

**THE HOUSING AUTHORITY OF
EAST BATON ROUGE PARISH
BATON ROUGE, LOUISIANA**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED SEPTEMBER 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
TABLE OF CONTENTS
YEARS ENDED SEPTEMBER 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	12
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	14
STATEMENT OF CASH FLOWS	15
NOTES TO FINANCIAL STATEMENTS	16
SUPPLEMENTARY INFORMATION	
FINANCIAL DATA SCHEDULE – STATEMENT OF NET POSITION	42
FINANCIAL DATA SCHEDULE – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	44
COMBINING SCHEDULE OF THE DISCRETELY PRESENTED COMPONENT UNITS	47
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	49
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	51
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	54
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	55
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	56
OTHER SUPPLEMENTARY INFORMATION	
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO THE CHIEF EXECUTIVE OFFICER	58



INDEPENDENT AUDITORS' REPORT

Board of Commissioners
The Housing Authority of East Baton Rouge Parish
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of the Housing Authority of East Baton Rouge Parish (the Authority), as of and for the year ended September 30, 2021, except for the discretely presented component units for whom the financial statements are 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 as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the following discretely presented component units. These statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the following discretely presented component units, is based solely on the reports of the other auditors.

- Brookstown Place Partnership, ALPIC
- Cedar Pointe Subdivision, L.P.
- Wesley Chapel Development, L.P.
- EBRPHA Development I, L.P.
- EBRPHA Development II, L.P.
- EBRPHA Development IV, L.P.
- River South Development, L.P.

The above listed financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as issued by the Financial Accounting Standards Board and were audited by other auditors, whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of the above listed entities, which conform those financial statements to accounting principles generally accepted in the United States of America as issued by the Governmental Accounting Standards Board. Our opinion, insofar as it relates to the amounts included in the above listed entities prior to these conversion adjustments, is based solely on the reports of the other auditors.

Board of Commissioners
The Housing Authority of East Baton Rouge Parish

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 auditors' 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority as of September 30, 2021, except for the discretely presented component units noted above for whom the financial statements are as of and for the year ended December 31, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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, 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying combining schedule of discretely presented component units, financial data schedule, and schedule of capital funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining schedule of discretely presented component units, financial data schedule, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above and the reports of other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of compensation, benefits and other payments to the Chief Financial Officer has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2022, 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 the Authority's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Lakeland, Florida
March 24, 2022

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

The Housing Authority of East Baton Rouge Parish's (the Authority) Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, and (c) identify changes in the Authority's financial position.

Since the 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. This MD&A covers only the Authority's Enterprise Fund and does not analyze the financial position or current year's activity of the discretely presented Component Units. Separate audit reports have been issued on the financial statements of the Component Units. The audited financial statements of the Component Units have been included in the financial statements of the Authority.

FINANCIAL HIGHLIGHTS

- The Authority's net position decreased \$2.5 million in 2021. Net Position was \$30.6 million and \$33.1 million for 2021 and 2020, respectively.
- Revenues increased \$.53 million during 2021, and were \$42.7 million and \$42.1 million for 2021 and 2020, respectively.
- The total expenses of all Authority programs increased \$2.3 million. Total expenses were \$45.2 million and \$42.9 million for 2021 and 2020, respectively

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

USING THIS ANNUAL REPORT

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

MD&A

~ Management's Discussion and Analysis ~

Basic Financial Statements

~ Authority-Wide Financial Statements ~
~ Notes to Financial Statements ~

Other Required Supplementary Information

~ Required Supplementary Information ~
(Other than the MD&A)

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

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 of 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 "Noncurrent."

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 and operating grants; operating expenses such as administrative, utilities, maintenance, and depreciation; and nonoperating revenues 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, noncapital financing activities, investing activities and from capital and related financing activities.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

Authority-Wide Main Programs

Significant Programs - The focus of the Authority's Financial Statements should be on the significant programs of the Authority. The following are considered significant programs 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 provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties. In fiscal year 2020, the Conventional Public Housing Program received additional funding from HUD related to CAREs Act Funding.

Housing Choice Vouchers Program - Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an ACC with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income. In fiscal year 2020, the Housing Choice Vouchers Program received additional funding from HUD related to CAREs Act Funding.

Other Less Significant Programs - In addition to the significant programs above, the Authority also maintains the following less significant programs:

- Central Office Cost Center (COCC)
- Business Activities
- Revitalization of Severely Distressed Public Housing
- Resident Opportunity and Supportive Services Program (ROSS)
- Section 8 Moderate Rehabilitation Program
- Disaster Housing Assistance Program (DHAP)
- Disaster Housing Assistance - Ike Program
- Disaster Voucher Program (DVP)
- Choice Neighborhood Implementation Grants (CNI)
- Emergency Housing Voucher Program (EHV)

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED SEPTEMBER 30, 2021**

AUTHORITY-WIDE STATEMENTS

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

TABLE 1

CONDENSED STATEMENT OF NET POSITION

	2021	2020	\$ Variance	% Variance
Assets and Deferred Outflows of Resources:				
Current Assets	\$ 13,590,977	\$ 14,490,480	\$ (899,503)	-6.21%
Restricted Assets	803,834	987,921	(184,087)	-18.63%
Capital Assets, Net	16,523,631	17,951,044	(1,427,413)	-7.95%
Other Noncurrent Assets	3,409,570	3,409,570	-	0.00%
Total Assets	\$ 34,328,012	\$ 36,839,015	\$ (2,511,003)	-6.82%
Liabilities:				
Current Liabilities	\$ 1,746,607	\$ 1,594,403	\$ 152,204	9.55%
Noncurrent Liabilities	1,971,199	2,107,920	(136,721)	-6.49%
Total Liabilities	3,717,806	3,702,323	15,483	0.42%
Net Position:				
Net Investment in Capital Assets	14,541,912	15,773,193	(1,231,281)	-7.81%
Restricted Net Position	340,803	9,269	331,534	100.00%
Unrestricted Net Position	15,727,491	17,354,230	(1,626,739)	-9.37%
Total Net Position	30,610,206	33,136,692	(2,526,486)	-7.62%
Total Liabilities and Net Position	\$ 34,328,012	\$ 36,839,015	\$ (2,511,003)	-6.82%

Major Factors Affecting the Statement of Net Position

During 2021, total assets decreased \$2.5 million resulting primarily from the decrease in capital assets due to current year depreciation expense of \$1.63 million. Cash decreased as a result of the usage of CAREs Act money in the current year that was restricted in the prior year as well as the passage of DHAP funds from the Authority to Partners for Progress, Inc. (a discretely presented component unit) for the Cypress at Gardere Project. Additionally, receivables regarding the Cypress at Gardere project were received in the current year.

During 2021, total liabilities decreased \$.015 million resulting primarily in the usage of CAREs Act money in the current year that was unearned revenue in the prior year. There were also decreases in accounts payable and accrued liabilities as a result of timing and payment of invoices. The Authority also has liabilities on the books at fiscal year-end related to the Cypress at Gardere project.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED SEPTEMBER 30, 2021**

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

TABLE 2

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	2021	2020	\$ Variance	% Variance
REVENUES				
Tenant Rental Revenue	\$ 2,213,590	\$ 2,167,300	\$ 46,290	2.14%
Operating Grants	38,728,562	37,842,858	885,704	2.34%
Capital Contributions	362,132	296,541	65,591	22.12%
Investment Income	1,276	21,968	(20,692)	-94.19%
Other Revenue	1,363,412	1,315,369	48,043	3.65%
Recognition of Prior Year Funds	-	497,802	(497,802)	-100.00%
Total Revenues	<u>42,668,972</u>	<u>42,141,838</u>	<u>527,134</u>	<u>1.25%</u>
EXPENSES				
Administrative Expenses	4,860,436	4,078,295	782,141	19.18%
Tenant Services	273,702	370,992	(97,290)	-26.22%
Utilities	1,113,250	1,018,197	95,053	9.34%
Maintenance and Operations	2,550,340	2,313,237	237,103	10.25%
Protective Services	74,846	76,839	(1,993)	-2.59%
Insurance	1,134,663	1,013,515	121,148	11.95%
General Expenses	2,770,397	538,558	2,231,839	414.41%
Interest Expense	148,321	161,726	(13,405)	-8.29%
Housing Assistance Payments	30,420,113	31,340,372	(920,259)	-2.94%
Extraordinary Maintenance	102,606	40,262	62,344	154.85%
Bad Debt	114,704	98,744	15,960	100.00%
Depreciation	1,632,080	1,821,572	(189,492)	-10.40%
Total Expenses	<u>45,195,458</u>	<u>42,872,309</u>	<u>2,323,149</u>	<u>5.42%</u>
INCREASE (DECREASE) IN NET POSITION	<u>\$ (2,526,486)</u>	<u>\$ (730,471)</u>	<u>\$ (1,796,015)</u>	<u>245.87%</u>

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

REVENUES

Total revenues increased during 2021 in comparison to 2020 by \$.53 million. Operating grants increased \$.89 million due primarily to an increase in capital fund soft costs being drawn related to the RAD conversions of Willow Creek and Autumn Place, increase in activity for the CNI project and \$.2 million received for the emergency housing voucher program as a response to COVID-19 pandemic. Prior year recognition of prior restricted funds was related to funds received by the Authority in previous years for disaster programs. These funds were no longer deemed to be held for restricted use and therefore were recognized as revenue during the prior year.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED SEPTEMBER 30, 2021**

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONTINUED)

EXPENSES

Total expenses increased \$2.3 million. The increase is mostly related to a grant between the Authority and Partners for Progress related to the Cypress at Gardere Project. The Authority granted Partners \$3.2 million related to the project in fiscal year 2021. This was recorded in general expenses. Housing Assistance Payments decreased \$.92 million. This was caused by a decrease in housing choice vouchers and amount of HAP per voucher during the year. Depreciation decreased due to a decrease in depreciable assets and assets being fully depreciated in the prior year. Administrative service expenses increased by \$.78 million mostly due to an increase in salaries and CNI expenses. Insurance increased by \$.12 million due to an increase in property and flood insurance as a result of hurricane season. Maintenance and Operations expenses increased by \$.24 million primarily due to increased lawn care and software contracts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

As of fiscal year-end, the Authority had \$16.52 million invested in a variety of capital assets as reflected in the following schedule:

TABLE 3

**CAPITAL ASSETS AT YEAR END
(NET OF DEPRECIATION)**

	2021	2020	\$ Variance	% Variance
Land	\$ 5,784,670	\$ 5,784,670	-	0.00%
Buildings and Improvements	45,849,696	45,849,696	-	0.00%
Furniture and Equipment	533,373	509,398	23,975	4.71%
Construction in Progress	1,029,621	863,620	166,001	19.22%
Less: Accumulated Depreciation	(36,673,729)	(35,056,340)	(1,617,389)	4.61%
Net Capital Assets	<u>\$ 16,523,631</u>	<u>\$ 17,951,044</u>	<u>\$ (1,427,413)</u>	<u>-7.95%</u>

The following reconciliation summarizes the change in Capital Assets:

TABLE 4

CHANGES IN CAPITAL ASSETS

Beginning Balance - October 1, 2020	\$ 17,951,045
Additions and Transfers:	
Furniture and Equipment	38,665
Construction in Process	166,001
Disposals	(14,690)
Depreciation Expense	(1,632,080)
Disposals - Accumulated Depreciation	14,690
Ending Balance - September 30, 2021	<u>\$ 16,523,631</u>

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED SEPTEMBER 30, 2021**

Debt

As of fiscal year-end, the Authority had \$1.77 million in long-term debt outstanding compared to \$1.98 million last year.

TABLE 5

OUTSTANDING DEBT, AT YEAR-END

	Balance as of September 30, 2021	Balance as of September 30, 2020
Mortgages and Notes Payable	\$ 1,981,719	\$ 2,177,851
Less: Current Portion	(209,819)	(195,481)
Long-Term Debt	\$ 1,771,900	\$ 1,982,370

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 supplies and other costs

COVID-19

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. Consequently, federal, state and local authorities have issued various mandates resulting in an overall decline in economic activity which could result in material adverse effects to the Authority's financial position, results of operations, and cash flows. In March 2020, President Trump signed the CARES act, which in part provided additional funding for public housing to pay for increased costs and additional funding to the housing choice voucher program for administrative fees and increased leasing cost impacted by the outbreak. The Authority cannot reasonably estimate the length or severity of this outbreak and the related financial impact.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Jim Wesley Daniels, Executive Director of The Housing Authority of East Baton Rouge Parish at 4731 North Boulevard, Baton Rouge, Louisiana 70806.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Enterprise Fund	Discretely Presented Component Units	
		Partners-for- Progress, Incorporated	Partnerships December 31, 2020 Year-End
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 12,044,081	\$ 592,128	\$ 1,085,319
Tenants Accounts Receivable, Net	92,958	-	70,575
Accounts Receivable - Copper Oaks, LLC, Net of Allowance	-	117,125	-
Accounts Receivable - Other, Net of Allowance	480,430	922,968	-
Due From Related Parties	222,418	-	-
Prepaid Costs	609,538	2,693	149,342
Inventory, Net (Allowance \$8,410)	141,552	-	-
Total Current Assets	<u>13,590,977</u>	<u>1,634,914</u>	<u>1,305,236</u>
RESTRICTED ASSETS			
Cash and Cash Equivalents - Tenant Security Deposits	167,799	-	124,003
Cash and Cash Equivalents - Other Restricted	636,035	-	2,605,855
Total Restricted Assets	<u>803,834</u>	<u>-</u>	<u>2,729,858</u>
CAPITAL ASSETS			
Land	5,784,670	292,500	803,683
Buildings and Improvements	45,849,696	-	58,868,503
Furniture and Equipment	533,373	15,418	3,725,184
Construction in Progress	1,029,621	-	-
	<u>53,197,360</u>	<u>307,918</u>	<u>63,397,370</u>
Less: Accumulated Depreciation	<u>(36,673,729)</u>	<u>(15,418)</u>	<u>(16,093,135)</u>
Net Capital Assets	16,523,631	292,500	47,304,235
OTHER ASSETS			
Notes Receivable	3,409,570	3,918,861	-
Other Noncurrent Assets	-	-	4,784
Total Other Assets	<u>3,409,570</u>	<u>3,918,861</u>	<u>4,784</u>
Total Assets	<u>\$ 34,328,012</u>	<u>\$ 5,846,275</u>	<u>\$ 51,344,113</u>

