

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

REPORT ON EXAMINATION
OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

YEAR ENDED DECEMBER 31, 2020

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the City of Donaldsonville, Louisiana as of and for the year ended December 31, 2020, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of December 31, 2020, 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.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 7 through 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards 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.

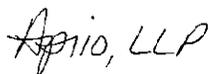
Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. Supplementary data is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Financial Data Schedule is presented for the Department of Housing and Urban Development's information and is not a required part of the basic financial statements. 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is 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.

The Financial Data Schedule, the Schedule of Expenditures of Federal Awards and other supplementary data are the responsibility of management and were derived from and relate directly to the underlying accounting data and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting data and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 12, 2022, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Birmingham, Alabama
September 12, 2022

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 Donaldsonville
 Donaldsonville, 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 Authority, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 12, 2022.

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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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* and therefore, *material weaknesses* or *significant deficiencies* may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Finding 2020-002, that we consider to be a *material weakness*.

Compliance and Other Matters

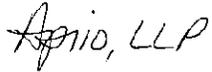
As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as Finding 2020-001.

The Authority's Responses to the Findings

The Authority's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The Authority's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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.



Birmingham, Alabama
September 12, 2022

INDEPENDENT AUDITOR'S 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 Donaldsonville
Donaldsonville, Louisiana

Report on Compliance for the Major Federal Program

We have audited the Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended December 31, 2020. The Authority's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the *Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Authority's compliance.

Basis for Qualified Opinion on the Capital Fund Program

As described in the accompanying Schedule of Findings and Questioned Costs, the Authority did not comply with requirements regarding the Assistance Listing No. 14.872 Capital Fund Program as described in Finding 2020-003 for the Special Tests and Provisions requirement. Compliance with such requirement is necessary, in our opinion, for the Authority to comply with the requirements applicable to that program.

Qualified Opinion on the Capital Fund Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended December 31, 2020.

Other Matter

The results of our auditing procedures disclosed another instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as Finding 2020-003.

The Authority's Response to the Noncompliance Finding

The Authority's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be *material weaknesses* or *significant deficiencies*. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*. However, *material weaknesses* may exist that have not been identified.

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 our testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Amio, LLP

Birmingham, Alabama
September 12, 2022

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2020

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements.

Financial Highlights

- The Authority's net position increased \$.2 million during 2020. Net Position was \$3.8 million and \$4 million for 2019 and 2020, respectively.

- Revenues increased \$.3 million during 2020, and were \$1.2 million and \$1.5 million for 2019 and 2020, respectively.

- Expenses increased \$.1 million during 2020, and were \$1.2 million and \$1.3 million for 2019 and 2020, respectively.

USING THIS ANNUAL REPORT

The Report includes three major sections, the "Management's Discussion and Analysis (MD&A)", "Basic Financial Statements", and "Other Required Supplementary Information":

MD&A

*~ MANAGEMENT DISCUSSION
AND ANALYSIS ~*

BASIC FINANCIAL STATEMENTS

*~ AUTHORITY-WIDE FINANCIAL STATEMENTS ~
~ NOTES TO FINANCIAL STATEMENTS ~*

OTHER REQUIRED SUPPLEMENTARY INFORMATION

*~ REQUIRED SUPPLEMENTARY INFORMATION ~
(OTHER THAN MD&A)*

Authority-Wide Financial Statements

Statement of Net Position

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 in which assets and deferred outflows of resources, equal liabilities, deferred inflows of resources and “Net Position”, formerly known as net assets. 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 and deferred outflows of resources, net of liabilities and deferred inflows of resources, for the entire Authority. Net Position (formerly net assets) 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: Consists of Net Position that does not meet the definition of “Net Investment in Capital Assets”, or “Restricted Net Position.”

Statement of Revenues, Expenses, and Changes in 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, operating expenses, such as administrative, utilities, maintenance, and depreciation, and non-operating revenue and expenses, such as capital grant revenue, investment income and interest expense.

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

Statement of Cash Flows

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

THE AUTHORITY'S FEDERAL PROGRAMS

Significant Program – The focus of the Authority's Financial Statements should be on the significant program of the Authority. The following is considered a significant program of the Authority.

Conventional 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 offer 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.

Other Program – In addition to the Conventional Public Housing Program above, the Authority also maintains the following program:

- Public Housing CARES Act Funding Program

AUTHORITY-WIDE STATEMENTS

Condensed Statement of Net Position

The following table reflects the Condensed Statement of Net Position compared to the prior year.

