

# **Housing Authority of the City of Monroe**

**Monroe, Louisiana**



## **Comprehensive Annual Financial Report**

**For the Year Ended June 30, 2020**



**Housing Authority of the City of Monroe  
Monroe, Louisiana**

**Comprehensive Annual Financial Report**

**For the Year Ended June 30, 2020**

**William Smart  
Executive Director**

**Janet Sanderford  
Administrative Director**

**Prepared by the Accounting Department**



## Housing Authority of the City of Monroe

### Table of Contents

	<u>Statement</u>	<u>Page</u>
<b>INTRODUCTORY SECTION</b>		
Letter of Transmittal		9-12
Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting		13
Organizational Chart		15
Appointed Officials		
Board of Commissioners		16
Selected Administrative Officials		16
<b>FINANCIAL SECTION</b>		
INDEPENDENT AUDITOR'S REPORT		19-21
REQUIRED SUPPLEMENTARY INFORMATION		23
Management's Discussion and Analysis (MD&A)		24-29
BASIC FINANCIAL STATEMENTS:		31
Statement of Net Position	A	32
Statement of Revenues, Expenses, and Changes in Fund Net Position	B	33
Statement of Cash Flows	C	34-35
Notes to the Financial Statements		
Index		36
Notes		37-45
<b>SUPPLEMENTARY INFORMATION</b>		
	<u>Exhibit</u>	
Schedule of Compensation Paid Board Members	1	46
Schedule of Compensation, Benefits, and Other Payments to Agency Head (Executive Director)	2	47
HUD Required Schedules:		
Financial Data Schedule	3	48-57
Actual Capital Fund Cost Certificate – CFP	4	58
	<u>Table</u>	
<b>STATISTICAL SECTION</b>		
Contents		61
Net Position by Component	1	62
Changes in Net Position	2	63
General Fund Revenues by Source	3	64
Tenant Demographics: Occupancy Ratios by Program	4	65
Demographic and Economic Statistics	5	66
Principal Employers	6	67
Property Characteristics and Dwelling Unit Composition	7	68
Government Employees	8	69

**Housing Authority of the City of Monroe**

This page intentionally left blank.

---

# INTRODUCTORY SECTION





Monroe Housing Authority • 300 Harrison Street • Monroe, LA 71201 • 318-388-1500 • TDD/TYY 1-800-545-1833 ext. 872  
William Smart, Executive Director • Hal Hinchliffe, Chairman • Rick Miller, Vice Chairman • Joe Farr • Patricia Gix • Beverly Lewis

December 31, 2020

Hal Hinchliffe, Chairman  
and Members of the Board  
Housing Authority of the City of Monroe  
Monroe, Louisiana

Dear Board Members:

The Comprehensive Annual Financial Report of the Housing Authority of the City of Monroe for the year ended June 30, 2020 is submitted herewith. This report has been prepared by the Accounting Department personnel following the guidelines recommended by the Government Finance Officers Association of the United States and Canada. Additional information on the Housing Authority's financial condition is included in the management's discussion and analysis.

- A. Management Responsibility** Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Housing Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Housing Authority. All disclosures necessary to enable the reader to gain an understanding of the Housing Authority's financial activities have been included.
- B. CAFR** The Comprehensive Annual Financial Report (CAFR) consist of three parts:
- (1) The Introductory Section. This section includes a transmittal letter, information on financial reporting achievements, the Housing Authority's organizational structure, recognition of the appointed officials of the Housing Authority and a list of selected administrative officials.
  - (2) The Financial Section. The financial section consists of management's discussion and analysis and basic financial statements. Various statements are also used to demonstrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements.
  - (3) The Statistical Section. Included in this section are a number of tables of unaudited data depicting the financial history, demographics and other miscellaneous information of the Housing Authority for the past ten years.

The Housing Authority is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the Uniform Guidance. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings, and recommendations, if applicable, and auditor's reports on internal control and compliance with

applicable laws and regulations. The single audit report is issued separately from this Comprehensive Annual Financial Report.

The primary objective of the Housing Authority is to provide affordable housing for families which, due to economic hardship, are unable to obtain housing in the private real estate market. A second goal is to assist these families in achieving self-sufficiency. To accomplish these objectives, the Housing Authority participates in a number of programs which are discussed in the Notes to the Financial Statements included in this report.