See accompanying Notes to Financial Statements.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Enterprise Fund	Discretely Presented	
		Partners-for- Progress, Incorporated	Partnerships December 31, 2020 Year-End
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	\$ 70,620	\$ 9,607	\$ 98,579
Due to Primary Government	-	222,418	-
Accrued Wages and Payroll Taxes	169,707	1,953	-
Accrued Compensated Absences	107,362	4,240	-
Accrued Interest Payable	-	-	54,256
Accrued Liabilities - Other	712,700	-	205,720
Tenant Security Deposits	167,799	-	124,015
Unearned Revenue	308,600	1,259,696	20,814
Developer Fees Payable	-	-	763,885
Current Portion of Debt	209,819	187,125	148,710
Total Current Liabilities	<u>1,746,607</u>	<u>1,685,039</u>	<u>1,415,979</u>
LONG-TERM LIABILITIES			
Long-Term Debt, Net of Current	1,771,900	792,700	18,772,044
Accrued Interest Payable and Other, Net of Current	-	-	1,161,938
Accrued Compensated Absences, Net of Current	199,299	4,559	-
Noncurrent Liabilities - Other	-	-	65,263
Total Long Term Liabilities	<u>1,971,199</u>	<u>797,259</u>	<u>19,999,245</u>
Total Liabilities	3,717,806	2,482,298	21,415,224
NET POSITION			
Net Investment in Capital Assets	14,541,912	-	27,221,543
Restricted Net Position	340,803	-	2,605,843
Unrestricted Net Position	15,727,491	3,363,977	101,503
Total Net Position	<u>30,610,206</u>	<u>3,363,977</u>	<u>29,928,889</u>
Total Liabilities and Net Position	<u>\$ 34,328,012</u>	<u>\$ 5,846,275</u>	<u>\$ 51,344,113</u>

See accompanying Notes to Financial Statements.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2021

	Enterprise Fund	Discretely Presented	
		Partners-for- Progress, Incorporated	Partnerships December 31, 2020 Year-End
OPERATING REVENUES			
Dwelling Rent	\$ 2,213,590	\$ -	\$ 3,310,542
Operating Grants	38,728,562	-	-
Other Revenue	1,363,412	3,741,040	341,030
Total Operating Revenues	<u>42,305,564</u>	<u>3,741,040</u>	<u>3,651,572</u>
OPERATING EXPENSES			
Administrative	4,860,436	331,942	639,048
Tenant Services	273,702	30,000	-
Utilities	1,113,250	1,272	125,702
Maintenance and Operations	2,550,340	19,914	763,090
Protective Services	74,846	-	-
Insurance	1,134,663	7,954	411,318
General Expense	2,770,397	48,179	206,423
Housing Assistance Payments	30,420,113	-	-
Extraordinary Maintenance	102,606	-	-
Bad Debt	114,704	-	-
Depreciation	1,632,080	-	1,956,641
Total Operating Expenses	<u>45,047,137</u>	<u>439,261</u>	<u>4,102,222</u>
OPERATING INCOME (LOSS)	(2,741,573)	3,301,779	(450,650)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	1,276	-	5,960
Interest Expense	(148,321)	(20,346)	(811,393)
Loss on Sale of Assets	-	(4,317)	-
Total Nonoperating Revenues (Expenses)	<u>(147,045)</u>	<u>(24,663)</u>	<u>(805,433)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(2,888,618)	3,277,116	(1,256,083)
Capital Contributions - from HUD	<u>362,132</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	(2,526,486)	3,277,116	(1,256,083)
Net Position - Beginning of Year	<u>33,136,692</u>	<u>86,861</u>	<u>31,184,972</u>
NET POSITION - END OF YEAR	<u>\$ 30,610,206</u>	<u>\$ 3,363,977</u>	<u>\$ 29,928,889</u>

See accompanying Notes to Financial Statements.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Dwelling Rent	\$ 1,621,997
Cash Received from Operating Grants	38,730,145
Other Income Receipts	1,331,945
Cash Payments for Salaries and Benefits	(4,273,300)
Cash Payments to Vendors and Related Parties	(7,987,318)
Cash Payments to Landlords	(30,420,113)
Net Cash Used by Operating Activities	<u>(996,644)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Grants Received	362,132
Repayment of Capital Debt Principal	(196,132)
Interest Paid on Capital Debt	(148,321)
Purchase of Capital Assets	(204,666)
Net Cash Used by Capital and Related Financing Activities	<u>(186,987)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income Received	1,276
Issuance of Notes Receivable	-
Receipts from Component Unit	141,747
Net Cash Provided by Investing Activities	<u>143,023</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,040,608)
Cash and Cash Equivalents - Beginning of Year	<u>13,888,523</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 12,847,915</u></u>
RECONCILIATION OF NET LOSS FROM OPERATIONS TO NET CASH USED BY OPERATING ACTIVITIES	
Loss from Operations	\$ (2,741,573)
Adjustments to Reconcile Net Operating Loss to Net Cash and Cash Equivalents:	
Depreciation Expense	1,632,080
Bad Debt	114,704
(Increase) Decrease in Assets:	
Accounts Receivable - HUD Other Projects	1,583
Accounts Receivable - Other Government	(1,380)
Accounts Receivable - Miscellaneous	(10,321)
Accounts Receivable - Tenants	(105,676)
Prepaid Expenses	(82,801)
Inventory	(14,875)
Increase (Decrease) in Liabilities:	
Accounts Payable	(6,405)
Accrued Wages/Payroll Taxes Payable	(61,487)
Accrued Compensated Absences	88,771
Tenant Security Deposits	5,471
Unearned Revenue	(511,154)
Other Current Liabilities	696,419
Net Cash Used by Operating Activities	<u><u>\$ (996,644)</u></u>

See accompanying Notes to Financial Statements.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 REPORTING ENTITY DEFINITION

The Housing Authority of East Baton Rouge Parish (the Authority) is a governmental agency that provides 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 Authority is governed by a Board of Commissioners, which is composed of seven members. The applicable jurisdictions appoint the Board of Commissioners. However, the 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.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria of Governmental Accounting Standards. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following component units:

Partners for Progress, Incorporated (the Corporation)

The Corporation is a related nonprofit Louisiana corporation, which was created as an instrumentality of the Authority for the purpose of developing low, and low-moderate income housing opportunities within the East Baton Rouge Parish community. The Corporation has entered into a management agreement with the Authority, for the Authority to provide administrative and management services to the Corporation. Because the Corporation maintains a substantively different governing board than the Authority, and the benefits derived from the services of the Corporation extend beyond the Authority, the Corporation is considered to be a discrete component unit. The activity from the Corporation is reported separately in the financial statements and accompanying schedules in the Partners for Progress, Incorporated column. The Corporation's fiscal year-end is September 30. A copy of the financial statements of Partners for Progress, Inc. for the year ended September 30, 2021 may be obtained by writing to The Housing Authority of the East Baton Rouge Parish, 4731 North Boulevard, Baton Rouge, Louisiana 70806.

The Corporation created various entities to serve as instrumentalities of the Corporation to facilitate low-income housing developments. The financial activity of these entities is consolidated into the Corporation's financial statements and is reported in the financial statements and accompanying schedules in the Partner for Progress, Incorporated column.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 REPORTING ENTITY DEFINITION (CONTINUED)

Partners for Progress, Incorporated (the Corporation) (Continued)

The Corporation is the sole member of the following entities with December 31, 2020 year-ends:

- Partners for Progress Development Company, LLC
- Cedar Pointe Development, LLC
- Wesley Chapel Development, LLC
- Hospital Plaza I, LLC
- Colonial Courts I, LLC
- Roosevelt Terrace, LLC
- River South, LLC
- Cypress at Gardere, GP LLC
- 2080 Ardenwood, LLC

Brookstown Place Partnership, ALPIC

Partners for Progress Development Company, LLC is the managing general partner of Brookstown Place Partnership, a Louisiana Partnership in Commendam. Partners for Progress Development Company, LLC holds 0.01% interest in Brookstown Place Partnership and contributed \$50 at formation for this interest. Partners for Progress Development Company, LLC will receive 0.01% of income, 5.00% of the distribution of cash flow, and 5.00% from the sale or refinancing of partnership assets. Due to the Authority's interest and participation in the partnership (through Partners for Progress Development Company, LLC), Authority management considers Brookstown Place Partnership to be a discrete component unit.

Cedar Pointe Subdivision, LP

Cedar Pointe Development, LLC is the managing general partner of Cedar Pointe Subdivision Limited Partnership, a Louisiana Partnership in Commendam. Cedar Pointe Development, LLC holds 0.01% interest in Cedar Pointe Subdivision Limited Partnership. Cedar Pointe Development, LLC will receive 0.01% of income, 5.00% of the distribution of cash flow, and 5.00% from the sale or refinancing of partnership assets. Due to the Authority's interest and participation in the partnership (through Cedar Pointe, LLC), Authority management considers Cedar Pointe Subdivision, LP to be a discrete component unit.

Wesley Chapel Development, LP

Wesley Chapel Development, LLC is the managing general partner of Wesley Chapel Development, LP. Due to the Authority's interest and participation in the partnership (through Wesley Chapel Development, LLC), Authority management considers the partnership to be a discrete component unit.

EBRPHA Development 1, LP

Hospital Plaza I, LLC is the managing general partner of EBRPHA Development 1, LP. Due to the Authority's interest and participation in the partnership (through Hospital Plaza I, LLC), Authority management considers the partnership to be a discrete component unit.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 REPORTING ENTITY DEFINITION (CONTINUED)

EBRPHA Development 2, LP

Colonial Courts I, LLC is the managing general partner of EBRPHA Development 2, LP. Due to the Authority's interest and participation in the partnership (through Colonial Courts I, LLC), Authority management considers the partnership to be a discrete component unit.

EBRPHA Development 4, LP

Roosevelt Terrace, LLC is the managing general partner of EBRPHA Development 4, LP. Due to the Authority's interest and participation in the partnership (through Roosevelt Terrace, LLC), Authority management considers the partnership to be a discrete component unit.

River South Development, LP

River South, LLC is the managing general partner of River South Development, L.P. Due to the Authority's interest and participation in the partnership (through River South, LLC), Authority management considers the partnership to be a discrete component unit.

Cypress at Gardere, LP

Cypress at Gardere, GP LLC is the managing general partner of Cypress at Gardere, LP. Cypress at Gardere, LP is still in the development phases and is not considered to be a discrete component unit at September 30, 2021.

2080 Ardenwood, LP

2080 Ardenwood, LLC is the managing general partner of 2080 Ardenwood, LP. 2080 Ardenwood, LP is still in the development phases and is not considered to be a discrete component unit at September 30, 2021.

Brookstown Place Partnership; Cedar Pointe Subdivision Limited Partnership; Wesley Chapel Development, LP; EBRPHA Development 1, LP; EBRPHA Development 2, LP; EBRPHA Development 4, LP, and River South Development, LP have December 31 year-ends. Financial activity for these discrete component units, for the year ended December 31, 2020, is reported separately in the financial statements and accompanying schedules in the 'Partnerships' column. The financial information for each of these discrete component units can be found in the combining schedule of discretely presented entities as part of the supplementary information at the end of the report. A copy of the financial statements of each of these discrete component units for the year ended December 31, 2020 may be obtained by writing to The Housing Authority of the East Baton Rouge Parish, 4731 North Boulevard, Baton Rouge, Louisiana 70806.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America 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 Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund.

Basis of Accounting

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 – Activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This required the 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.

The Authority has applied all applicable GASB pronouncements.

Cash and Cash Equivalents

The Authority considers cash on hand and cash in checking to be cash equivalents. Cash on hand is not included in calculation of collateral required.

Accounts Receivable

Tenant accounts receivables are carried at the amount considered by management to be collectible. Other current and noncurrent accounts receivable consist of amounts due from affiliates for operating advances, and fees and HAP advances due from other housing authorities. Management uses the allowance method for amounts not deemed collectible.

Prepaid Items and Inventory

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

Assets Held for Sale

Assets Held for Sale consists of land and infrastructure expected to be sold within one year and is valued at the lesser of cost or fair value.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

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	20 Years
Improvements	10 Years
Furniture and Equipment	5 Years

We note that five of the public housing buildings are fully depreciated up to their aggregate salvage values of \$3,743,125. Authority management has assessed the carrying values of capital asset balances for impairment. No significant capital asset value impairments exist as of September 30, 2021.

Accrued Compensated Absences

It is the Authority's policy to grant full time permanent employees vacation benefits in varying amounts to specified maximums depending on tenure with the Authority. Sick leave also accrues to full time employees to specified maximums. The employees are entitled to vacation leave balances at termination. Leave accrued but not yet paid as of September 30, 2021, is reported as a liability allocated between current and noncurrent.

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 September 30, 2021, there was \$1,568,296 of unearned revenue.