TABLE 1
CONDENSED STATEMENT OF NET POSITION

	<u>2020</u>	<u>2019</u>	<u>Variance</u>
Assets and Deferred Outflows of Resources:			
Current and Restricted Assets	\$ 1,500,635	\$ 1,382,964	\$ 117,671
Capital Assets	2,882,634	2,512,532	370,102
Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 4,383,269</u>	<u>\$ 3,895,496</u>	<u>\$ 487,773</u>
Liabilities and Deferred Inflows of Resources:			
Current Liabilities	\$ 379,647	\$ 86,495	\$ 293,152
Non-Current Liability	25,519	25,597	(78)
Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>\$ 405,166</u>	<u>\$ 112,092</u>	<u>\$ 293,074</u>
Net Position:			
Net Investment in Capital Assets	\$ 2,882,634	\$ 2,512,532	\$ 370,102
Restricted Net Position	318,093	318,093	-
Unrestricted Net Position	<u>777,376</u>	<u>952,779</u>	<u>(175,403)</u>
Total Net Position	<u>\$ 3,978,103</u>	<u>\$ 3,783,404</u>	<u>\$ 194,699</u>

Major Factors Affecting the Condensed Statement of Net Position

During 2020, current and restricted assets increased due mainly to an increase of grants receivable due from HUD. Capital assets increased due to construction and other dwelling improvements exceeding depreciation.

Current liabilities increased due primarily to an increase of accounts payable due to vendors and contractors.

Table 2 presents details on the change in Unrestricted Net Position

TABLE 2

CHANGE IN UNRESTRICTED NET POSITION

Unrestricted Net Position, January 1, 2020	\$ 952,779
Results of Operations	(351,470)
Proceeds Received on the Disposition of Capital Assets	2,000
Capital Expenditures from Operating Reserves	(147,796)
Interest Income	2,869
Depreciation Expense	<u>318,994</u>
Unrestricted Net Position, December 31, 2020	<u><u>\$ 777,376</u></u>

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer understanding of the change in financial well-being.

TABLE 3

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following Schedule compares the revenues and expenses for the current and previous fiscal years.

	<u>2020</u>	<u>2019</u>	<u>Variance</u>
Revenues:			
Tenant Rental and Other Revenue	\$ 539,050	\$ 538,366	\$ 684
Operating Grants	354,641	330,068	24,573
Capital Grants	541,300	252,659	288,641
Interest Income	2,869	3,844	(975)
Other Revenue	55,890	63,842	(7,952)
Total Revenues	<u>\$ 1,493,750</u>	<u>\$ 1,188,779</u>	<u>\$ 304,971</u>
Expenses:			
Administrative Expenses	\$ 299,177	\$ 295,332	\$ 3,845
Tenant Services	39,641	12,942	26,699
Utilities	87,454	62,638	24,816
Maintenance and Operations	289,478	285,697	3,781
Protective Services	55,181	53,379	1,802
General Expense	209,126	189,055	20,071
Depreciation	318,994	317,892	1,102
Total Expenses	<u>\$ 1,299,051</u>	<u>\$ 1,216,935</u>	<u>\$ 82,116</u>
Excess (Deficiency) of Revenues Over Expenses	<u>\$ 194,699</u>	<u>\$ (28,156)</u>	<u>\$ 222,855</u>

Major Factors Affecting the Schedule of Revenue, Expenses and Changes in Net Position

Capital grants increased due to an increase of construction and other modernization and improvement activity on the dwelling properties.

Total expenses increased slightly due primarily to COVID-19 related training, prevention and response costs; and modest increases of water and insurance costs incurred and tenant bad debt charges.

Capital Assets

As of year-end, the Authority had \$2.9 million invested in a variety of capital assets as reflected in the following schedule. For additional detail see the Notes to the Financial Statements.

TABLE 4
CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION)

	2020	2019	Variance	% Change
Land	\$ 233,313	\$ 233,313	\$ -	0%
Buildings and Improvements	7,996,619	7,971,830	24,789	0%
Furniture and Equipment	407,390	397,763	9,627	2%
Construction in Process	977,906	357,561	620,345	
Accumulated Depreciation	(6,732,594)	(6,447,935)	(284,659)	4%
Net Capital Assets	\$ 2,882,634	\$ 2,512,532	\$ 370,102	15%

TABLE 5
CHANGE IN CAPITAL ASSETS

The following reconciliation summarizes the change in Capital Assets.

Beginning Balance, January 1, 2020	\$ 2,512,532
Additions:	
Construction in Process	620,345
Building Improvements	24,789
Equipment Purchases	43,962
Depreciation Expense	(318,994)
Ending Balance, December 31, 2020	\$ 2,882,634

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to 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 the Executive Director. Specific requests may be submitted to the Housing Authority of the City of Donaldsonville, 1501 St. Patrick Street, Donaldsonville, Louisiana 70346.