**C. Reporting Entity** This report includes all funds of the Housing Authority. The Housing Authority is an independent governmental entity created by the State of Louisiana. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. Although it maintains close ties with the City of Monroe in several respects, the Housing Authority is not a component unit of the City as defined by the pronouncements of the Governmental Accounting Standards Board since it is not financially accountable for the operations of the Housing Authority, has no responsibility to fund deficits or rights to receive surpluses, and has not guaranteed the Housing Authority's debt.

The governing body of the Housing Authority is its Board of Commissioners comprised of five members appointed by the Mayor of the City. The Board appoints an Executive Director to administer the affairs of the Housing Authority. The primary source of funding for the Housing Authority is the U.S. Department of Housing and Urban Development (HUD), with oversees the expenses of most of the funds.

Monroe Housing Facilities Corporation is included by blended presentation in the Housing Authority's financial statements. This corporation is a legally separate entity governed by the same Board as the Housing Authority.

#### **D. Major Initiatives**

- The Housing Authority once again received a designation of "High Performer" from the Department of Housing and Urban Development. This is a result of a dedicated caring staff and management's decision to set a High Performer rating as one of their highest goals.
- The Housing Authority has rental assistance programs that were created under Section 8 of the 1974 Federal Housing and Community Development Act. Under these programs, the Housing Authority provides subsidies to local landlords on behalf of low-income families and individuals living in privately-owned housing in the City of Monroe. The Department of Housing & Urban Development assesses Section 8 programs thru its SEMAP assessment. The last available score posted for Monroe Housing Authority was 99.
- We have completed renovations of \$4.3 million in renovations at our Johnson Carver Community. Expansion of the Burg Jones community room and management office is also nearing completion. We are upgrading the HVAC system at McKeen Plaza to a much more efficient and reliable system. We anticipate upgrades to the elevators, the HVAC system and exterior waterproofing for Frances Tower in the coming year.
- The Housing Authority now manages a total of 6 Section 202 properties consisting of a total of 286 units of elderly housing. The Housing Authority also manages 5 tax credit properties with a total of 335 units, also for elderly housing. We also manage 16 units designed for handicapped families. Construction was completed for an additional 50 single

family homes within our Robinson Place Community. Construction is nearly complete on 23 single family homes around 3rd and 4th street. We will be encouraging qualified participants in local homeownership programs to be partners with us as we strive to bring this area back to a thriving neighborhood.

- For our adult residents, MHA continues to provide HISET (GED) training and testing, career training and job readiness skills services through partnerships with Delta Community College, ULM, Opportunities Industrialization Center of Ouachita (OIC), and NOVA Workforce Institute of Northeast Louisiana.
- We will be in the 3rd year of a 4 year \$2.3 million Jobs Plus grant. We were one of 7 Housing Authorities in the United States to be awarded this special grant. This grant is designed to benefit our residents in our Burg Jones Community, emphasizing work force development and helping them to achieve self-sufficiency.
- Through partnerships with the Ouachita Council on Aging, Senior Care Service, and numerous health care and fitness organizations, MHA continues to provide our senior residents with programs and supportive services designed to allow them to age in place with dignity and respect.
- We also partner with organizations like the Children's Coalition and Prime Time to bring on-site Early Head Start and Head Start Centers and with OIC to bring site-based quality afterschool enrichment programs for our resident children and families.

**D. Long Term Financial Planning** The Housing Authority is founded on the belief that affordable housing is central to the physical and emotional health, the productivity, and the self esteem of the people it serves. Recognizing its responsibility to maintain physical properties while affording dignity and respect to every individual, the objective of the Housing Authority is to improve the quality of life through a community partnership. HUD has made major changes to the operating subsidy calculation and requires housing authorities to manage their properties according to an asset management model. This requires project based management, project based budgeting, and project based accounting. All of these changes must be accomplished while maintaining the overall mission of the Housing Authority as stated above.

**E. Internal Control** Management of the Housing Authority is responsible for establishing and maintaining internal control designed to ensure that the assets of the Housing Authority are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. We believe the Housing Authority's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

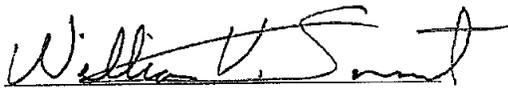
As a recipient of federal, state and local financial assistance, the Housing Authority also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

As a part of the Housing Authority's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the Housing Authority has complied with applicable laws and regulations.

