensated Absences	12,262	-	10,106	-	-	22,368
332	Accounts Payable - PHA Projects	-	-	21,347	-	-	21,347
333	Accounts Payable - Other Government	42,391	-	-	-	-	42,391
341	Tenant Security Deposits	47,841	-	-	-	-	47,841
342	Unearned Revenues	1,827	-	-	199,538	-	201,365
310	Total Current Liabilities	192,596	-	47,827	199,538	-	439,961
354	Accrued compensated Absences - Non Current	8,129	-	8,817	-	-	16,946
350	Total Noncurrent Liabilities	8,129	-	8,817	-	-	16,946
300	Total Liabilities	200,725	-	56,644	199,538	-	456,907
508.4	Net investment in capital assets	2,367,345	-	8,445	-	-	2,375,790
511.4	Restricted net position	-	-	14,369	-	-	14,369
512.4	Unrestricted net position	2,271,140	-	185,263	-	-	2,456,403
513	Total Equity	4,638,485	-	208,077	-	-	4,846,562
600	Total Liabilities, Deferred inflows of Resources and Equity	4,839,210	-	264,721	199,538	-	5,303,469

See independent auditor's report

Housing Authority of the City of Slidell

FINANCIAL DATA SCHEDULE

For the year ended March 31, 2025

PHA: LA103 FYED: 03/31/2025							
Line Item No.	Account Description	Public and Indian Housing 14.850	Public Housing Capital Fund 14.872	Section 8 Housing Choice Voucher Program 14.871	Presidentially Declared Disasters 97.036	Eliminations	Total
70300	Net Tenant Rental Revenue	531,550	-	-	-	-	531,550
70400	Tenant Revenue - Other	13,110	-	-	-	-	13,110
70500	Total Tenant Revenue	544,660	-	-	-	-	544,660
70600	HUD PHA Grants	401,895	248,718	5,308,153	-	-	5,958,766
70610	HUD PHA Capital Grants	-	46,978	-	-	-	46,978
71100	Investment Income - Unrestricted	11,073	-	3,323	-	-	14,396
71500	Other revenue	12,965	-	130,844	-	-	143,809
70000	Total Revenue	970,593	295,696	5,446,525	-	-	6,712,814
91100	Administrative Salaries	155,927	-	196,167	-	-	352,094
91200	Auditing Fees	23,500	-	23,500	-	-	47,000
91400	Advertising and Marketing	631	-	-	-	-	631
91500	Employee Benefit Contributions - Administrative	57,986	-	52,029	-	-	110,015
91600	Office Expenses	46,633	-	70,112	-	-	116,745
91700	Legal Expense	4,176	-	4,326	-	-	8,502
91900	Other	11,683	-	42,706	-	-	54,389
92400	Tenant Services - Other	725	-	-	-	-	725
93100	Water	36,862	-	1,724	-	-	38,586
93200	Electricity	23,808	-	4,743	-	-	28,551
93600	Sewer	32,930	-	1,592	-	-	34,522
94100	Ordinary Maintenance and Operations - Labor	78,060	-	-	-	-	78,060
94200	OMO - Materials and Other	89,196	-	-	-	-	89,196
94300	Ordinary Maintenance and Operations - Contract Costs	264,954	-	-	-	-	264,954
94500	Employee Benefit Contributions - Ordinary Maintenance	29,029	-	-	-	-	29,029
95200	Protective Services - Other Contract Costs	59,300	-	-	-	-	59,300
95300	Protective Services - Other	270	-	-	-	-	270
96110	Property Insurance	233,250	-	10,397	-	-	243,647
96120	Liability Insurance	7,168	-	8,763	-	-	15,931
96130	Workmen's Compensation	5,010	-	3,780	-	-	8,790
96140	All Other Insurance	4,692	-	238	-	-	4,930
96200	Other General Expenses	-	-	6,741	-	-	6,741
96210	Compensated Absences	16,875	-	13,727	-	-	30,602
96400	Bad Debt - Tenant Rents	17,531	-	-	-	-	17,531
96900	Total Operating Expenses	1,276,610	-	440,545	-	-	1,717,155
97000	Excess Operating Revenue over Operating Expenses	(306,017)	295,696	5,005,980	-	-	4,995,659
97100	Extraordinary Maintenance	254,978	-	-	-	-	254,978
97300	Housing Assistance Payments	-	-	5,027,475	-	-	5,027,475
97350	HAP Portability-in	-	-	118,254	-	-	118,254
97400	Depreciation Expense	431,874	-	3,673	-	-	435,547
90000	Total Expenses	1,963,462	-	5,589,947	-	-	7,553,409
10010	Operating transfers in	248,718	-	-	-	(248,718)	-
10020	Operating transfers out	-	(248,718)	-	-	248,718	-
10100	Total other financing sources (Uses)	248,718	(248,718)	-	-	-	-
10000	Excess (deficiency) of total revenue over (under) total expenses	(744,151)	46,978	(143,422)	-	-	(840,595)
11030	Beginning Equity	5,335,658	-	351,499	-	-	5,687,157
11040	Total Prior Period Adjustments, Equity transfer and correction of errors	46,978	(46,978)	-	-	-	-
11190	Unit Months Available	1,436	-	7,416	-	-	8,852
11210	Number of Unit Months Leased	1,392	-	6,183	-	-	7,575
11170	Administrative Fee Equity	-	-	193,708	-	-	193,708
11180	Housing Assistance Payments Equity	-	-	14,369	-	-	14,369
11270	Excess Cash	2,043,846	-	-	-	-	2,043,846
11620	Building Purchases	-	46,978	-	-	-	46,978