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
 STATEMENT OF NET POSITION
 DECEMBER 31, 2020

ASSETS AND DEFERRED
OUTFLOWS OF RESOURCES

	Enterprise Fund
<u>Current Assets</u>	
Cash and Cash Equivalents	\$ 751,882
Accounts Receivable	261,903
Investments	122,748
Prepaid Costs	35,949
Inventory	10,060
Total Current Assets	<u>1,182,542</u>
<u>Restricted Assets</u>	
Cash and Cash Equivalents	<u>318,093</u>
Total Restricted Assets	<u>318,093</u>
<u>Capital Assets</u>	
Land	233,313
Buildings and Improvements	7,996,619
Furniture and Equipment	407,390
Construction in Process	<u>977,906</u>
	9,615,228
(Less): Accumulated Depreciation	<u>(6,732,594)</u>
Net Capital Assets	<u>2,882,634</u>
Total Assets	<u>4,383,269</u>
Deferred Outflows of Resources	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 4,383,269</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
 STATEMENT OF NET POSITION
 DECEMBER 31, 2020

LIABILITIES, DEFERRED INFLOWS OF
 RESOURCES AND NET POSITION

	Enterprise Fund
<u>Current Liabilities</u>	
Accounts Payable	\$ 297,640
Accrued Wages and Payroll Taxes	7,647
Accrued Compensated Absences	14,014
Tenant Security Deposits	54,313
Unearned Revenue	6,033
Total Current Liabilities	<u>379,647</u>
<u>Long Term Liabilities</u>	
Accrued Compensated Absences	<u>25,519</u>
Total Long Term Liabilities	<u>25,519</u>
Total Liabilities	<u>405,166</u>
Deferred Inflows of Resources	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>405,166</u>
<u>Net Position</u>	
Net Investment in Capital Assets	2,882,634
Restricted Net Position	318,093
Unrestricted Net Position	<u>777,376</u>
Total Net Position	<u>3,978,103</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 4,383,269</u>

See the accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Enterprise Fund
<u>Operating Revenues</u>	
Dwelling Rent	\$ 539,050
Operating Grants	354,641
Other Revenue	53,890
Total Operating Revenues	<u>947,581</u>
<u>Operating Expenses</u>	
Administrative	299,177
Tenant Services	39,641
Utilities	87,454
Maintenance and Operations	289,478
Protective Services	55,181
General Expense	209,126
Depreciation	318,994
Total Operating Expenses	<u>1,299,051</u>
Operating Income (Loss)	<u>(351,470)</u>
<u>Non-Operating Revenues</u>	
Interest Income	2,869
Gain on the Disposition of Capital Assets	2,000
Total Non-Operating Revenues	<u>4,869</u>
Increase (decrease) before Capital Contributions	<u>(346,601)</u>
Capital Contributions	<u>541,300</u>
Increase (Decrease) in Net Position	194,699
Net Position, Beginning	<u>3,783,404</u>
Net Position, Ending	<u>\$ 3,978,103</u>

See the accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Enterprise Fund
<u>Cash flows from operating activities:</u>	
Cash Received from Dwelling Rent	\$ 517,809
Cash Received from Operating Grants	353,859
Cash Received from Other Sources	53,519
Cash Payments for Salaries and Benefits	(426,419)
Cash Payments to Vendors and Landlords	<u>(527,137)</u>
Net cash provided (used) by operating activities	<u>(28,369)</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital Grants Received	318,919
Capital Outlay	(417,990)
Proceeds Received on Dispositions	2,000
Net cash provided (used) by capital and related financing activities	<u>(97,071)</u>
<u>Cash flows from investing activities:</u>	
Interest earned from cash and cash equivalents	2,869
Transfer to Investments	<u>(122,748)</u>
Net cash provided (used) by investing activities	<u>(119,879)</u>
Net decrease in cash and cash equivalents	(245,319)
Total cash and restricted cash, beginning of year	<u>1,315,294</u>
Total cash and restricted cash, end of year	<u>\$ 1,069,975</u>

Continued on next page

**HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
 STATEMENT OF CASH FLOWS - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Enterprise Fund
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>	
Operating Income (Loss)	\$ (351,470)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	318,994
Bad Debt Expense (Tenants)	13,514
Change in Accounts Receivable (Tenants)	(22,800)
Change in Accounts Receivable (Grants)	(782)
Change in Accounts Receivable (Other)	(2,387)
Change in Prepaid Costs and Inventory	(5,406)
Change in Accounts Payable - Operating	16,403
Change in Accrued Expenses	1,990
Change in Unearned Revenue (Tenants)	1,559
Change in Security Deposits Held	2,016
Net cash provided (used) by operating activities	<u>\$ (28,369)</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

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 and GASB Statement 63.

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 when 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 as well as applicable pronouncements issued by the Financial Accounting Standards Board.

Cash and Investments

Cash consists of checking accounts and a money market account. Investments consist of a certificate of deposit.

Accounts Receivable

Accounts receivable are reported at amounts management expects to collect and consisted of gross tenant receivables of \$27,519, reported net of an allowance for doubtful accounts of \$17,316, at a net amount of \$10,203; grants receivable due from HUD of \$249,163 and \$2,537 of other miscellaneous receivables.

Prepaid Items and Inventory

Prepaid items and inventory consist of payments made to vendors for services and materials that will benefit future periods.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

Property and Equipment

Property and equipment 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 on assets has been expensed in the statement of income and expenses. Estimated useful lives are as follows:

Buildings	40 years
Building Improvements	15 years
Furniture and equipment	5 - 7 years

Authority management has assessed the carrying values of capital asset balances as of December 31, 2020, and as of September 12, 2022. No significant capital asset value impairments exist as of the noted dates.