Operating and Nonoperating Revenues and Expenses

The Authority recognizes operating revenues and expenses as a result of providing low rent housing and other services. The principal operating revenues of the Authority consist of tenant rental charges, operating subsidies and fees received from the federal government and other grantor organizations, and other revenue received from ancillary operations such as maintenance charges to tenants, laundry operations and similar operations. Operating expenses include the costs of operating the Authority owned housing complexes, housing assistance payments to landlords, administrative expenses, and costs associated with providing program services and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

These financial statements do not contain inter-program revenues and expenses for internal activity. The policy is to eliminate any material inter-program revenues and expenses for these financial statements.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Indirect Costs Recovery

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

Use of Estimates

These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. 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 of capital assets, doubtful collection allowances against notes and accounts receivable, allocable shares of developer fees receivable and inventory valuations. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

NOTE 3 CASH 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 the Authority to invest excess funds in obligations of the U.S. certificates of deposit or any other federally insured investments.

The Authority's cash and cash equivalents consist of cash held in interest and noninterest-bearing checking accounts and investment sweep accounts with varying interest rates up to 0.1%. Deposits with financial institutions are secured as follows:

	<u>Book Balance</u>	<u>Bank Balance</u>
Insured by FDIC	\$ 250,000	\$ 250,000
Invested in U.S. Treasury Obligations	198,397	198,397
Collateralized with Specific Securities in the Authority Name which are Held by the Financial Institution	12,237,946	12,237,946
Uncollateralized Deposits	161,572	10,040
Total	<u>\$ 12,847,915</u>	<u>\$ 12,696,383</u>

All investments are carried at cost plus accrued interest, which approximates market. 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.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 CASH DEPOSITS (CONTINUED)

Partners for Progress, Incorporated

The Corporation's cash and cash equivalents consist of cash held in an interest-bearing checking account, totaling \$1,104,551 with a book balance of \$592,128. As of September 30, 2021, \$854,551 of the Corporation's bank balances were not collateralized outside of the amounts secured by the Federal Deposit Insurance Corporation (FDIC).

Partnerships

As of December 31, 2020, the Partnerships had various checking, escrow and other deposits at various financial institutions. Accounts at these financial institutions were insured by the FDIC up to \$250,000 per Partnership, per financial institution. As of December 31, 2020, the Partnerships had \$2,186,648 of deposits in excess of federally insured limits. Wesley Chapel Development, LP had uninsured deposits of \$455,824, EBRPHA Development 1, LP had uninsured deposits of \$377,466, EBRPHA Development 2, LP had uninsured deposits of \$380,485, EBRPHA Development 4, LP had uninsured deposits of \$120,600 and Cedar Pointe Subdivision, LP had uninsured deposits of \$852,273.

NOTE 4 RESTRICTED CASH

Primary Government

The Authority's restricted cash consisted of \$167,799 in tenant security deposits, \$296,935 restricted for HCVP HAP, \$183,232 of restricted funds to be used for HCVP COVID-19 expenditures and \$155,868 restricted for emergency housing vouchers as of September 30, 2021.

Partnerships

The Partnerships' restricted cash consisted of the following as of December 31, 2020:

Replacement Reserve	\$ 908,352
Operating Deficit Reserve	885,222
Real Estate, Tax, and Insurance Escrow	234,236
Guarantor Reserve	411,681
Debt Service Reserve	97,384
ACC Reserve	68,980
Tenant Security Deposits	124,003
Total Restricted Cash	<u><u>\$ 2,729,858</u></u>

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 ACCOUNTS RECEIVABLE - OTHER

Partnerships (Continued)

As of September 30, 2021, the Authority was due the following balances:

Accounts Receivable - HUD Other Projects	\$ 135,351
Accounts Receivable - Other Government	38,591
Accounts Receivable - Pre-Development Costs	<u>352,730</u>
Total Accounts Receivable	526,672
Allowance for Doubtful Accounts - Other	<u>(46,242)</u>
Total Allowance for Doubtful Accounts	<u>(46,242)</u>
Net Accounts Receivable	<u><u>\$ 480,430</u></u>

Partners for Progress, Incorporated

As of September 30, 2021, the Corporation was due the following balances:

Accounts Receivable - Costs	\$ 95,542
Accounts Receivable - Sale of Land	117,125
Less: Allowance for Doubtful Accounts	<u>(95,542)</u>
Total Accounts Receivable, Copper Oak, LLC	<u><u>\$ 117,125</u></u>
Accounts Receivable - River Lofts	\$ 122,055
Accounts Receivable - Cypress at Gardere	705,651
Accounts Receivable - Other Projects	<u>95,262</u>
Total Accounts Receivable - Other	<u><u>\$ 922,968</u></u>

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 NOTES AND DEVELOPER FEES RECEIVABLE

Between the Authority and the Discretely Presented Component Units

As of September 30, 2021, the Authority had the following outstanding notes, developer fees, and interest receivable balances due from the Partnerships:

Description

Due from EBRPHA Development 1, LP		
Promissory Note due to EBRPHA Dated January 2012, Matures January 2052, 2.00% Interest	\$ 1,325,570	
Promissory Note due to EBRPHA (Second) Dated January 2012, Matures January 2052, 2.00% Interest	<u>209,000</u>	<u>\$ 1,534,570</u>
Due from EBRPHA Development 2, LP		
Promissory Note due to EBRPHA Dated January 2012, Matures January 2052, 2.00% Interest	1,266,000	
Promissory Note Due to EBRPHA (Second) Dated January 2012, Matures January 2052, 2.00% Interest	<u>209,000</u>	<u>1,475,000</u>
Due from EBRPHA Development 4, LP		
Promissory Note due to EBRPHA Dated September 2014, Matures September 2034, 2.94%	<u>400,000</u>	<u>400,000</u>
Total Notes Receivable		<u><u>\$ 3,409,570</u></u>

These notes were loaned to the respective Partnerships to assist in the development of three low-income townhouse communities and the rehabilitation of an apartment complex, and are secured with second mortgages against each Partnership's leasehold interest in the properties. The deferred developer fees were earned by providing managerial and administrative assistance during the construction of the three developments. During the fiscal year, the Authority did not receive developer fees from the Partnerships. As of September 30, 2021, the Authority's share of the outstanding balances of the developer fee receivables due from the applicable partnerships amounted to \$202,330. Due to uncertainties regarding collectability, Authority management has elected to reserve the entire amount of the deferred developer fees receivable, and to recognize income as funds are received.

Between the Partnerships and Partners for Progress, Incorporated

Through the Corporation's wholly owned subsidiary entities (Partners for Progress Development Corporation, LLC; Cedar Pointe Development, LLC; Wesley Chapel Development, LLC; Hospital Plaza I, LLC; Colonial Courts I, LLC; and Roosevelt Terrace, LLC) the Corporation has earned developer fees from each of the Partnerships for overseeing the construction and development of four apartment complexes and two townhouse communities. During the fiscal year, the Corporation did not receive developer fees from the Partnerships. As of September 30, 2021, the Corporation's estimated share of the outstanding balances of the developer fee receivables due from the applicable partnerships amounted to \$275,957. Due to uncertainties regarding collectability, Corporation management has elected to reserve the entire amount of the receivables, and to recognize income as funds are received.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 6 NOTES AND DEVELOPER FEES RECEIVABLE (CONTINUED)

Between the Partnerships and Partners for Progress, Incorporated (Continued)

See Note 8 for a breakout of developer fees due from the Partnerships to the Authority and Partners for Progress, Inc.

During fiscal year 2014, the Corporation funded a \$500,000 loan to Wesley Chapel Development, LP under a loan agreement dated in September of 2011, to assist with the construction of the Wesley Chapel Apartments complex. The note is secured with a subordinate mortgage on the property and does not bear interest. The loan is payable from the available income and cash flow of the borrower, as stipulated in the Loan Agreement and matures in July of 2044. The outstanding balance of the note was \$500,000 as of September 30, 2021.

During fiscal year 2015, the Corporation funded a \$480,200 loan to EBRPHA Development 4, LP to assist with the rehabilitation of the Roosevelt Terrace Apartments complex. The nonrecourse note is secured with a subordinate mortgage on the property which has been subsequently assigned to Capital One National Association to secure a related loan issued from the Corporation to Capital One National Association. The loan bears interest at a rate of .25% per annum and is payable from the available income and cash flow of the borrower, as stipulated in the Loan Agreement. The loan matures in September of 2055 and outstanding balance was \$480,200 as of September 30, 2021.

In January 2012, the East Baton Rouge Redevelopment Authority (RDA) provided a subordinate mortgage loan in the amount of \$500,000 (the RDA Loan) to the EBRPHA Development 2, LP (Autumn Place). The loan has a thirty-year term and will accrue interest at zero (0.00%) percent annually. The loan is evidenced by a mortgage note given by Autumn Place to the Lender and is secured by the RDA Mortgage and other related security documents and financing statements. The loan is non-recourse to Autumn Place and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). The loan will be repaid solely from Surplus Cash, to the extent Surplus Cash is generated from the operation of the Project, in the sum of one-third (1/3) of the first \$42,000 of Surplus Cash; plus two-thirds (2/3) of any excess over the \$42,000 of Surplus Cash. In April of 2021, this loan was reassigned to the Corporation in the amount of \$500,000 and shows as a receivable on the statement of net position at September 30, 2021.

In January 2012, the East Baton Rouge Redevelopment Authority (RDA) provided a subordinate mortgage loan (the RDA Loan) in the amount of \$500,000 to EBRPHA Development 1, Partnership (Willow Creek). The loan has a thirty-year term and will accrue interest at zero (0.00%) percent annually. The loan is evidenced by a mortgage note given by Willow Creek to the Lender and is secured by the RDA Mortgage and other related security documents and financing statements. The loan is non-recourse to Willow Creek and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). The loan will be repaid solely from Surplus Cash, to the extent Surplus Cash is generated from the operation of the Project, in the sum of one-third (1/3) of the first \$42,000 of Surplus Cash; plus, two-thirds (2/3) of any excess over the \$42,000 of Surplus Cash. In April of 2021, this loan was reassigned to the Corporation in the amount of \$500,000 and shows as a receivable on the statement of net position at September 30, 2021.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 NOTES AND DEVELOPER FEES RECEIVABLE (CONTINUED)

Between the Partnerships and Partners for Progress, Incorporated (Continued)

In April of 2021, the Corporation loaned a new development, Cypress at Gardere, LP (Cypress) \$1,450,000 at closing for the purchase of the property and for future development costs. In addition to the original loan amount, Cypress drew down an additional \$488,661 of funds from the Corporation for a total of \$1,938,661 outstanding as of September 30, 2021. The total allowable amount to be disbursed to Cypress from the Corporation is \$5,500,000 with an interest rate on the unpaid principal balance of 8%, per annum. The principal balance of the note and interest thereon shall be paid annually commencing in 2023 with payments solely from 75% of Surplus Cash (as defined in the Subordination Agreement between Lender and Regions Bank, as fiscal agent), and the principal balance and all accrued, but unpaid interest shall be due and payable on April 22, 2056.

NOTE 7 CAPITAL ASSETS

Primary Government

A summary of the Authority's capital asset balances and activity, as of and for the year ended September 30, 2021 are as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	\$ 5,784,670	\$ -	\$ -	\$ -	\$ 5,784,670
Construction in Progress	863,620	166,001	-	-	1,029,621
Total Nondepreciable Capital Assets	<u>6,648,290</u>	<u>166,001</u>	<u>-</u>	<u>-</u>	<u>6,814,291</u>
Depreciable Capital Assets					
Buildings and Improvements	45,849,696	-	-	-	45,849,696
Furniture and Equipment	509,398	38,665	(14,690)	-	533,373
Total Depreciable Capital Assets	<u>46,359,094</u>	<u>38,665</u>	<u>(14,690)</u>	<u>-</u>	<u>46,383,069</u>
Less: Accumulated Depreciation					
Buildings and Improvements	(34,546,941)	(1,593,415)	-	-	(36,140,356)
Furniture and Equipment	(509,398)	(38,665)	14,690	-	(533,373)
Total Accumulated Depreciation	<u>(35,056,339)</u>	<u>(1,632,080)</u>	<u>14,690</u>	<u>-</u>	<u>(36,673,729)</u>
Total Capital Assets					
Being Depreciated, Net	<u>11,302,755</u>	<u>(1,593,415)</u>	<u>-</u>	<u>-</u>	<u>9,709,340</u>
Capital Assets, Net	<u>\$ 17,951,045</u>	<u>\$ (1,427,414)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,523,631</u>

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 7 CAPITAL ASSETS (CONTINUED)

Partners for Progress, Incorporated

A summary of the Corporation's capital asset balances and activity, as of and for the year ended September 30, 2021 are as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Depreciable Capital Assets					
Land	\$ -	\$ 292,500	\$ -	\$ -	\$ 292,500
Furniture and Equipment	15,418	-	-	-	15,418
Total Capital Assets	15,418	292,500	-	-	307,918
Less: Accumulated Depreciation					
Furniture and Equipment	(15,418)	-	-	-	(15,418)
Total Capital Assets Being Depreciated, Net	-	292,500	-	-	292,500
Capital Assets, Net	\$ -	\$ 292,500	\$ -	\$ -	\$ 292,500

Partnerships

A summary of the Partnerships' capital asset activity, for the year ended December 31, 2020 are as follows:

	January 1 2020	Additions	Deletions	Transfers	December 31 2020
Nondepreciable Capital Assets					
Land	\$ 803,683	\$ -	\$ -	\$ -	\$ 803,683
Total Nondepreciable Capital Assets	803,683	-	-	-	803,683
Depreciable Capital Assets					
Buildings and Improvements	58,868,503	-	-	-	58,868,503
Furniture and Equipment	3,725,184	-	-	-	3,725,184
Total Capital Assets	62,593,687	-	-	-	62,593,687
Less: Accumulated Depreciation	(14,136,494)	(1,956,641)	-	-	(16,093,135)
Total Capital Assets Being Depreciated, Net	48,457,193	(1,956,641)	-	-	46,500,552
Capital Assets, Net	\$ 49,260,876	\$ (1,956,641)	\$ -	\$ -	\$ 47,304,235