See independent auditor's report

Housing Authority of the City of Slidell

SCHEDULE OF CAPITAL FUND PROGRAM COSTS AND ADVANCES

For the year ended March 31, 2025

PROGRAM	501-19	501-20	501-21	501-22	501-24	501-25	Total
BUDGET	<u>\$ 225,704</u>	<u>\$ 242,510</u>	<u>\$ 253,483</u>	<u>\$ 310,900</u>	<u>\$ 329,032</u>	<u>\$ 342,364</u>	<u>\$ 1,703,993</u>
ADVANCES							
Cash receipts - prior years	\$ 191,946	\$ 153,414	\$ 123,170	\$ -	\$ -	\$ -	\$ 468,530
Cash receipts - current year	33,758	89,096	130,313	-	42,529	-	295,696
Cumulative as of March 31, 2025	<u>225,704</u>	<u>242,510</u>	<u>253,483</u>	<u>-</u>	<u>42,529</u>	<u>-</u>	<u>764,226</u>
COSTS							
Prior years	191,946	153,414	123,170	-	-	-	468,530
Current year	33,758	89,096	130,313	-	42,529	-	295,696
Cumulative as of March 31, 2025	<u>225,704</u>	<u>242,510</u>	<u>253,483</u>	<u>-</u>	<u>42,529</u>	<u>-</u>	<u>764,226</u>
RECEIVABLE DUE FROM HUD	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
SOFT COSTS							
Prior years	\$ -	\$ 28,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 53,000
Current year	33,758	67,974	127,488	-	19,498	-	248,718
Cumulative as of March 31, 2025	<u>33,758</u>	<u>95,974</u>	<u>152,488</u>	<u>-</u>	<u>19,498</u>	<u>-</u>	<u>301,718</u>
HARD COSTS							
Prior years	191,946	125,414	98,170	-	-	-	415,530
Current year	-	21,122	2,825	-	23,031	-	46,978
Cumulative as of March 31, 2025	<u>191,946</u>	<u>146,536</u>	<u>100,995</u>	<u>-</u>	<u>23,031</u>	<u>-</u>	<u>462,508</u>
CUMULATIVE HARD AND SOFT COSTS	<u>\$ 225,704</u>	<u>\$ 242,510</u>	<u>\$ 253,483</u>	<u>\$ -</u>	<u>\$ 42,529</u>	<u>\$ -</u>	<u>\$ 764,226</u>

NOTE: The Authority did not receive the 2023 Capital Grant award due to failure to meet Obligation End Date on the 2018 Capital Grant award.