PILOT Agreement

The Authority has entered into a Payment-in-Lieu-of-Taxes (PILOT) Agreement with the City of Donaldsonville whereby the Authority agreed to pay a negotiated sum in lieu of local real property taxes. The City has waived payment of the 2020 PILOT calculated at \$45,647.

Unearned Revenue

The Authority recognizes revenues as earned. Funds received before the Authority is eligible to apply them are recorded as a liability under unearned revenue. As of December 31, 2020, the Authority's unearned revenue balance consisted of tenant rent prepayments.

Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of assets by the Authority that is applicable to a future reporting period. Conversely, a deferred inflow of resources is an acquisition of assets by the Authority that is applicable to a future reporting period. As of December 31, 2020, the Authority did not have any deferred outflows or inflows of resources.

Revenue Accounting Policies

Dwelling rent income, HUD grants recognized to fund operations and other miscellaneous income are reported as operating income. HUD grants recognized to fund capital assets, interest income and all other revenue is reported as non-operating revenue.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE B - REPORTING ENTITY DEFINITION

The Housing Authority is a chartered public corporation under the laws of the State of Louisiana with a Board of Commissioners appointed by the City of Donaldsonville. 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.

NOTE C – CASH and INVESTMENT DEPOSITS

Custodial Credit Risk - The Authority's 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 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 Housing Authority's cash and restricted cash consisted of funds held in two interest-bearing checking accounts and a money market account with reconciled balances totaling \$1,069,975. \$318,093 of this amount was restricted for future property modernizations. Investments consisted of a certificate of deposit in the amount of \$122,748. Deposits balances held with financial institutions totaled \$1,210,193 and were secured as follows:

	Bank Deposits
Insured by FDIC	\$ 695,602
Collateralized with specific securities in the Authority's name which are held by a third-party financial institution	<u>514,591</u>
	<u>\$ 1,210,193</u>

The Authority had no realized gains or losses on the sale of investments. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

NOTE D - CONTRACTUAL COMMITMENTS

The Authority's outstanding contractual commitments as of December 31, 2020, consisted of a construction contract in the amount of \$2,515,111 with an outstanding obligation amount of \$2,060,605, which excludes payments and accruals through December 31, 2020, of \$454,506.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE E - CONCENTRATION OF RISK

The Housing 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 F - SIGNIFICANT ESTIMATES

These financial statements are prepared in accordance with generally accepted accounting principles. The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives and earned sick leave to be utilized. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

NOTE G - 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.

The Authority incurred property damage from Hurricane Delta in October of 2020 and Hurricane Ida in August of 2021. There was no significant structural damage incurred or asset impairments resulting from the either of the storms. A claim for clean-up and repairs resulting from Delta has been approved by the insurance carrier in the amount of \$464,530. Clean-up and repair cost assessments from Ida are underway. No claim has been finalized or approved by the insurance carrier as of September 12, 2022.

NOTE H - DEFINED CONTRIBUTION RETIREMENT PLANS

The Authority provides retirement benefits for all of its eligible full-time employees through a defined contribution plan, known as the Housing Agency Retirement Trust Plan, administered by Mercer. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 14% of the eligible employees' base salaries to the plan. Contributions and allocated investment earnings are fully vested after 5 years of continuous service. During 2020, the Authority made the required contributions in the amount of \$35,102, and there were no significant unpaid retirement plan liabilities outstanding as of December 31, 2020.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE I - ACCRUED COMPENSATED ABSENCES

Housing Authority employees are granted vacation and sick leave in varying amounts depending on tenure with the Authority. In the event of termination, an employee is reimbursed for accumulated vacation leave up to a maximum of 300 hours. Vested or accumulated vacation leave is recorded as an expense and liability as the benefits accrue to employees.

A summary of compensated absences activity and balances as of December 31, 2020, is as follows:

	<u>January 1,</u> <u>2020 Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>December 31,</u> <u>2020 Balance</u>	<u>Due Within</u> <u>One Year</u>
Compensated Absences	\$ 36,916	\$ 27,909	\$ 25,292	\$ 39,533	\$ 14,014
Less: Current portion	(11,319)			(14,014)	
Long Term Liabilities	\$ 25,597	\$ 27,909	\$ 25,292	\$ 25,519	\$ 14,014

Because management cannot reasonably estimate the amount of earned sick leave which will be utilized by employees, the Authority has not accrued all of its earned but unused sick leave liability in its Statement of Net Position. However, management does not anticipate that the amount of unaccrued earned sick leave as of year-end, which will be utilized in subsequent years will be significant to its financial statements.