NOTE 8 NOTES PAYABLE

In February of 2012, the Authority obtained a loan from Capital One Public Funding, LLC for \$3,461,000. The loan was issued to finance subsequent loans to EBRPHA Development 1, LP and EBRPHA Development 2, LP to assist in the development of two low-income townhouse communities. Principal and interest payments are paid out of the Authority's Capital Fund Program. The loan bears interest at a rate of 7.1% and matures in March of 2029. The Authority has pledged a first priority security interest to Capital One Public Finance, LLC in the Capital Fund Program grant funds to secure the loan. Interest expense incurred on the loan during the fiscal year was \$148,321. The outstanding balance as of September 30, 2021 was \$1,981,719.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Future projected payments are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance Due</u>
2022	\$ 209,819	\$ 134,629	\$ 344,448
2023	225,213	119,235	344,448
2024	241,732	102,716	344,448
2025	259,465	84,983	344,448
2026	278,501	65,497	343,998
2027-2031	766,989	84,747	851,736
Total	<u>\$ 1,981,719</u>	<u>\$ 591,807</u>	<u>\$ 2,573,526</u>

Long-term liability activity for the year ended September 30, 2021, applicable to the Authority, was as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
CFFP Debt	\$ 2,177,851	\$ -	\$ (196,132)	\$ 1,981,719	\$ 209,819
Accrued Compensated Absences	217,890	88,771	-	306,661	107,362
Long-Term Liabilities	<u>\$ 2,395,741</u>	<u>\$ 88,771</u>	<u>\$ (196,132)</u>	<u>\$ 2,288,380</u>	<u>\$ 317,181</u>

Partners for Progress, Incorporated

In November of 2011, the Corporation issued a promissory note to Greenwell Land Acquisitions, LLC (GLA, LLC) in the amount of \$370,000 to purchase land from GLA, LLC, on which the Subdivision will be developed. GLA, LLC has agreed to forgive the 6% annual interest rate upon extinguishment of the loan. Therefore, Corporation management has not accrued an interest payable balance. The note matured on December 31, 2014, has not been paid or refinanced as of the date of these financial statements. The outstanding principal balance on the note as of September 30, 2021 was \$117,125.

During fiscal year 2014, the Corporation issued an Affordable Housing Program promissory note to Capital One National Association in the amount of \$480,200 to fund a loan the Corporation subsequently made to EBRPHA Development 4, LP, to partially finance the rehabilitation of the Roosevelt Terrace Apartment complex. The note is mortgaged with an assigned security interest in the Roosevelt Terrace Apartments property, matures in September of 2029, and will not bear interest as long as the Affordable Housing Program loan criteria are satisfied. The outstanding principal balance on the loan as of fiscal year-end 2021 was \$500,200.

In December 2020, the Corporation received a loan in the amount of \$292,500 from Home Bank with a maturity date of December 17, 2023, related to the purchase of 2080 Ardenwood. The annual interest rate for this loan is 4.95%. Loan is payable in full immediately upon demand. If no demand is made, the Corporation will pay this loan in one principal payment on maturity. This loan is collateralized by the property. The outstanding principal balance on the loan as of September 30, 2021 was \$292,500.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partners for Progress, Incorporated (Continued)

During fiscal year 2021, the Corporation received a loan in the amount of \$70,000 from Liberty Bank with an original maturity date of May 16, 2021 and extended maturity date of May 16, 2022. The annual interest rate for this loan is 6.5%. Loan is payable in full immediately upon demand. If no demand is made, the Corporation will pay this loan in one principal payment on maturity. The outstanding principal balance on the loan as of September 30, 2021 was \$70,000.

Long-term liability activity for the year ended September 30, 2021, applicable to the Corporation, was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance	Due Within One Year
Land Acquisition Note Payable	\$ 117,125	\$ -	\$ -	\$ 117,125	\$ 117,125
HOME Investment Loan	14,209	-	(14,209)	-	-
Loan Liability due to Liberty Bank	-	70,000	-	70,000	70,000
Note Payable to Home Bank	-	292,500	-	292,500	-
Note Payable due to the East Baton Rouge RDA	500,000	-	(500,000)	-	-
AHP Loan due to Capital One, National Association	500,200	-	-	500,200	-
Long-Term Liabilities	<u>\$ 1,131,534</u>	<u>\$ 362,500</u>	<u>\$ (514,209)</u>	<u>\$ 979,825</u>	<u>\$ 187,125</u>

Future projected payments are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance Due</u>
2022	\$ 187,125	\$ 5,801	\$ 192,926
2023	-	1,251	1,251
2024	292,500	1,251	293,751
2025	-	1,251	1,251
2026	-	1,251	1,251
2052-2056	500,200	1,251	501,451
Total	<u>\$ 979,825</u>	<u>\$ 12,053</u>	<u>\$ 991,878</u>

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships

The Partnerships have incurred the following debts and respective accrued interest, as of December 31, 2020:

Brookstown Place Partnership, ALPIC

Permanent Mortgage Loan due to Enterprise Team, Inc., Dated February 2009, Matures March 2029, 7.03% Interest	\$ 917,539	
Accrued Interest Payable on Mortgage Loan	5,375	
Developer Fees due to Partners for Progress, Inc.	68,736	
Deferred Developer Fees due to Project Consultant	<u>206,207</u>	<u>\$ 1,197,857</u>

Cedar Pointe Subdivision, LP

Permanent Mortgage Loan due to Barings Multifamily Capital, LLC, 18-year loan term, 7.14% Interest	2,397,915	
Accrued Interest Payable on Mortgage Loan	<u>14,284</u>	<u>2,412,199</u>

Wesley Chapel Development, LP

Permanent Mortgage Loan due to Home Federal Bank, Dated July 2014, Matures August 2030, 6.84% Interest	1,567,363	
Accrued Interest Payable on Mortgage Loan	9,089	
Operating and Developer Fees Due to EBRPHA	119,237	
Nonrecourse Loan due to Partners for Progress, Inc. in the Amount of \$500,000, dated July 2014, Noninterest Bearing, Matures July 2044	500,000	
Deferred Developer Fees due to Partners for Progress, Inc.	23,523	
Deferred Developer Fees due to Project Consultant	47,759	
Tax Credit Assistance Loan due to the Louisiana Housing Corporation of \$1M, 3% Interest per Annum, Matures March 2041 (Annual Required Payments Depend on Excess LP Cash Flows)	1,000,000	
Interest Payable on Tax Credit Assistance Loan	<u>270,000</u>	<u>3,536,971</u>

EBRPHA Development 1, LP

Permanent Mortgage Loan Dated October 2013 due to Capital One, 6.75% Interest, Matures October 2043	1,168,473	
Accrued Interest Payable on Mortgage Loan	6,134	
Subordinate Mortgage Loan (CFFP Loan) due to EBRPHA Dated January 2012, Matures February 2052, 2.00% Interest Compounded Annually	1,325,570	
Accrued Interest Payable on CFFP Loan due to EBRPHA	251,355	
Subordinate Mortgage due to EBRPHA (HA Loan) Dated January 2012, Matures January 2052, 2.00% Interest Compounded Annually	209,000	
Accrued Interest Payable on HA Loan due to EBRPHA	40,774	
Affordable Housing Program (AHP) Loan due to Capital One, N.A, Dated January 2012, of \$700K, 0.25% Interest Per Annum, Matures January 2053	700,000	
Accrued Interest Payable on AHP Loan	14,000	
Subordinate Mortgage Loan Due to the East Baton Rouge Redevelopment Authority of \$500K, Dated January 2012, 0% Interest, Matures January 2042 As of April 2021, due to Partners for Progress, Inc.	500,000	
Deferred Developer Fees due to Partners for Progress, Inc.	12,126	
Deferred Developer Fees due to EBRPHA	36,213	
Deferred Developer Fees due to Project Sub-developer	<u>6,529</u>	<u>4,270,174</u>

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

EBRPHA Development 2, LP

Permanent Mortgage Loan due to Capital One, Dated October 2013, 6.75% Interest, Matures October 2043	\$ 1,113,177	
Accrued Interest Payable on Mortgage Loan	4,383	
Subordinate Mortgage Loan (CFFP Loan) due to EBRPHA, Dated January 2012, Matures February 2052, 2.00% Interest	1,266,000	
Accrued Interest Payable on CFFP Loan due to EBRPHA	241,377	
Subordinate Mortgage Loan Due to EBRPHA (HA Loan) Dated January 2012, Matures January 2052, 2.00% Interest	209,000	
Accrued Interest Payable on HA Loan due to EBRPHA	40,774	
Affordable Housing Program (AHP) Loan due to Capital One, N.A, Dated January 2012 of \$700K, .25% Interest per Annum, Matures January 2053	700,000	
Accrued Interest Payable on AHP Loan	14,000	
Subordinate Mortgage Loan due to the East Baton Rouge Redevelopment Authority of \$500K, Dated January 2012, 0% Interest per Annum, Matures January 2042, As of April 2021, due to Partners for Progress, Inc.	500,000	
Deferred Developer Fees due to Partners for Progress, Inc.	10,181	
Deferred Developer Fees due to EBRPHA	30,424	
Deferred Developer Fees due to Project Sub-Developer	20,000	\$ 4,149,316

EBRPHA Development 4, LP

Subordinate Mortgage Loan (HA Loan) due to EBRPHA Dated September 2014, Matures September 2034, 2.94% Interest	400,000	
Accrued Interest Payable on Promissory Note due to EBRPHA	79,414	
AHP Loan due to Partners for Progress, Inc. Dated September 2014, Matures September 2055, .25% Interest	480,200	
Accrued Interest Payable on AHP Loan due to Partners for Progress	7,552	
Deferred Developer Fees due to Partners for Progress, Inc.	5,486	
Deferred Developer Fees due to EBRPHA	16,456	
Deferred Developer Fees due to Project Sub-Developer	124,340	1,113,448

River South Development, LP

Permanent Mortgage Loan due to Home Federal Bank, dated August 2017, Matures September 2036, 6.14% Interest	2,937,747	
Accrued Interest Payable on Mortgage Loan	14,991	
CDBG Loan due Louisiana Housing Corporation dated August 2017, Matures August 2057, 2.58% Interest	233,964	
Accrued Interest Payable on CDBG Loan	13,511	
PHA Loan due to EBRPHA Dated August, 2017, Matures August 2057, 2.58% Interest	794,806	
Accrued Interest Payable on PHA Loan due to EBRPHA	69,944	
Deferred Developer Fees due to Partners for Progress, Inc.	155,905	4,220,868
Total Partnerships Debt		<u>\$ 20,900,833</u>

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

Permanent mortgage loans for the Partnerships are described below:

Brookstown Place Partnership, APIC obtained permanent financing from Enterprise Team, Inc. on February 4, 2009. The loan has a twenty-year permanent mortgage with a forty-year amortization period in the original amount of \$1,000,000. This loan matures on March 1, 2029. The loan bears an annual interest rate of 7.03% with monthly interest and principal payments of \$6,236, and one balloon payment in the year 2029. The loan had an outstanding balance of \$917,539 and accrued interest of \$5,375 at December 31, 2020. The nonrecourse note is collateralized by buildings and land.

Cedar Pointe Subdivision, LP obtained permanent financing from Barings Multifamily Capital, LLC. The loan has an eighteen-year permanent mortgage with a thirty-five-year amortization period in the original amount of \$2,640,000. The loan bears an annual interest rate of 7.14% with monthly interest and principal payments of \$17,126, and one balloon payment in the year 2027. The loan had an outstanding balance of \$2,397,915 and accrued interest of \$14,284 at December 31, 2020. The non-recourse note is collateralized by buildings and land.

Wesley Chapel Development, LP obtained permanent financing from Home Federal Bank in July 2014 in the principal amount of \$1,700,000. The loan bears interest at 6.84% with monthly principal and interest installments of \$11,265. The loan has a term of sixteen (16) years with a thirty (30) year amortization period and a balloon payment due on the maturity date of August 1, 2030. The non-recourse loan is collateralized by a first mortgage on the Partnership's land and buildings. At December 31, 2020, the balance of this loan was \$1,567,363 and accrued interest was \$9,089.

Wesley Chapel Development, LP entered into a nonrecourse loan agreement with Louisiana Housing Corporation from the federal Tax Credit Assistance Program in the principal amount of \$1,000,000 bearing fixed interest of 3% per annum, and having a maturity date of March 1, 2041, with annual payment of principal and interest equal to 75% of surplus cash, which is defined in the TCAP Loan documents as cash (excluding tenant security deposits) remaining at the end of the year after (A) payment of all operating expenses for such fiscal year; (B) payment of all sums due to currently required to be paid under the terms of any Permanent Loan documents; (C) payment of all amounts required to be deposited into any reserve fund for the payment of operating expenses, any reserve for replacements, or any other special reserve funds required to be maintained under the Permanent Loan documents or the TCAP Loan documents; and (D) asset management fees and tax credit adjuster payment payable to the Investor Limited Partner. At December 31, 2020, the balance of the loan was \$1,000,000 and accrued interest was \$270,000.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

In July 2014, during closing of the first mortgage, Partners for Progress, Inc., loaned the Wesley Chapel Development, LP \$500,000. The non-recourse loan has zero percent interest (0%) and a thirty year term. The maturity date of the loan is in July 2044. Payments of principal are deferred until there is sufficient income and cash flow to pay on the note. At December 31, 2020 the balance of the loan was \$500,000 and accrued interest was \$0. This amount is recorded in notes receivable on Partners for Progress' side as indicated in Note 6.