See independent auditor's report.

Housing Authority of the City of Slidell

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

For the year ended March 31, 2025

Agency Head Name:	Ronald Frazier
Position of the Slidell Housing Authority:	Executive Director
Date Range:	4/1/2024 - 3/31/2025

Purpose	Amount
Salary	\$ 99,348
Benefits-insurance	\$ 11,463
Benefits-retirement	\$ -
Benefits-deferred comp	\$ -
Car allowance	\$ -
Vehicle provided by government	\$ -
Per diem	\$ -
Reimbursements	\$ -
Travel	\$ -
Registration fees	\$ -
Conference travel	\$ -
Continuing professional education fees	\$ -
Housing	\$ -
Unvouchered expenses	\$ -
Special meals	\$ -

See independent auditor's report.

SINGLE AUDIT INFORMATION

Housing Authority of the City of Slidell

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended March 31, 2025

Federal grantor/pass-through grantor/ program or cluster title	Assistance listing number	Federal expenditures
<u>Direct from the U.S. Department of Housing and Urban Development:</u>		
Housing Voucher Cluster:		
Section 8 Housing Choice Voucher Program	14.871	\$ 5,308,153
Public Housing Capital Fund	14.872	295,696
Public and Indian Housing	14.850	401,895
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 6,005,744</u></u>

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and local assistance includes federal grant activity of the Housing Authority of the City of Slidell and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

In accordance with HUD regulations, HUD considers the Annual Budget Authority for the Housing Choice Voucher Program, AL No. 14.871, to be considered an expenditure for the purposes of this schedule. Therefore, the amount in this schedule is the total amount received directly from HUD.

NOTE 2 - INDIRECT COST RATE

The Authority did not elect to use the 10-percent de minimis indirect cost rate.

NOTE 3 - SUB-RECIPIENTS

During the year ended March 31, 2025, the Authority had no sub-recipients.

NOTE 4 - NONCASH ASSISTANCE AND OTHER

The Authority did not receive any noncash assistance, federal loans, or federally funded insurance during the year ended March 31, 2025.

See independent auditor's report.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Slidell (the "Authority"), as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise Authority's basic financial statements, and have issued our report thereon dated September 26, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

September 26, 2025
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

Board of Commissioners
The Housing Authority of the City of Slidell
Slidell Louisiana

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Authority's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended March 31, 2025. The Housing Authority of the City of Slidell (the "Authority") major federal program is 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 the major federal program for the year ended March 31, 2025.

Basis for Opinion on the 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 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 the 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 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 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 Authority's compliance with the requirements of the 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 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 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 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.

September 26, 2025
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Housing Authority of the City of Slidell
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended March 31, 2025

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

Material weakness identified? **No**

Significant deficiency identified? **None reported**

Noncompliance material to financial statements noted? **No**

Federal Awards

Internal control over major programs:

Material weakness identified? **No**

Significant deficiency identified? **None reported**

Type of auditor's report issued on compliance for major programs:

Housing Voucher Cluster - Unmodified

There are no audit findings that are required to be reported in accordance with 2 CFR 200.516(a).

The program tested as major program is as follows:

Housing Voucher Cluster

The threshold for distinguishing types A and B programs was **\$750,000**.

Did the auditee qualify as a low-risk auditee? **Yes.**

B. FINDINGS AND QUESTIONED COSTS - FINANCIAL STATEMENTS AUDIT

None

C. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

D. PRIOR YEAR AUDIT FINDINGS

None