NOTE J - 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.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE K - CAPITAL ASSETS

A summary of capital asset balances as of, and activity for the year ended December 31, 2020, is as follows:

	January 1, 2020		Transfers and	December 31, 2020
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Land	\$ 233,313	\$ -	\$ -	\$ 233,313
Construction in Process	357,561	620,345	-	977,906
Total Assets not being depreciated	590,874	620,345	-	1,211,219
Buildings and Improvements	7,971,830	24,789	-	7,996,619
Furniture and Equipment	397,763	43,962	(34,335)	407,390
Total Capital Assets	8,960,467	689,096	(34,335)	9,615,228
Less Accumulated Depreciation				
Buildings and Improvements	(6,095,647)	(297,308)	-	(6,392,955)
Furniture and Equipment	(352,288)	(21,686)	34,335	(339,639)
Net Book Value	\$ 2,512,532	\$ 370,102	\$ -	\$ 2,882,634

NOTE L - SUBSEQUENT EVENTS

In preparing the financial statements, management evaluated subsequent events through September 12, 2022, the date the financial statements were available to be issued.

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2020

EXPENDITURES

Public Housing Program	
Total Assistance Listing No. 14.850a	<u>\$ 316,110</u>
Public Housing CARES Act Funding	
Total Assistance Listing No. 14.PHC	<u>35,931</u>
Public Housing Capital Fund Program	
Total Assistance Listing No. 14.872	<u>543,900</u>
TOTAL HUD EXPENDITURES	<u>895,941</u>
TOTAL FEDERAL EXPENDITURES	<u><u>\$ 895,941</u></u>

NOTE 1 – BASIS OF PRESENTATION

The above Schedule of Expenditures of Federal Awards includes the federal award activity of the Authority under programs of the federal government for the year ended December 31, 2020. 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 has elected not to use the 10% *De Minimus Indirect Cost Rate* allowed under the Uniform Guidance.

Housing Authority of the City of Donaldsonville (LA043)
DONALDSONVILLE, LA
Entity Wide Balance Sheet Summary

Fiscal Year
End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	Total Enterprise Fund
111 Cash - Unrestricted	\$ 697,569	\$ -	\$ 697,569
112 Cash - Restricted - Modernization and Development	318,093	-	318,093
113 Cash - Other Restricted	-	-	-
114 Cash - Tenant Security Deposits	54,313	-	54,313
115 Cash - Restricted for Payment of Current Liabilities	-	-	-
100 Total Cash	\$ 1,069,975	\$ -	\$ 1,069,975
121 Accounts Receivable - PHA Projects	-	-	-
122 Accounts Receivable - HUD Other Projects	248,381	782	249,163
124 Accounts Receivable - Other Government	-	-	-
125 Accounts Receivable - Miscellaneous	2,537	-	2,537
126 Accounts Receivable - Tenants	27,519	-	27,519
126.1 Allowance for Doubtful Accounts - Tenants	(17,316)	-	(17,316)
126.2 Allowance for Doubtful Accounts - Other	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-
128 Fraud Recovery	-	-	-
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-
129 Accrued Interest Receivable	-	-	-
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$ 261,121	\$ 782	\$ 261,903
131 Investments - Unrestricted	122,748	-	122,748
132 Investments - Restricted	-	-	-
135 Investments - Restricted for Payment of Current Liability	-	-	-
142 Prepaid Expenses and Other Assets	35,949	-	35,949
143 Inventories	11,178	-	11,178
143.1 Allowance for Obsolete Inventories	(1,118)	-	(1,118)
144 Inter Program Due From	-	-	-
145 Assets Held for Sale	-	-	-
150 Total Current Assets	\$ 1,499,853	\$ 782	\$ 1,500,635
161 Land	233,313	-	233,313
162 Buildings	6,865,178	-	6,865,178
163 Furniture, Equipment & Machinery - Dwellings	-	-	-
164 Furniture, Equipment & Machinery - Administration	407,390	-	407,390
165 Leasehold Improvements	1,131,441	-	1,131,441
166 Accumulated Depreciation	(6,732,594)	-	(6,732,594)
167 Construction in Progress	977,906	-	977,906
168 Infrastructure	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	\$ 2,882,634	\$ -	\$ 2,882,634
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-
174 Other Assets	-	-	-
180 Total Non-Current Assets	\$ 2,882,634	\$ -	\$ 2,882,634

Housing Authority of the City of Donaldsonville (LA043)
DONALDSONVILLE, LA
Entity Wide Balance Sheet Summary