EBRPHA Development 1, LP has a permanent loan dated October 29, 2013 from Capital One in the original amount of \$1,289,000. The term of the loan is fifteen years with a thirty-year amortization. The interest rate is 6.75% with principal and interest payments of \$8,360 per month. The non-recourse loan will be collateralized by the Partnership's land and improvements (as fee simple or leasehold). At December 31, 2020, the balance of the loan was \$1,168,473 and accrued interest was \$6,134.

In January 2012, EBRPHA Development 1, LP received a subordinate mortgage loan (the HA Loan) in the original principal amount of \$209,000 from the Authority which is evidenced by a mortgage note between the Partnership and the Authority. The term of loan is forty (40) years at an annual interest rate of two (2%), compounded annually. The loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). The Partnership shall make payments to the Lender from available Surplus Cash as set forth in the Partnership Agreement. At December 31, 2020, the balance of the loan was \$209,000 and accrued interest was \$40,774. This amount is recorded in notes receivable on the Authority's side as indicated in Note 6. The Authority does not record accrued interest on these notes as it does not deem the interest to be collectible.

In January 2012, EBRPHA Development 1, LP received a subordinate mortgage loan (the CFFP Loan) in the original principal amount of \$1,500,570 from the Authority. The loan is for a term of forty (40) years and will be due in full and payable on or before February 1, 2052. The loan will accrue interest at two (2%), compounded annually, and is evidenced by a mortgage note between the Partnership and the Authority. The loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). During 2013, \$175,000 was released from the Guarantor Reserve to pay down the principal balance of the loan. The Partnership shall make payments to the Lender from available Surplus Cash as set forth in the Partnership Agreement. At December 31, 2020, the balance of the loan was \$1,325,570 and accrued interest was \$251,355. This amount is recorded in notes receivable on the Authority's side as indicated in Note 6. The Authority does not record accrued interest on these notes as it does not deem the interest to be collectible.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

In January 2012, EBRPHA Development 1, LP received an AHP Loan in the amount of \$700,000 from Capital One, N.A., that is sourced by the Federal Home Loan Bank Affordable Housing Program. The loan has a term of forty (40) years. The entire principal of the loan together with simple interest at the rate of one quarter of one percent (0.25%) per annum, shall be paid to the Payee on the forty-first (41st) anniversary of this note, January 31, 2053 (the Maturity Date). No interest shall accrue from January 31, 2012 through the date on which construction is completed for the project. This loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been Consented to by the Special Limited Partner) and which will be held by parties who are not "related parties" except with respect to the Capital One Loan to any of the Partners within the meaning of Section 752 of the Code and the Regulations thereunder. The Partnership shall make annual payments to the Lender from available Surplus Cash as set forth in the Partnership Agreement. At December 31, 2020, the balance of the loan was \$700,000 and accrued interest was \$14,000.

In January 2012, the East Baton Rouge Redevelopment Authority (RDA) provided a subordinate mortgage loan (the RDA Loan) in the amount of \$500,000 to EBRPHA Development 1, LP. The loan has a thirty-year term and will accrue interest at zero (0.00%) percent annually. The loan is evidenced by a mortgage note between the Partnership and the Lender and is secured by the RDA Mortgage and other related security documents and financing statements. The loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). The loan will be repaid solely from Surplus Cash, to the extent Surplus Cash is generated from the operation of the Project, in the sum of one-third (1/3) of the first \$42,000 of Surplus Cash; plus, two thirds (2/3) of any excess over the \$42,000 of Surplus Cash. At December 31, 2020, the balance of the loan was \$500,000. In April of 2021, this mortgage was reassigned to Partners for Progress, Inc. and shows as a receivable on the statement of net position as of September 30, 2021.

EBRPHA Development 2, LP has a permanent loan dated October 29, 2013 from Capital One in the original amount of \$1,228,000. The term of the loan is fifteen years with a thirty-year amortization. The interest rate is 6.75% with principal and interest payments of \$7,965 per month. The non-recourse loan will be collateralized by the Partnership's land and improvements (as fee simple or leasehold). At December 31, 2020 the balance of the loan was \$1,113,177 and accrued interest was \$4,383.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

In January 2012, EBRPHA Development 2, LP received a subordinate mortgage loan (the HA Loan) in the original principal amount of \$209,000 from the Authority which is evidenced by a mortgage note given between the Partnership and the Authority. The term of loan is forty (40) years at an annual interest rate of two (2%), compounded annually. The loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). The Partnership shall make payments to the Lender from available Surplus Cash as set forth in the Partnership Agreement. At December 31, 2020, the balance of the loan was \$209,000 and accrued interest was \$40,774. This amount is recorded in notes receivable on the Authority's side as indicated in Note 6. The Authority does not record accrued interest on these notes as it does not deem the interest to be collectible.

In January 2012, EBRPHA Development 2, LP received a subordinate mortgage loan (the CFFP Loan) in the original principal amount of \$1,441,000 from the Authority. The loan is for a term of forty (40) years and will be due in full and payable on or before February 1, 2052. The loan will accrue interest at two (2%), compounded annually, and is evidenced by a mortgage note between the Partnership and the Authority. The loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). During 2013, \$175,000 was released from the Guarantor Reserve to pay down the principal balance of the loan. The Partnership shall make payments to the Lender from available Surplus Cash as set forth in the Partnership Agreement. At December 31, 2020, the balance of the loan was \$1,266,000 and accrued interest was \$241,377. This amount is recorded in notes receivable on the Authority's side as indicated in Note 6. The Authority does not record accrued interest on these notes as it does not deem the interest to be collectible.

In January 2012, EBRPHA Development 2, LP received an AHP Loan in the amount of \$700,000 from Capital One, N.A., that is sourced by the Federal Home Loan Bank Affordable Housing Program. The loan has a term of forty (40) years. The entire principal of the loan together with simple interest at the rate of one quarter of one percent (0.25%) per annum, shall be paid to the Payee on the forty-first (41st) anniversary of this note, January 31, 2053 (the Maturity Date). No interest shall accrue from January 31, 2012 through the date on which construction is completed for the project. This loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been Consented to by the Special Limited Partner) and which will be held by parties who are not "related parties" except with respect to the Capital One Loan to any of the Partners within the meaning of Section 752 of the Code and the Regulations thereunder. The Partnership shall make annual payments to the Lender from available Surplus Cash as set forth in the Partnership Agreement. At December 31, 2020 the balance of the loan was \$700,000 and accrued interest was \$14,000.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

In January 2012, the East Baton Rouge Redevelopment Authority (RDA) provided a subordinate mortgage loan in the amount of \$500,000 (the RDA Loan) to EBRPHA Development 2, LP. The loan has a thirty-year term and will accrue interest at zero (0.00%) percent annually. The loan will be evidenced by a mortgage note between the Partnership and the Lender and is secured by the RDA Mortgage and other related security documents and financing statements. The loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). The loan will be repaid solely from Surplus Cash, to the extent Surplus Cash is generated from the operation of the Project, in the sum of one-third (1/3) of the first \$42,000 of Surplus Cash; plus two thirds (2/3) of any excess over the \$42,000 of Surplus Cash. At December 31, 2020, the balance of the loan was \$500,000. In April of 2021, this mortgage was reassigned to Partners for Progress, Inc. and shows as a receivable on the statement of net position as of September 30, 2021.

On September 17, 2014, the EBRPHA Development 4, LP received an AHP Loan in the amount of \$480,200 from Partners for Progress, Inc. (Payee) through Capital One, N.A. (AHP Lender) that is sourced by the Federal Home Loan Bank Affordable Housing Program. The entire principal of the loan together with simple interest at the rate of one quarter of one percent (0.25%) per annum, shall be paid to the Payee on the forty-first (41st) anniversary of this note, September 17, 2055 (the Maturity Date). This loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner) and which will be held by parties who are not "related parties" except with respect to the Capital One Loan to any of the Partners within the meaning of Section 752 of the Code and the Regulations thereunder. The Partnership shall make annual payments to the Lender from available Surplus Cash as set forth in the Partnership Agreement. At December 31, 2020, the balance of the loan was \$480,200 and accrued interest was \$7,552. Maturities of the notes for the five years succeeding the year-end cannot be determined since payments are derived from cash flows. This amount is recorded in notes receivable on Partners for Progress' side as indicated in Note 6.

On September 17, 2014, EBRPHA Development 4, LP received a subordinate mortgage loan (the HA Loan) in the original principal amount of \$400,000 from the Authority. The loan is for a term of fifteen (15) years and will be due in full and payable on twenty years (20) from the date of advance. The loan will accrue interest at two and ninety-four hundredths percent (2.94%), compounded annually, and is evidenced by a mortgage note given by the Partnership to the Housing Authority. The loan is non-recourse to the Partnership and the Partners (other than customary non-recourse carve out-provisions which have been consented to by the Special Limited Partner). The Partnership shall make payments to the Lender from available Surplus Cash as set forth in the Partnership Agreement. At December 31, 2020, the balance of the loan was \$400,000 and accrued interest was \$79,414. This amount is recorded in notes receivable on the Authority's side as indicated in Note 6. The Authority does not record accrued interest on these notes as it does not deem the interest to be collectible.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

River South Development, LP was provided permanent financing by Home Federal Bank in the amount of \$2,970,000. The loan is a 17-year recourse loan with a maturity date of September 1, 2036. The loan is collateralized by a first lien deed of trust/mortgage on land and improvements, as well as assignments and/or first security interest in rents and leases, tax credits, general construction contract, architect's contract, management contract, development agreement, social service contract, FF&E, and all accounts including escrow, reserve and operating accounts. The loan shall bear an interest rate of six-point fourteen percent (6.14%) per annum compounded annually on the unpaid principal balance. Monthly payments of principal and interest are to be made in the amount of \$17,504. As of December 31, 2020, the balance of this loan was \$2,937,747 and accrued interest was \$14,991.

On August 1, 2017, River South Development, LP received a Loan in the amount of \$233,964 from the Louisiana Housing Corporation that is sourced by the Community Development Block Grant Program. In the absence of an Event of Default, the CDBG Loan shall mature on August 21, 2057 (the Maturity Date). The loan is nonrecourse to the Partnership and the Partners, as long as the Partners continue to qualify the Complex as a "qualified low-income project" under Section 42(g) of the Internal Revenue Code. This loan is subordinate to the Construction Loan and Permanent Loan and senior to the Housing Authority Loan. The loan shall bear simple interest of two and fifty-eight hundredths percent (2.58%), and shall be repaid in annual installments on or before April 1 of each calendar year of the Term (the Payment Date) equal to fifty percent (50%) of Surplus Cash. At December 31, 2020, the balance of the Loan was \$233,964 and accrued interest was \$13,511.

On August 21, 2017, River South Development, LP received a Loan in the amount of \$794,806 from the Authority (Lender) that is partially sourced from Replacement Housing Factor funds from the United States Department of Housing and Urban Development (HUD). All amounts outstanding hereunder shall be due in full on or before August 21, 2057 (the Maturity Date). This loan is non-recourse to the Partnership and the Partners, and which will be held by parties who are not "related parties". The advanced and funded unpaid principal balance of this loan shall accrue interest at the applicable federal rate per annum. As of December 31, 2019, this rate was 2.58%. The Partnership shall make annual payments to the Lender from the Borrower's Net Cash flow as set forth in the Partnership Agreement. At December 31, 2020, the balance of the loan was \$794,806 and accrued interest was \$69,944. This amount was expensed on the Authority's side in fiscal year 2017, as they did not deem this to be collectible from the Partnership.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

Future debt service obligations on the Partnerships' permanent mortgage loans and other capital debt detailed above and below are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance Due</u>
2021	\$ 148,710	\$ 487,397	\$ 636,107
2022	159,073	478,538	637,611
2023	170,163	469,047	639,210
2024	182,024	458,877	640,901
2025	194,717	447,980	642,697
2026-2030	18,066,067	1,673,827	19,739,894
Total	<u>\$ 18,920,754</u>	<u>\$ 4,015,666</u>	<u>\$ 22,936,420</u>

Long-term liability and accrued interest activity for the year ended December 31, 2020 applicable to the Partnerships, was as follows:

	<u>January 1,</u>			<u>December 31,</u>	<u>Due Within</u>
	<u>2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>2020</u>	<u>One Year</u>
Permanent Mortgages Payable	\$ 10,232,836	\$ -	\$ (130,622)	\$ 10,102,214	\$ 118,191
Other Capital Debt	3,633,964	-	-	3,633,964	30,519
Other Capital Debt due to The HA of EBRP	4,204,376	-	-	4,204,376	-
Other Capital Debt due to Partners for Progress, Inc.	980,200	-	-	980,200	-
Deferred Developer Fees Payable	404,835	-	-	404,835	-
Deferred Developer Fees Payable to The HA of EBRP	83,093	-	-	83,093	-
Deferred Developer Fees Payable to Partners for Progress, Inc.	711,190	-	(435,233)	275,957	-
Interest Payable	306,503	31,155	(393)	337,265	54,256
Interest Payable due to The HA of EBRP	663,731	90,922	(2,513)	752,140	-
Interest Payable due to Partners for Progress, Inc.	6,336	1,216	-	7,552	-
Operating Advance due to The HA of EBRP	119,237	-	-	119,237	-
Long-Term Liabilities	<u>\$ 21,346,301</u>	<u>\$ 123,293</u>	<u>\$ (568,761)</u>	<u>\$ 20,900,833</u>	<u>\$ 202,966</u>

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 NOTES PAYABLE (CONTINUED)

Partnerships (Continued)

A summary of each Partnerships' capital debt, accrued interest and other noncurrent liability balances as of December 31, 2020 are as follows:

	Capital Debt	Developer Fees Payable	Accrued Interest Payable and Other	December 31, 2020 Balance	Due Within One Year
Brookstown Place	\$ 917,539	\$ 274,943	\$ 5,375	\$ 1,197,857	\$ 16,045
Cedar Pointe	2,397,915	-	14,284	2,412,199	49,725
Wesley Chapel Dev.	3,067,363	71,282	398,326	3,536,971	37,957
EBRPHA Dev. 1, LP	3,903,043	54,868	312,263	4,270,174	28,264
EBRPHA Dev. 2, LP	3,788,177	60,605	300,534	4,149,316	25,465
EBRPHA Dev. 4, LP	880,200	146,282	86,966	1,113,448	-
River South Development	3,966,517	155,905	98,446	4,220,868	45,510
Total	<u>\$ 18,920,754</u>	<u>\$ 763,885</u>	<u>\$ 1,216,194</u>	<u>\$ 20,900,833</u>	<u>\$ 202,966</u>

NOTE 9 DEFERRED COMPENSATION PLAN

The Authority provides deferred compensation benefits for all of its full-time employees through the State of Louisiana Public Employees Deferred Compensation Plan, a defined contribution plan. The plan is administered by Great West Retirement Services. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after up to twelve months of continuous service. The Authority contributes approximately 10.5% of the employee's eligible compensation, while the employees are not required to contribute to the plan. During fiscal year 2021, the Authority made the required contributions in the amount of \$286,107 and the employees contributed \$68,875. The Authority's contributions for each employee (and interest allocated to the employee's account) are fully vested immediately, upon participation in the plan.