- G. Budgetary Controls** In addition, the Housing Authority maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Housing Authority. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. Revisions to the budget enacted require Housing Authority approval. As demonstrated by the statements and schedules included in the financial section of this report, the Housing Authority continues to meet its responsibility for sound financial management.
- H. Independent Audits** The report of our independent certified public accountants, Allen, Green & Williamson, LLP, follows as an integral component of this report. Their audit of the financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the Housing Authority's system of budgetary and accounting controls.
- I. Award** The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report. To be awarded this certificate, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. This certificate is valid for a period of one year only. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants. The Housing Authority has received the GFOA Certificate since 1998.

Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020, which will be submitted to GFOA for review, will conform to the principles and standards of this organization.

- J. Acknowledgments** This year has brought challenges not seen before with the COVID virus and accompanying restrictions. We feel that the staff of Monroe Housing Authority has met these challenges and continues to make this Housing Authority one of the premier Housing Authorities in the nation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our entire staff but especially those of the Accounting Department. We want to express our appreciation to them for their assistance. We also thank the members of the Housing Authority for their interest and support in planning and conducting the financial operations of the Housing Authority in a responsible and progressive manner.

  
William Smart  
Executive Director

  
Janet Sanderford  
Administrative Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Housing Authority of the City of Monroe  
Louisiana**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