Fiscal Year
End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	Total Enterprise Fund
200 Deferred Outflow of Resources	\$ -	\$ -	\$ -
290 Total Assets and Deferred Outflow of Resources	\$ 4,382,487	\$ 782	\$ 4,383,269
311 Bank Overdraft	-	-	-
312 Accounts Payable <= 90 Days	274,133	782	274,915
313 Accounts Payable >90 Days Past Due	-	-	-
321 Accrued Wage/Payroll Taxes Payable	7,647	-	7,647
322 Accrued Compensated Absences - Current Portion	14,014	-	14,014
324 Accrued Contingency Liability	-	-	-
325 Accrued Interest Payable	-	-	-
331 Accounts Payable - HUD PHA Programs	-	-	-
332 Account Payable - PHA Projects	-	-	-
333 Accounts Payable - Other Government	-	-	-
341 Tenant Security Deposits	54,313	-	54,313
342 Unearned Revenue	6,033	-	6,033
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	-
345 Other Current Liabilities	22,725	-	22,725
346 Accrued Liabilities - Other	-	-	-
347 Inter Program - Due To	-	-	-
348 Loan Liability - Current	-	-	-
310 Total Current Liabilities	\$ 378,865	\$ 782	\$ 379,647
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-
353 Non-current Liabilities - Other	-	-	-
354 Accrued Compensated Absences - Non Current	25,519	-	25,519
355 Loan Liability - Non Current	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-
350 Total Non-Current Liabilities	\$ 25,519	\$ -	\$ 25,519
300 Total Liabilities	\$ 404,384	\$ 782	\$ 405,166
400 Deferred Inflow of Resources	\$ -	\$ -	\$ -
508.4 Net Investment in Capital Assets	2,882,634	-	2,882,634
511.4 Restricted Net Position	318,093	-	318,093
512.4 Unrestricted Net Position	777,376	-	777,376
513 Total Equity - Net Assets / Position	\$ 3,978,103	\$ -	\$ 3,978,103
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ 4,382,487	\$ 782	\$ 4,383,269

Housing Authority of the City of Donaldsonville (LA043)
DONALDSONVILLE, LA
Entity Wide Revenue and Expense Summary

Fiscal Year
End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	Total Enterprise Fund
70300 Net Tenant Rental Revenue	\$ 520,570	\$ -	\$ 520,570
70400 Tenant Revenue - Other	18,480	-	18,480
70500 Total Tenant Revenue	\$ 539,050	\$ -	\$ 539,050
70600 HUD PHA Operating Grants	318,710	35,931	354,641
70610 Capital Grants	541,300	-	541,300
70710 Management Fee	-	-	-
70720 Asset Management Fee	-	-	-
70730 Book Keeping Fee	-	-	-
70740 Front Line Service Fee	-	-	-
70750 Other Fees	-	-	-
70700 Total Fee Revenue	\$ 860,010	\$ 35,931	\$ 895,941
70800 Other Government Grants	-	-	-
71100 Investment Income - Unrestricted	2,869	-	2,869
71200 Mortgage Interest Income	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-
71310 Cost of Sale of Assets	-	-	-
71400 Fraud Recovery	-	-	-
71500 Other Revenue	53,890	-	53,890
71600 Gain or Loss on Sale of Capital Assets	2,000	-	2,000
72000 Investment Income - Restricted	-	-	-
70000 Total Revenue	\$ 1,457,819	\$ 35,931	\$ 1,493,750
91100 Administrative Salaries	163,911	-	163,911
91200 Auditing Fees	15,600	-	15,600
91300 Management Fee	-	-	-
91310 Book-keeping Fee	-	-	-
91400 Advertising and Marketing	-	-	-
91500 Employee Benefit contributions - Administrative	58,083	-	58,083
91600 Office Expenses	21,513	-	21,513
91700 Legal Expense	16,000	-	16,000
91800 Travel	3,465	-	3,465
91810 Allocated Overhead	-	-	-
91900 Other	20,605	-	20,605
91000 Total Operating - Administrative	\$ 299,177	\$ -	\$ 299,177
92000 Asset Management Fee	\$ -	\$ -	\$ -
92100 Tenant Services - Salaries	-	10,003	10,003
92200 Relocation Costs	280	-	280
92300 Employee Benefit Contributions - Tenant Services	-	765	765
92400 Tenant Services - Other	5,530	23,063	28,593
92500 Total Tenant Services	\$ 5,810	\$ 33,831	\$ 39,641

Housing Authority of the City of Donaldsonville (LA043)
DONALDSONVILLE, LA
Entity Wide Revenue and Expense Summary

Fiscal Year
End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	Total Enterprise Fund
93100 Water	76,165	-	76,165
93200 Electricity	10,813	-	10,813
93300 Gas	476	-	476
93400 Fuel	-	-	-
93500 Labor	-	-	-
93600 Sewer	-	-	-
93700 Employee Benefit Contributions - Utilities	-	-	-
93800 Other Utilities Expense	-	-	-
93000 Total Utilities	\$ 87,454	\$ -	\$ 87,454
94100 Ordinary Maintenance and Operations - Labor	123,205	-	123,205
94200 Ordinary Maintenance and Operations - Materials and Other	53,323	-	53,323
94300 Ordinary Maintenance and Operations Contracts	61,950	-	61,950
94500 Employee Benefit Contributions - Ordinary Maintenance	44,533	-	44,533
94000 Total Maintenance	\$ 283,011	\$ -	\$ 283,011
95100 Protective Services - Labor	-	-	-
95200 Protective Services - Other Contract Costs	55,181	-	55,181
95300 Protective Services - Other	-	-	-
95500 Employee Benefit Contributions - Protective Services	-	-	-
95000 Total Protective Services	\$ 55,181	\$ -	\$ 55,181
96110 Property Insurance	98,963	-	98,963
96120 Liability Insurance	2,262	-	2,262
96130 Workmen's Compensation	12,305	-	12,305
96140 All Other Insurance	8,526	-	8,526
96100 Total insurance Premiums	\$ 122,056	\$ -	\$ 122,056
96200 Other General Expenses	-	-	-
96210 Compensated Absences	27,909	-	27,909
96300 Payments in Lieu of Taxes	45,647	-	45,647
96400 Bad debt - Tenant Rents	13,514	-	13,514
96500 Bad debt - Mortgages	-	-	-
96600 Bad debt - Other	-	-	-
96800 Severance Expense	-	-	-
96000 Total Other General Expenses	\$ 87,070	\$ -	\$ 87,070
96710 Interest of Mortgage (or Bonds) Payable	-	-	-
96720 Interest on Notes Payable (Short and Long Term)	-	-	-
96730 Amortization of Bond Issue Costs	-	-	-
96700 Total Interest Expense and Amortization Cost	\$ -	\$ -	\$ -