NOTE 10 RISK MANAGEMENT

The 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 Authority carries commercial insurance for all risks of loss, including workman's compensation and employee health and accident insurance. The Authority has not had any significant reductions in insurance coverage or any claims not reimbursed.

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

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 11 ECONOMIC DEPENDENCY

The Authority's operations are concentrated in the real estate market. 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 cost, including the additional administrative burden, to comply with a change.

The Authority receives a substantial amount of its support from the federal government in the form of subsidies and grants. If a significant reduction in the level of this support were to occur, it may have an effect on the Authority's programs and activities.

The table below lists out the revenue the Authority received and the percentage of that revenue to total revenue.

	Year Ended September 30, 2021 Total Revenue	Percentage of Total Revenue
Revenue from HUD		
Section 8 Housing Choice Voucher Program - HAP	\$ 29,853,238	68.83 %
Section 8 Housing Choice Voucher Program - Admin	2,685,906	6.19
Section 8 Housing Choice Voucher Program - CAREs	636,522	1.47
Public and Indian Housing	3,556,999	10.20
Public and Indian Housing - CAREs Act Funding	53,371	0.12
Capital Fund Program	1,256,041	0.90
Choice Neighborhood Implementation	690,170	1.59
Resident Opportunity & Supportive Services	60,919	0.14
Section 8 Moderate Rehabilitation Single Room	98,936	0.23
Emergency Housing Vouchers	198,592	0.46
Total Revenue from HUD	<u>39,090,694</u>	<u>90.13</u>
Non-HUD Funding		
Tenant Rental Revenue	2,213,590	5.10
Other Income	461,955	2.69
Portability-In - HAP	769,900	1.78
Portability-In - Administrative	52,679	0.12
Investment Income	1,276	-
Fee Revenue	78,878	0.18
Total Non-HUD Funding	<u>3,578,278</u>	<u>9.87</u>
Total Revenue	<u>\$ 42,668,972</u>	<u>100.00 %</u>

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 12 COMMITMENTS AND CONTINGENCIES

Primary Government

The Authority is a defendant in a lawsuit arising from claims for wrongful termination. Management believes the resolution of these matters will not have a material impact on the Authority's operations or will result in dismissal.

Partners for Progress, Incorporated

The Corporation is the sole member of Wesley Chapel Development, LLC. Wesley Chapel Development, LLC is the general partner of Wesley Chapel Development, LP. In September 2011, Wesley Chapel Development, LP obtained a loan from the Louisiana Housing Finance Agency (LHFA) for \$1,000,000. The note is secured with a mortgage on the leasehold interest in the property and improvements, and an assignment of rents. The loan matures in March, 2041. As of December 31, 2020, the principal balance owed on the loan was \$1,000,000. Corporation management is anticipating the Partnership to report a balance of \$1,000,000 as of September 30, 2021, upon issuance of the Partnership's 2021 financial statements. The Corporation has guaranteed payment of the notes to Home Federal Bank and LHFA. In the event that the partnership defaults, the loans could become a liability of the Corporation.

NOTE 13 LAND LEASE

The Authority entered into ground lease agreements with several limited partnerships that have constructed or are in the process of constructing rental home projects. The terms of the leases vary from 55 years to 99 years with an annual rent of \$1. The units must be used for public housing and are subject to public housing requirements.

NOTE 14 DIFFERENT REPORTING STANDARDS

The Partnerships' 2020 individual financial statements were not presented in accordance with Governmental Accounting Standards. In accordance with Accounting Standards Update 2015-03, *Simplifying the Presentation of Debt Issuance Costs* (ASU 2015-03), the Partnerships report respective debt liabilities net of certain applicable amortized debt issuance costs. The associated amortization expense is added to and included as a component of interest expense. Certain other loan closing costs have been reported as assets. In the basic financial statements, the Partnerships' financial statements have been presented in accordance with Governmental Accounting Standards. Specifically, these financial statements have been presented to conform with GASBS No. 65, *Items Previously Reported as Assets and Liabilities*, in which debt issuance costs are to be reported as an expense in the period incurred. The conversion to the Governmental Accounting Standards presentation resulted in a reduction of assets of \$469,252, an increase of liabilities of \$176,048, a decrease of interest expense of \$15,068, a reduction in other general expenses of \$45,941 and a decrease of net position of \$706,309.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
FINANCIAL DATA SCHEDULE – STATEMENT OF NET POSITION
YEAR ENDED SEPTEMBER 30, 2021,
EXCEPT FOR PARTNERSHIPS WITH YEAR ENDED DECEMBER 31, 2020**

Line Item No.	Account Description	Programs														6.1 Component Unit - Discretely Presented					
		Project Total	14.PHC Public Housing Cares	14.DVP Disaster Voucher Program	14.IKE DHAP-KE	14.870 Resident Opportunity & Supportive Services	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.CCC Central Office Cost Center Cares	1 Business Activities	14.886 Revitalization of Severely Distressed Public Housing	14.HCC HCV Cares	97.109 Disaster Housing Assistance Grant	14.EHV Emergency Housing Voucher	14.892 Choice Neighborhoods Planning Grants	COCC	Eliminations	Primary Government Subtotal	Partners-for-Progress, Inc.	Partnerships	
ASSETS																					
CURRENT ASSETS																					
Cash:																					
111	Unrestricted	\$ 6,067,458	\$ -	\$ 557,775	\$ 2,270,998	\$ -	\$ 2,185,172	\$ 303,873	\$ -	\$ 199,248	\$ -	\$ -	\$ 281,955	\$ 153,125	\$ -	\$ -	\$ 24,477	\$ -	\$ 12,044,081	\$ 592,128	\$ 1,085,319
113	Other Restricted	-	-	-	-	-	296,935	-	-	-	-	-	-	183,232	-	155,868	-	-	636,035	-	2,605,855
114	Tenant Security Deposits	167,799	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	167,799	-	124,003
100	Total Cash	6,235,257	-	557,775	2,270,998	-	2,482,107	303,873	-	199,248	-	-	183,232	281,955	308,993	-	24,477	-	12,847,915	592,128	3,815,177
Accounts and Notes Receivable:																					
122	Accounts Receivable - HUD Other Projects	-	-	-	-	13,165	-	13,476	-	-	-	-	-	-	-	-	-	108,710	-	135,351	-
124	Accounts Receivable - Other Government	-	-	-	-	-	38,591	-	-	-	-	-	-	-	-	-	-	-	-	38,591	-
125	Accounts Receivable - Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	575,148	-	-	575,148	1,135,635	-
126	Accounts Receivable - Tenants	34,644	-	-	-	-	34,476	-	-	-	-	-	-	-	-	-	-	38,459	-	107,579	70,575
126.1	Allowance for Doubtful Accounts - Tenants	(6,929)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,692)	-	(14,621)	-
126.2	Allowance for Doubtful Accounts - Other	-	-	-	-	-	(46,242)	-	-	-	-	-	-	-	-	-	-	-	-	(46,242)	(95,542)
127	Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total Receivables, Net	27,715	-	-	-	13,165	26,825	13,476	-	-	-	-	-	-	-	30,767	108,710	575,148	-	795,806	1,040,093
Other Current Assets:																					
142	Prepaid Expenses and Other Assets	457,942	-	-	-	-	53,696	-	-	-	-	-	-	-	-	-	-	-	97,900	608,538	2,693
143	Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	157,280	157,280	-
143.1	Allowance for Obsolete Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,728)	-
144	Inter Program Due From	13,368	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42,943	968,193	(1,024,504)	-
145	Assets Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Other Current Assets	471,310	-	-	-	-	53,696	-	-	-	-	-	-	-	-	42,943	-	1,207,645	(1,024,504)	751,090	2,693
150	Total Current Assets	6,734,282	-	557,775	2,270,998	13,165	2,562,628	317,349	-	199,248	-	-	183,232	281,955	308,993	73,710	1,807,270	(1,024,504)	14,394,811	1,634,914	4,035,094
NONCURRENT ASSETS																					
Capital Assets:																					
161	Land	2,505,221	-	-	-	-	-	-	474,250	2,207,294	-	-	-	-	-	-	-	597,905	-	5,784,670	292,500
162	Buildings	37,095,730	-	-	-	-	390,646	-	-	1,220,141	-	-	-	-	-	-	-	62,411	-	39,795,598	-
164	Furniture and Equipment - Administration	267,527	-	-	-	-	184,174	-	-	19,197	-	-	-	-	-	-	-	62,475	-	533,373	15,418
165	Leasehold Improvements	5,171,362	-	-	-	-	-	-	-	208,069	-	-	-	-	-	-	-	-	-	6,054,098	-
166	Accumulated Depreciation	(33,627,153)	-	-	-	-	(512,622)	-	-	(901,503)	-	-	-	-	-	-	-	-	(1,632,451)	(36,673,729)	(15,418)
167	Construction in Progress	1,029,621	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,029,621	-
160	Total Capital Assets, Net	12,442,308	-	-	-	-	62,198	-	474,250	2,620,138	-	-	-	-	-	-	-	924,737	(16,523,631)	292,500	47,304,235
171	Note, Loans and Mortgages Receivable - Noncurrent	400,000	-	-	-	-	-	-	2,591,570	-	-	-	-	-	-	-	-	-	418,000	3,409,570	3,918,861
174	Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,784
180	Total Noncurrent Assets	12,842,308	-	-	-	-	62,198	-	3,065,820	2,620,138	-	-	-	-	-	-	-	1,342,737	(19,933,201)	4,211,361	47,309,019
190	Total Assets	\$ 19,576,590	\$ -	\$ 557,775	\$ 2,270,998	\$ 13,165	\$ 2,624,826	\$ 317,349	\$ -	\$ 3,265,068	\$ 2,620,138	\$ 183,232	\$ 281,955	\$ 308,993	\$ 73,710	\$ 108,710	\$ 3,150,007	\$ (1,024,504)	\$ 34,328,012	\$ 5,846,275	\$ 51,344,113

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
FINANCIAL DATA SCHEDULE – STATEMENT OF NET POSITION (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021
EXCEPT FOR PARTNERSHIPS WITH YEAR ENDED DECEMBER 31, 2020**

Line Item No.	Account Description	Programs																	6.1 Component Unit - Discretely Presented		
		Project Total	14.PHC	14.DVP	14.870	14.871	14.249 Section	14.CCC	14.886	97.109	14.EHV	14.892	Primary Government Subtotal	Partners-for-Progress, Inc.	Partnerships						
			Public Housing Cares	Disaster Voucher Program	Resident Opportunity & Supportive Services	Housing Choice Vouchers	8 Moderate Rehabilitation Single Room Occupancy	Central Office Cost Center Cares	Revitalization of Severely Distressed Public Housing	14.HCC HCV Cares	Disaster Housing Assistance Grant	Emergency Housing Voucher				Choice Neighborhoods Planning Grants					
LIABILITIES AND NET POSITION																					
CURRENT LIABILITIES																					
312	Accounts Payable <= 90 Days	\$ 50,212	\$ -	\$ -	\$ 9	\$ 4,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,720	\$ -	\$ 12,315	\$ -	\$ 70,620	\$ 9,607	\$ 98,579		
321	Accrued Wage/Payroll Taxes Payable	19,377	-	-	793	25,332	-	-	-	-	-	-	-	-	2,190	122,015	-	169,707	1,953		
322	Accrued Compensated Absences - Current Portion	25,362	-	-	-	38,248	-	-	-	-	-	-	-	-	43,752	-	-	107,362	4,240		
325	Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54,256		
341	Tenant Security Deposits	167,799	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	167,799	-		
342	Unearned Revenues	13,368	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	308,600	1,259,696		
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	209,819	-	-	-	-	-	-	-	-	-	-	183,232	-	112,000	-	-	209,819	187,125		
345	Other Current Liabilities	-	-	-	-	-	5,043	-	-	-	-	-	-	-	-	2,006	705,651	-	712,700		
346	Accrued liabilities - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	222,418		
347	Inter Program - Due To	-	-	-	12,363	-	-	-	-	-	-	-	-	-	-	-	-	-	205,720		
348	Loan Liability - Current	-	-	-	-	-	-	-	907,627	-	-	-	-	-	-	-	-	-	-		
310	Total Current Liabilities	485,937	-	-	13,165	72,987	-	-	907,627	183,232	-	-	112,000	3,720	108,710	883,733	(1,024,504)	1,746,607	1,685,039	1,415,979	
NONCURRENT LIABILITIES																					
351	Long-Term Debt, Net of Current - Capital	1,771,900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,771,900	792,700	19,933,982	
353	Noncurrent Liabilities - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	65,263	
354	Accrued Compensated Absences - Noncurrent	35,809	-	-	-	83,762	-	-	-	-	-	-	-	-	-	-	-	79,728	199,299	4,559	
355	Loan Liability - Noncurrent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
350	Total Noncurrent Liabilities	1,807,709	-	-	-	83,762	-	-	-	-	-	-	-	-	-	79,728	-	1,971,199	797,259	19,999,245	
300	Total Liabilities	2,293,646	-	-	13,165	156,749	-	-	907,627	183,232	-	-	112,000	3,720	108,710	963,461	(1,024,504)	3,717,806	2,482,298	21,415,224	
NET POSITION																					
508.4	Net Investment in Capital Assets	10,460,589	-	-	-	62,198	-	-	474,250	2,620,138	-	-	-	-	-	924,737	-	14,541,912	-	27,221,543	
511.1	Restricted	6,822,355	-	557,775	2,270,998	296,935	-	-	2,790,818	(907,627)	-	-	43,868	-	-	-	-	340,803	-	2,605,843	
512.4	Unrestricted	6,822,355	-	557,775	2,270,998	2,108,944	317,349	-	2,790,818	(907,627)	-	-	281,955	153,125	69,990	-	-	15,727,491	3,363,977	101,503	
513	Total Net Position	17,282,944	-	557,775	2,270,998	2,468,077	317,349	-	3,265,068	1,712,511	-	-	281,955	196,993	69,990	-	2,186,546	30,610,206	3,363,977	29,928,889	
600	Total Liabilities and Net Position	\$ 19,576,590	\$ -	\$ 557,775	\$ 2,270,998	\$ 13,165	\$ 2,624,826	\$ 317,349	\$ -	\$ 3,265,068	\$ 2,620,138	\$ 183,232	\$ 281,955	\$ 308,993	\$ 73,710	\$ 108,710	\$ 3,150,007	\$ (1,024,504)	\$ 34,328,012	\$ 5,846,275	\$ 51,344,113