Housing Authority of the City of Donaldsonville (LA043)
DONALDSONVILLE, LA
Entity Wide Revenue and Expense Summary

Fiscal Year
End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	Total Enterprise Fund
96900 Total Operating Expenses	\$ 939,759	\$ 33,831	\$ 973,590
97000 Excess of Operating Revenue over Operating Expenses	\$ 518,060	\$ 2,100	\$ 520,160
97100 Extraordinary Maintenance	6,467	-	6,467
97200 Casualty Losses - Non-capitalized	-	-	-
97300 Housing Assistance Payments	-	-	-
97350 HAP Portability-In	-	-	-
97400 Depreciation Expense	318,994	-	318,994
97500 Fraud Losses	-	-	-
97600 Capital Outlays - Governmental Funds	-	-	-
97700 Debt Principal Payment - Governmental Funds	-	-	-
97800 Dwelling Units Rent Expense	-	-	-
90000 Total Expenses	\$ 1,265,220	\$ 33,831	\$ 1,299,051
10010 Operating Transfer In	2,600	-	2,600
10020 Operating transfer Out	(2,600)	-	(2,600)
10100 Total Other financing Sources (Uses)	\$ -	\$ -	\$ -
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ 192,599	\$ 2,100	\$ 194,699
11020 Required Annual Debt Principal Payments	\$ -	\$ -	\$ -
11030 Beginning Equity	\$ 3,783,404	\$ -	\$ 3,783,404
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	2,100	(2,100)	-
11170 Administrative Fee Equity	\$ -	\$ -	\$ -
11180 Housing Assistance Payments Equity	\$ -	\$ -	\$ -
11190 Unit Months Available	1,709	-	1,709
11210 Number of Unit Months Leased	1,702	-	1,702
11610 Land Purchases	\$ -	\$ -	\$ -
11620 Building Purchases	541,300	-	541,300
11640 Furniture & Equipment - Administrative Purchases	-	2,100	2,100
11650 Leasehold Improvements Purchases	-	-	-
13901 Replacement Housing Factor Funds	-	-	-

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

DECEMBER 31, 2020

Section I: Summary of Auditor's Results:

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal Control over financial reporting:

Are material weaknesses identified? Yes No

Are significant deficiencies that are not considered to be material weaknesses identified? Yes None Reported

Is noncompliance that could have a material effect on the financial statements identified? Yes No

FEDERAL AWARDS

Internal control over major program:

Are material weaknesses identified? Yes No

Are significant deficiencies that are not considered to be material weaknesses identified? Yes None Reported

Type of report issued on compliance with requirements applicable to the major program: Qualified

Are there any audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance? Yes No

Identification of major program:

Name of Federal Program Assistance Listing No.
Capital Fund Program 14.872

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

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

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

DECEMBER 31, 2020

Section II: Financial Statement Findings:

Summary Schedule of Prior Year Findings:

None

Current Year Findings and Questioned Costs:

Finding 2020-001 – State of Louisiana Audit Deadline Not Met (Other Matter)

Criteria

The State of Louisiana Legislative Auditor's Office requires local government agencies to submit their completed audits within six months from the agencies' applicable fiscal year-ends.

Condition

The Authority did not submit its completed audit to the State of Louisiana Legislative Auditor's Office within six months of its year-end.

Cause

The Authority did not complete its audit within six months of its year-end in order to submit it to the State of Louisiana Legislative Auditor's Office within six months of its year-end.

Effect

Noncompliance with State audit requirements.

Questioned Costs – N/A

Recommendation

We recommend that the Authority complete and submit its audit to the State of Louisiana Legislative Auditor's Office within six months of the Authority's year-end.

Reply

The Authority will complete and submit its audit to the State of Louisiana Legislative Auditor's Office within six months of its year-end. Ruth Franklin, Executive Director, has assumed the responsibility of assuring completion and submission of the Authority's audit to the State of Louisiana Legislative Auditor's Office within six months of the Authority's year-end, and expects this instance of noncompliance to be resolved by June 30, 2023.