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
FINANCIAL DATA SCHEDULE – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2021
EXCEPT FOR PARTNERSHIPS WITH YEAR ENDED DECEMBER 31, 2020

Line Item No.	Account Description	Programs																6.1 Component Unit - Discretely Presented			
		14.PHC Public Housing Cares	14.DVP Disaster Voucher Program	14.IKE DHAP-IKE	14.870 Resident Opportunity & Supportive Services	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.CCC Central Office Cost Center Cares	1 Business Activities	14.886 Revitalization of Severely Distressed Public Housing	14.HCC HCV Cares	97.109 Disaster Housing Assistance Grant	14.EHV Emergency Housing Voucher	14.892 Choice Neighborhoods Planning Grants	COCC	Eliminations	Primary Government Subtotal	Partners-for-Progress, Inc.	Partnerships		
		Project Total																			
REVENUE																					
70300	Net Tenant Rental Revenue	\$ 2,067,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
70400	Tenant Revenue - Other	146,356	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
70500	Total Tenant Revenue	2,213,590	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,213,590	34,919		
70600	HUD PHA Operating Grants	4,450,908	53,371	-	60,919	32,539,144	98,936	-	-	-	636,522	-	198,592	-	690,170	-	-	38,728,562	-		
70610	Capital Grants	362,132	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	362,132	-		
70710	Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,394,539	(1,315,661)	78,878	-		
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105,210	(105,210)	-	-		
70730	Book-keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	377,191	(377,191)	-	-		
70700	Total Fee Revenue	-	-	-	-	-	-	-	-	-	1,876,940	-	-	-	-	1,798,062	(1,798,062)	78,878	-		
71100	Investment Income - Unrestricted	-	-	-	-	494	-	-	-	-	-	-	-	-	792	-	-	1,276	5,960		
71400	Fraud Recovery	-	-	-	-	15,460	-	-	-	-	-	-	-	-	-	-	-	15,460	-		
71500	Other Revenue	151,101	-	-	-	843,382	74	-	-	-	-	-	-	112,028	2,500	159,989	-	1,269,074	341,030		
71600	Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,317)		
70000	Total Revenue	7,177,731	53,371	-	60,919	33,398,470	99,010	-	-	-	636,522	-	198,592	112,028	692,670	2,037,721	(1,798,062)	42,668,972	3,736,723		
EXPENSES																					
Administrative:																					
91100	Administrative Salaries	366,012	-	-	-	585,602	2,577	-	-	-	430,530	-	-	6,128	114,228	934,356	-	2,439,433	122,137		
91200	Auditing Fees	20,570	-	-	-	20,880	470	-	-	-	-	-	-	-	-	2,944	-	44,664	5,150		
91300	Management Fee	794,006	-	-	-	516,270	-	-	-	-	-	-	-	5,385	-	-	(1,315,661)	-	78,874		
91310	Book-Keeping Fee	72,991	-	-	-	304,200	-	-	-	-	-	-	-	-	-	-	(377,191)	-	-		
91400	Advertising and Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
91500	Employee Benefit Contributions - Administration	105,914	-	-	-	196,444	736	-	-	-	151,976	-	-	2,272	34,365	263,704	-	755,411	30,254		
91600	Office Expenses	133,084	-	-	-	259,132	-	-	-	-	-	-	-	-	-	252,170	-	644,386	61,323		
91700	Legal Expense	-	-	-	-	1,058	-	-	-	-	-	-	-	-	-	28,936	-	29,994	12,625		
91800	Travel	5,950	-	-	6,000	183	-	-	-	-	-	-	-	-	-	2,657	-	14,790	107		
91900	Other	248,048	19,197	-	1,227	30,816	-	-	-	-	32,747	-	-	544,077	55,646	-	-	931,758	21,472		
91000	Total Operating - Administrative	1,746,576	19,197	-	7,227	1,914,385	3,783	-	-	-	615,253	-	-	13,785	692,670	1,540,413	(1,692,852)	4,860,436	331,942		
92000	Asset Management Fee	105,210	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(105,210)	-	-		
Tenant Services:																					
92100	Tenant Services - Salaries	108,734	-	-	40,065	-	-	-	-	-	-	-	-	-	-	-	-	148,799	-		
92300	Employee Benefit Contributions - Tenant Services	36,680	-	-	13,627	-	-	-	-	-	-	-	-	-	-	-	-	50,307	-		
92400	Tenant Services - Other	74,596	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74,596	30,000		
92500	Total Tenant Services	220,010	-	-	53,692	-	-	-	-	-	-	-	-	-	-	-	-	273,702	30,000		
Utilities:																					
93100	Water	78,781	-	-	-	112	-	-	-	-	-	-	-	224	-	913	-	80,030	50		
93200	Electricity	536,101	-	-	-	2,546	-	-	-	-	-	-	-	-	-	25,980	-	564,627	975		
93300	Gas	129,701	-	-	-	511	-	-	-	-	-	-	-	-	-	709	-	130,921	151		
93400	Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39		
93600	Sewer	335,628	-	-	-	95	-	-	-	-	-	-	-	581	-	1,368	-	337,672	96		
93800	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,827		
93000	Total Utilities	1,080,211	-	-	-	3,264	-	-	-	-	-	-	-	805	-	28,970	-	1,113,250	1,272		

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
FINANCIAL DATA SCHEDULE – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2021
EXCEPT FOR PARTNERSHIPS WITH YEAR ENDED DECEMBER 31, 2020

Line Item No.	Account Description	Project Total	Programs													6.1 Component Unit - Discretely Presented								
			14.PHC Public Housing Cares	14.DVP Disaster Voucher Program	14.IKE DHAP-IKE	14.870 Resident Opportunity & Supportive Services	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.CCC Central Office Cost Center Cares	1 Business Activities	14.886 Revitalization of Severely Distressed Public Housing	14.HCC HCV Cares	97.109 Disaster Housing Assistance Grant	14.EHV Emergency Housing Voucher	14.892 Choice Neighborhoods Planning Grants	COCC	Eliminations	Primary Government Subtotal	Partners-for-Progress, Inc.	Partnerships				
EXPENSES (CONTINUED)																								
Ordinary Maintenance and Operations:																								
94100	Ordinary Maint and Operation-Labor	\$ 634,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,540	\$ -	\$ 640,782	\$ -	\$ -	
94200	Ordinary Maint and Operations-Materials	355,795	-	-	-	-	932	-	-	-	-	-	-	-	1,429	-	-	9,970	-	368,126	-	410	-	
94300	Ordinary Maint and Operations-Contracts	1,072,550	34,174	-	-	-	33,026	-	-	-	-	-	-	5,844	-	-	21,188	-	197,571	-	1,384,353	19,504	763,090	
94500	Employee Benefit Contributions-Maint	170,466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,613	-	177,079	-	-	
94000	Total Maintenance	2,233,053	34,174	-	-	-	33,958	-	-	-	-	-	-	5,844	-	-	22,617	-	220,694	-	2,550,340	19,914	763,090	
Protective Services:																								
95200	Protective Services - Other Contract Costs	74,846	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74,846	-	-	
95000	Total Protective Services	74,846	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74,846	-	-	
Insurance Premiums:																								
96110	Property Insurance	771,804	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,270	-	794,074	-	-	
96120	Liability Insurance	56,482	-	-	-	-	53,941	-	-	-	-	-	-	-	-	-	-	-	17,734	-	128,157	-	-	
96130	Workmen's Compensation	42,408	-	-	-	-	20,985	-	95	-	-	-	-	15,425	-	-	220	-	33,716	-	112,849	4,377	-	
96140	All Other Insurance	35,035	-	-	-	-	49,259	-	-	-	-	-	-	-	-	-	-	-	15,289	-	99,583	3,577	411,318	
96100	Total Insurance Premiums	905,729	-	-	-	-	124,185	-	95	-	-	-	-	15,425	-	-	220	-	89,008	-	1,134,653	7,954	411,318	
Other General Expenses:																								
96200	Other General Expenses	134,569	-	-	545,657	-	22,996	-	-	-	-	-	-	1,005,833	-	66,674	-	941,217	-	2,716,946	42,885	206,423		
96210	Compensated Absences	12,248	-	-	-	-	39,052	-	-	-	-	-	-	-	-	-	-	-	17,734	-	88,773	5,294	-	
96400	Bad Debt - Tenant Rents	56,886	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,263	-	84,619	-	-	
96600	Bad Debt - Other	-	-	-	-	-	30,085	-	-	-	-	-	-	-	-	-	-	-	-	-	30,085	-	-	
96000	Total Other General Expenses	203,703	-	-	545,657	-	92,133	-	-	-	-	-	-	1,005,833	-	68,937	-	1,004,160	-	2,920,423	48,179	206,423		
96710	Interest of Mortgage (or Bonds) Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	811,393	
96720	Interest on Notes Payable	148,321	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	148,321	20,346	-	
96700	Total Interest Expense and Amortization	148,321	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	148,321	20,346	811,393	
96900	Total Operating Expenses	6,717,658	53,371	-	545,657	60,919	2,167,925	3,878	-	-	-	-	636,522	1,005,833	-	106,364	692,670	2,883,246	(1,798,062)	13,075,981	459,607	2,956,974		
97000	Excess (Deficiency) of Operating Revenue Over (Under) Operating Expenses	460,073	-	-	(545,657)	-	31,230,545	95,132	-	-	-	-	-	(1,005,833)	198,592	5,664	-	(845,525)	-	29,592,991	3,277,116	700,558		
Other Expenses:																								
97100	Extraordinary Maintenance	102,606	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	102,606	-	-	
97200	Casualty Loss - Non-Capitalized	(35,322)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(35,322)	-	-	
97300	Housing Assistance Payments	-	-	-	-	-	29,573,302	75,312	-	-	-	-	-	-	-	-	-	-	-	-	29,650,213	-	-	
97350	HAP Portability-In	-	-	-	-	-	769,900	-	-	-	-	-	-	-	1,599	-	-	-	-	-	769,900	-	-	
97400	Depreciation Expense	1,413,282	-	-	-	-	28,770	-	-	-	-	68,166	-	-	-	-	-	-	-	121,862	-	1,632,080	-	1,956,841
	Total Other Expenses	1,480,566	-	-	-	-	30,371,972	75,312	-	-	-	68,166	-	-	1,599	-	-	-	-	121,862	-	32,119,477	-	1,956,841
90000	Total Expenses	8,198,224	53,371	-	545,657	60,919	32,539,897	79,190	-	-	-	68,166	636,522	1,005,833	1,599	106,364	692,670	3,005,108	(1,798,062)	45,195,458	459,607	4,913,615		
OTHER FINANCING SOURCES (USES)																								
10010	Operating Transfer In	415,821	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(415,821)	-	-	-	
10020	Operating Transfer Out	(415,821)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	415,821	-	-	
10040	Operating Transfers from/to Component	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10070	Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10080	Special Items (Net Gain/Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10092	Inter Project Excess Cash Transfer - Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10100	Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(1,020,493)	-	-	(545,657)	-	858,573	19,820	-	-	-	(68,166)	-	(1,005,833)	196,593	5,664	-	(967,387)	-	(2,526,486)	3,277,116	(1,256,083)		
11030	Beginning Equity	18,303,437	-	557,775	2,816,655	-	1,609,504	297,529	-	3,265,068	1,780,677	-	1,287,788	-	64,326	-	-	3,153,933	-	33,136,692	86,861	31,184,972		
NET POSITION - END OF YEAR		\$ 17,282,944	\$ -	\$ 557,775	\$ 2,270,998	\$ -	\$ 2,468,077	\$ 317,349	\$ -	\$ 3,265,068	\$ 1,712,511	\$ -	\$ 281,955	\$ 196,993	\$ 69,990	\$ -	\$ 2,186,546	\$ -	\$ 30,610,206	\$ 3,363,977	\$ 29,928,889			