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

DECEMBER 31, 2020

Section II: Financial Statement Findings - Continued:

Current Year Findings and Questioned Costs - Continued:

Finding 2020-002 – Failure to Accrue Year-End Liabilities (Material Weakness)

Criteria

Internal controls over the financial period close should include a review and analysis of routine and non-routine transactions occurring during and subsequent to fiscal year-end to ensure they're accounted-for in the correct period.

Condition

The Authority did not accrue two contractor invoices, totaling \$248,381 of liabilities, during its fiscal year-end close.

Cause

Failure to sufficiently evaluate transactions at and near year-end for accounting during the appropriate period.

Effect

Understatement of construction in process and accounts payable of \$248,381.

Questioned Costs – N/A

Recommendation

We recommend that the Authority sufficiently evaluate significant financial transactions at and near year-end for accounting during the appropriate period.

Reply

The Authority will sufficiently evaluate significant financial transactions at and near year-end. Ruth Franklin, Executive Director, has assumed the responsibility of evaluating significant transactions at and near year-end, and considers the deficiencies which led to this Finding to be resolved as of September 12, 2022.

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

DECEMBER 31, 2020

Section III: Federal Award Findings and Questioned Costs:

Summary Schedule of Prior Year Findings:

None

Current Year Findings and Questioned Costs:

Finding 2020-003 - Federal Audit Deadlines Not Met (Material Noncompliance applicable to the major program, Other Matter applicable to each other federal program)

Public Housing Program – Assistance Listing No. 14.850a, Public Housing CARES Act Funding – Assistance Listing No. 14.PHC, Capital Fund Program – Assistance Listing No. 14.872; Grant period – year ended December 31, 2020

Criteria

Federal Uniform Guidance requires federally-assisted agencies which expend \$750,000 or more of federal funds during their applicable reporting period to submit their completed audits within nine months from the agencies' applicable year-ends. Further, the Department of Housing and Urban Development (HUD) requires public housing agencies to submit their completed audits within nine months from the agencies' applicable year-ends. Temporary federal audit deadline extensions applicable to the Authority's December 31, 2020 year-end extended its nine month deadlines by six months, to fifteen months.

Condition

The Authority did not submit its completed audit to the Federal Audit Clearinghouse or HUD within fifteen months of its year-end.

Cause

The Authority did not complete its audit within fifteen months of its year-end in order to submit it to the Federal Audit Clearinghouse or HUD within fifteen months of its year-end.

Effect

Noncompliance with Federal audit requirements. Noncompliance with Uniform Guidance Reporting requirements.

Questioned Costs – N/A

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

DECEMBER 31, 2020

Section III: Federal Awards Findings and Questioned Costs - Continued:

Current Year Findings and Questioned Costs - Continued:

Finding 2020-003 - Federal Audit Deadlines Not Met (Material Noncompliance applicable to the major program, Other Matter applicable to each other federal program) - Continued

Recommendation

We recommend that the Authority complete and submit future audits to the Federal Audit Clearinghouse and HUD within nine months of its year-end.

Reply

The Authority will complete and submit future audits to the Federal Audit Clearinghouse and HUD within nine months of its year-end. Ruth Franklin, Executive Director, has assumed the responsibility of completing and submitting future audits to the Federal Audit Clearinghouse and HUD within nine months of its year-end, and expects this instance of noncompliance to be resolved by September 30, 2022.

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

CORRECTIVE ACTION PLAN

DECEMBER 31, 2020

Finding 2020-001 – State of Louisiana Audit Deadline Not Met (Other Matter)

The Authority will complete and submit its audit to the State of Louisiana Legislative Auditor's Office within six months of its year-end. Ruth Franklin, Executive Director, has assumed the responsibility of assuring completion and submission of the Authority's audit to the State of Louisiana Legislative Auditor's Office within six months of the Authority's year-end, and expects this instance of noncompliance to be resolved by June 30, 2023.

Finding 2020-002 – Failure to Accrue Year-End Liabilities (Material Weakness)

The Authority will sufficiently evaluate significant financial transactions at and near year-end. Ruth Franklin, Executive Director, has assumed the responsibility of evaluating significant transactions at and near year-end, and considers the deficiencies which led to this Finding to be resolved as of September 12, 2022.

Finding 2020-003 - Federal Audit Deadlines Not Met (Material Weakness applicable to the major program, Other Matter applicable to each federal program)

The Authority will complete and submit future audits to the Federal Audit Clearinghouse and HUD within nine months of its year-end. Ruth Franklin, Executive Director, has assumed the responsibility of completing and submitting future audits to the Federal Audit Clearinghouse and HUD within nine months of its year-end, and expects this instance of noncompliance to be resolved by September 30, 2022.

HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO THE EXECUTIVE
DIRECTOR

YEAR ENDED DECEMBER 31, 2021

EXPENDITURE PURPOSE

Salary	<u>\$ 96,620</u>
Benefits - Insurance	<u>10,946</u>
Benefits - Retirement	<u>12,618</u>
Per Diem	<u>255</u>
Travel	<u>998</u>
Total Compensation, Benefits and Other Payments	<u>\$ 121,437</u>

Agency Head: Ruth Franklin, Executive Director

NOTE 1 – 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*.