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
COMBINING SCHEDULE OF THE DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2020**

	Brookstown Place Partnership, ALPIC	Cedar Pointe Subdivision, L.P.	Wesley Chapel Development, L.P.	EBRPHA Development 1, L.P.	EBRPHA Development 2, L.P.	EBRPHA Development 4, L.P.	River South Development, L.P.	Total
ASSETS								
Current Assets	\$ 172,063	\$ 1,153,987	\$ 756,743	\$ 648,279	\$ 650,549	\$ 401,928	\$ 251,545	\$ 4,035,094
Other Assets	-	135	2,167	1,722	-	760	-	4,784
Capital Assets	3,135,523	9,097,106	7,489,742	6,756,732	6,751,677	4,937,689	9,135,766	47,304,235
Total Assets	<u>\$ 3,307,586</u>	<u>\$ 10,251,228</u>	<u>\$ 8,248,652</u>	<u>\$ 7,406,733</u>	<u>\$ 7,402,226</u>	<u>\$ 5,340,377</u>	<u>\$ 9,387,311</u>	<u>\$ 51,344,113</u>
LIABILITIES								
Current Liabilities	\$ 306,768	\$ 106,609	\$ 229,912	\$ 174,060	\$ 167,752	\$ 182,740	\$ 248,138	\$ 1,415,979
Noncurrent Liabilities	945,117	2,389,489	3,427,732	4,187,042	4,063,246	967,166	4,019,453	19,999,245
Total Liabilities	<u>1,251,885</u>	<u>2,496,098</u>	<u>3,657,644</u>	<u>4,361,102</u>	<u>4,230,998</u>	<u>1,149,906</u>	<u>4,267,591</u>	<u>21,415,224</u>
NET POSITION								
Net Investment in Capital Assets	2,217,984	6,699,191	4,033,142	2,547,560	2,667,349	3,970,523	5,085,794	27,221,543
Restricted Net Position	109,673	526,008	674,470	490,017	487,910	286,922	30,843	2,605,843
Unrestricted Net Position	<u>(271,956)</u>	<u>529,931</u>	<u>(116,604)</u>	<u>8,054</u>	<u>15,969</u>	<u>(66,974)</u>	<u>3,083</u>	<u>101,503</u>
Total Net Position	<u>2,055,701</u>	<u>7,755,130</u>	<u>4,591,008</u>	<u>3,045,631</u>	<u>3,171,228</u>	<u>4,190,471</u>	<u>5,119,720</u>	<u>29,928,889</u>
Total Liabilities and Net Position	<u>\$ 3,307,586</u>	<u>\$ 10,251,228</u>	<u>\$ 8,248,652</u>	<u>\$ 7,406,733</u>	<u>\$ 7,402,226</u>	<u>\$ 5,340,377</u>	<u>\$ 9,387,311</u>	<u>\$ 51,344,113</u>

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
COMBINING SCHEDULE OF THE DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2020

	Brookstown Place Partnership, ALPIC	Cedar Pointe Subdivision, L.P.	Wesley Chapel Development, L.P.	EBRPHA Development 1, L.P.	EBRPHA Development 2, L.P.	EBRPHA Development 4, L.P.	River South Development, L.P.	Total
OPERATING REVENUES								
Tenant Revenue	\$ 284,475	\$ 866,532	\$ 637,709	\$ 382,361	\$ 382,678	\$ 249,388	\$ 507,399	\$ 3,310,542
Other Revenue	-	-	-	-	-	-	341,030	341,030
Total Operating Revenue	<u>284,475</u>	<u>866,532</u>	<u>637,709</u>	<u>382,361</u>	<u>382,678</u>	<u>249,388</u>	<u>848,429</u>	<u>3,651,572</u>
OPERATING EXPENSES								
Administrative	83,071	154,282	105,440	75,199	74,757	68,504	77,795	639,048
Utilities	2,815	6,646	49,249	17,870	15,477	17,165	16,480	125,702
Maintenance	54,589	147,245	148,270	135,595	108,464	87,283	81,644	763,090
Insurance Premiums	33,458	114,851	84,529	47,771	48,129	57,877	24,703	411,318
Protective Services	-	-	-	-	-	-	-	-
Other General Expense	20,706	55,623	43,342	24,824	24,813	16,911	20,204	206,423
Depreciation Expense	122,847	347,395	319,020	334,198	328,838	185,401	318,942	1,956,641
Total Operating Expenses	<u>317,486</u>	<u>826,042</u>	<u>749,850</u>	<u>635,457</u>	<u>600,478</u>	<u>433,141</u>	<u>539,768</u>	<u>4,102,222</u>
Operating Income (Loss)	(33,011)	40,490	(112,141)	(253,096)	(217,800)	(183,753)	308,661	(450,650)
NONOPERATING REVENUES (EXPENSES)								
Investment Income	449	1,141	1,577	1,138	1,127	496	32	5,960
Interest Expense	(64,827)	(175,108)	(138,268)	(105,567)	(100,628)	(14,908)	(212,087)	(811,393)
Total Nonoperating Revenue (Expenses)	<u>(64,378)</u>	<u>(173,967)</u>	<u>(136,691)</u>	<u>(104,429)</u>	<u>(99,501)</u>	<u>(14,412)</u>	<u>(212,055)</u>	<u>(805,433)</u>
Increase (Decrease) in Net Position	(97,389)	(133,477)	(248,832)	(357,525)	(317,301)	(198,165)	96,606	(1,256,083)
Net Position - Beginning of Year December 31, 2019	<u>2,153,090</u>	<u>7,888,607</u>	<u>4,839,840</u>	<u>3,403,156</u>	<u>3,488,529</u>	<u>4,388,636</u>	<u>5,023,114</u>	<u>31,184,972</u>
NET POSITION - END OF YEAR DECEMBER 31, 2020	<u>\$ 2,055,701</u>	<u>\$ 7,755,130</u>	<u>\$ 4,591,008</u>	<u>\$ 3,045,631</u>	<u>\$ 3,171,228</u>	<u>\$ 4,190,471</u>	<u>\$ 5,119,720</u>	<u>\$ 29,928,889</u>



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

Board of Commissioners
The Housing Authority of East Baton Rouge Parish
Baton Rouge, 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 and the aggregate discretely presented component units of the Housing Authority of East Baton Rouge Parish (the Authority), as of and for the year ended September 30, 2021, except for the discretely presented component units with year-end of 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 March 24, 2022. Our report includes a reference to other auditors who audited the financial statements of all discrete component units, except for Partners for Progress, Inc. as described in our report on Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 opinions 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 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.



CliftonLarsonAllen LLP

Lakeland, Florida
March 24, 2022



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

Board of Commissioners
The Housing Authority of East Baton Rouge Parish
Baton Rouge, Louisiana

Report on Compliance for the Major Federal Programs

We have audited the Housing Authority of East Baton Rouge Parish's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2021. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The Authority's basic financial statements include the operations of discretely presented component units which may have received federal awards, and which are not included in the schedule of expenditures of federal awards for the year ended September 30, 2021. Separate audits were performed of the component units in accordance with OMB Circular Uniform Grant Guidance, if required. Results of those audits, if any, are separately reported.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs 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 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 opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Other Matters

The results of our auditing procedures disclosed an 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 item 2020-001. Our opinion on each major federal program is not modified with respect to this matter.

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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a significant deficiency.

Board of Commissioners
The Housing Authority of East Baton Rouge Parish

The Authority's response to the internal control over compliance 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.

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.



CliftonLarsonAllen LLP

Lakeland, Florida
March 24, 2022

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2021**

Federal Grantor Program	Assistance Listing Number	Federal Expenditures	Passed through to Subrecipients
Direct Federal Assistance			
<u>United States Department of Housing and Urban Development</u>			
Public and Indian Housing	14.850	\$ 3,556,999	\$ -
COVID-19 Public and Indian Housing CARES Act Funding	14.PHC	53,371	-
Total Public and Indian Housing		3,610,370	-
Public Housing Capital Fund	14.872	1,256,041	-
COVID-19 Emergency Housing Vouchers	14.EHV	198,592	-
Housing Choice Voucher Program	14.871	32,539,144	-
COVID-19 Housing Choice Voucher Program CAREs Act Funding	14.HCC	636,522	-
Total Housing Voucher Cluster		33,374,258	-
Resident Opportunity and Supportive Services	14.870	60,919	-
Choice Neighborhood Planning Grants	14.892	690,170	-
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	98,936	-
Total Direct Federal Assistance		39,090,694	-
Indirect Federal Assistance			
<u>United States Department of Housing and Urban Development</u>			
Passed through City of Baton Rouge Parish of East Baton Rouge, Louisiana HOME Investments Partnership Program	14.239	14,209	-
Total Indirect Federal Assistance		14,209	-
Total Federal Assistance		\$ 39,104,903	\$ -

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2021**

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 September 30, 2021. 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. The Authority has elected not to use the 10% De Minimis Indirect Cost Rate allowed under Uniform Guidance.

NOTE 3 OUTSTANDING LOAN

The Authority had the following loan balances outstanding at September 30, 2021.

Federal Grantor Program	Assistance Listing Number	Amount Outstanding
HOME Investment Partnership Program	14.239	\$ -

NOTE 4 HOUSING CHOICE VOUCHER PROGRAM

In accordance with HUD regulations, HUD considers the Annual Budget Authority for the Section 8 Housing Choice Voucher Program, CFDA 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 and not the total expenditures paid by the Authority.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness identified? _____ Yes X No
 - Significant deficiency identified? _____ Yes X None Reported
3. Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

1. Internal control over major federal programs:
- Material weakness identified? _____ Yes X No
 - Significant deficiency identified? X Yes _____ No
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X Yes _____ No

Identification of Major Federal Programs

Assistance Listing Numbers

14.871
14.872

Name of Federal Program or Cluster

Housing Choice Voucher Program
Capital Fund Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,173,147

Auditee qualified as low-risk auditee?

 X Yes _____ No

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2021 – 001

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Title: Housing Choice Voucher Program

CFDA Number: 14.871

Award Period: 10/1/20-9/30/21

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria or Specific Requirement: Per (24 CFR sections 982.158(d) and 982.404), For units under HAP contract that fail to meet HQS, the PHA must require the owner to correct any life threatening HQS deficiencies within 24 hours after the inspections and all other HQS deficiencies within 30 calendar days or within a specified PHA-approved extension. If the owner does not correct the cited HQS deficiencies within the specified correction period, the PHA must stop (abate) HAPs beginning no later than the first of the month following the specified correction period or must terminate the HAP contract. The owner is not responsible for a breach of HQS as a result of the family's failure to pay for utilities for which the family is responsible under the lease or for tenant damage. For family-caused defects, if the family does not correct the cited HQS deficiencies within the specified correction period, the PHA must take prompt and vigorous action to enforce the family obligations.

Condition: During our testing we noted the Authority did not have adequate internal controls designed to ensure compliance with tenant eligibility and reporting requirements.

Questioned Costs: Unable to determine

Context: During our testing of a sample of 40 tenant files, it was noted that 1 file did not comply with compliance requirements. The sample was a statistically valid sample.

- 1 instance where a unit failed inspection and there is no documentation that the unit ever passed

Cause: The Authority did not sufficiently monitor staff and internal controls to ensure compliance with the inspection requirements.

Effect: The Authority is not in compliance with federal regulations regarding inspections. The Authority could have paid HAP expenses for units that do not pass guidelines.

Recommendation: We recommend that management review their controls for conducting follow up inspection on initially failed home inspections and ensure compliance standards are met.

Views of Responsible Officials: There is no disagreement with the audit finding.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO THE CHIEF EXECUTIVE OFFICER
(UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2021**

EXPENDITURE PURPOSE

Salary	\$ 230,000
Benefits-Insurance	15,369
Benefits-Retirement	19,500
Car Allowance	7,200
Per Diem	-
Registration Fees	-
Conference Travel	-
	-
Total Compensation, Benefits, and Other Payments	\$ 272,069

Agency Head: Jim Daniels, Chief Executive Officer
Period: October 1, 2020 through September 30, 2021

Basis of Presentation:

The above Schedule of Compensation, Benefits and Other Payments to the Chief Executive Officer 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*.



**HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
CORRECTIVE ACTION PLAN
YEAR ENDED SEPTEMBER 30, 2021**

U.S. Department of Housing and Urban Development

The Housing Authority of East Baton Rouge Parish respectfully submits the following corrective action plan for the year ended September 30, 2021.

Audit period: October 1, 2020 – September 30, 2021

The finding from the schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

2021-001 Housing Choice Voucher Program – CFDA No. 14.871

Recommendation: We recommend that management review their controls for conducting follow up inspections on initial failed unit inspections to ensure compliance requirements are met.

Explanation of disagreement with audit finding: There is no disagreement with this audit finding.

Action taken in response to finding: The Authority will review their processes around tracking failed inspections to ensure the inspections department meets requirements for performing follow up inspections on failed units.

Name of the contact person responsible for corrective action: Janie Anderson

Planned completion date for corrective action plan: September 30, 2022

If the Department of Housing and Urban Development has questions regarding this plan, please call Janie Anderson at 225-923-8100 ext. 3201

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2021**

U.S. Department of Housing and Urban Development

The Housing Authority of the East Baton Rouge Parish respectfully submits the following summary schedule of prior audit findings for the year ended September 30, 2021.

Audit period: October 1, 2020 – September 30, 2021

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2020 – 001 Finding Title

Condition: During our testing we noted the Authority did not have adequate internal controls designed to ensure compliance with tenant eligibility and reporting requirements.

Status: This finding was cleared in the current year.