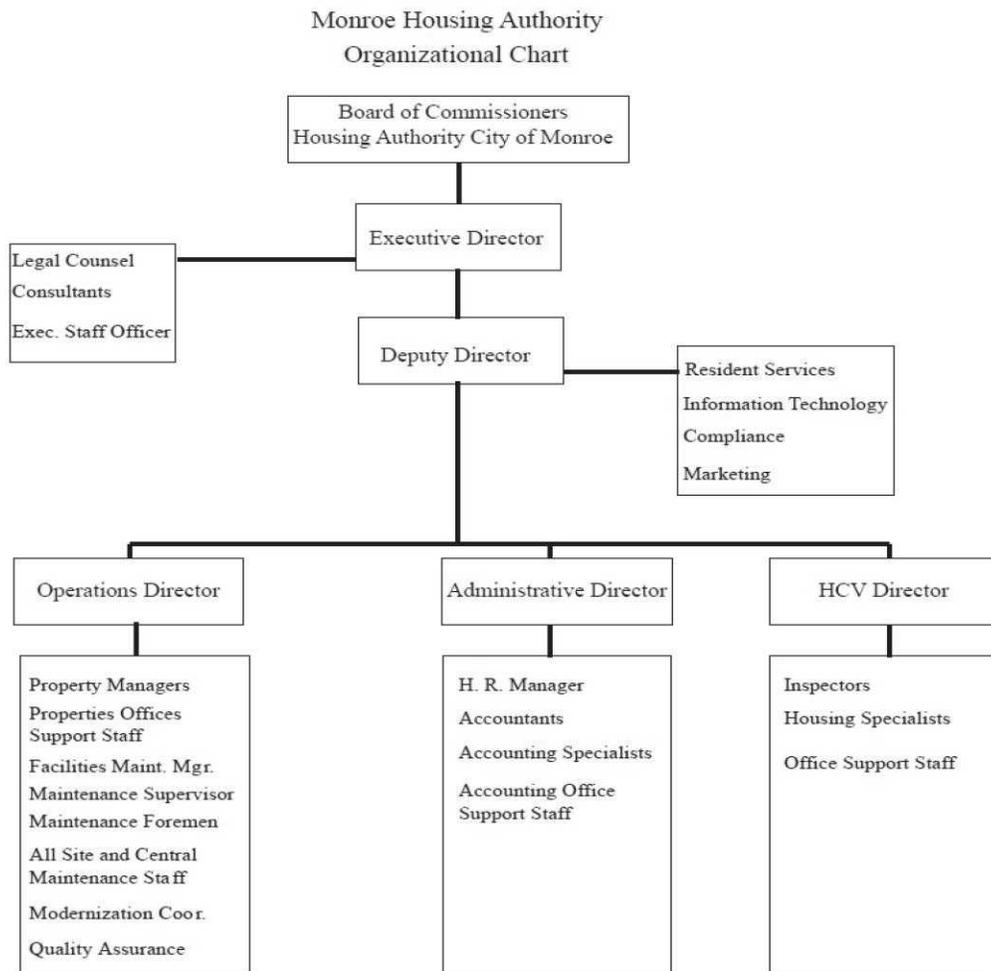
June 30, 2019

*Christopher P. Morrill*

Executive Director CEO

*This page intentionally left blank.*

# Housing Authority of the City of Monroe



## Housing Authority of the City of Monroe

### Appointed Officials Board of Commissioners

Mr. Hal Hinchliffe, Chairman

Mr. Rick Miller, Vice Chairman

Mr. Joe Farr

Ms. Patricia Gix

Ms. Beverly V. Lewis

### Selected Administrative Officials

Mr. William Smart

Executive Director

Karen Cromwell

Deputy Director

Cheryl Farmer

Director of Operations

Janet Sanderford

Administrative Director

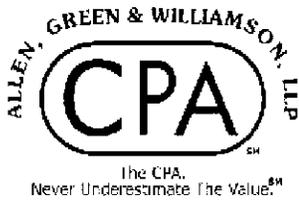
Naomi Jackson

Section 8 Director

---

# FINANCIAL SECTION





# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive  
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA  
Amy Tynes, CPA, CFE  
Aimee Buchanan, CPA  
Principal: Cindy Thomason, CPA

Jennie Henry, CPA, CFE  
Crystal Patterson, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## INDEPENDENT AUDITOR'S REPORT

Board Members  
Housing Authority of the City of Monroe  
Monroe, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the Housing Authority of the City of Monroe, Louisiana as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing 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.

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Housing Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Housing Authority, as of June 30, 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***

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Monroe's basic financial statements. The accompanying supplementary information, as listed in the table of contents, which includes the Financial Data Schedule required by the United States Department of Housing and Urban Development, and the other information, such as the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, which includes the Financial Data Schedule required by the United States Department of Housing and Urban Development, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, the accompanying supplementary information, as listed in the table of contents, which includes the Financial Data Schedule required by the United States Department of Housing and Urban Development, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying other information, as listed in the table of contents, including the introductory and statistical sections, 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, under separate cover, our report dated December 31, 2020 on our consideration of the Housing Authority of the City of Monroe'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority'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 Housing Authority's internal control over financial reporting and compliance.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP  
Monroe, Louisiana  
December 31, 2020

**Housing Authority of the City of Monroe**

This page intentionally left blank.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**MANAGEMENT'S DISCUSSION**  
**AND ANALYSIS (MD&A)**

---

**Housing Authority of the City of Monroe  
Management's Discussion and Analysis (MD&A)  
June 30, 2020**

---

As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 9 through 12 of this report.

**FINANCIAL HIGHLIGHTS** In fiscal year 2020, the Housing Authority had the following changes:

- The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$46,645,632 (*net position*). Of this amount, \$27,084,297 may be used to meet the government's ongoing obligations to citizens and creditors.
- The Housing Authority's total net position decreased by \$90,719 for current year which is mostly attributable to \$2,948,152 in depreciation expense and offset by a decrease in maintenance costs.
- At the end of the current fiscal year, unrestricted net position for the general fund was \$16,788,193 or 117.1% of the general fund total operating expenses.
- The Housing Authority continues to operate without the need for debt borrowings during the current fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS** This discussion and analysis is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority's basic financial statements comprise two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Housing Authority is a special-purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

**FUND FINANCIAL STATEMENTS** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Housing Authority are reported as proprietary funds.

**USING THIS ANNUAL REPORT**

The Housing Authority's annual report consists of financial statements that show information about the Housing Authority's most significant funds – such as the Housing Authority's General fund, Tenant-based Section 8 fund, Management Fees fund and Monroe Housing Facilities fund.

Our auditors have provided assurance in their independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditors regarding the supplementary information and other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

The Introductory Section and the Statistical Section were prepared by the Housing Authority without association by the independent auditors. Accordingly, the Housing Authority assumes full responsibility for the accuracy of these two sections.

---

**Housing Authority of the City of Monroe  
Management's Discussion and Analysis (MD&A)  
June 30, 2020**

---

**Reporting the Housing Authority's Most Significant Funds**

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Housing Authority's enterprise funds use the following accounting approach:

Proprietary funds – All of the Housing Authority's services are reported in enterprise funds. They are reported using the full accrual method of accounting in which all assets, liabilities and deferred outflows/inflows of resources associated with the operation of these funds are included on the statement of net position. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

**FINANCIAL ANALYSIS**

The Housing Authority's net position was \$46,645,632 at June 30, 2020. Of this amount, \$27,084,297 was unrestricted. Restricted net position is reported separately to show legal constraints from U. S. Department of Housing and Urban Development regulations that limit the Housing Authority to use these funds only for housing assistance payments (HAP) of the Section 8 Tenant Based program, which was \$156,718 at fiscal year end.

As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. The general fund is used to account for the public housing, capital fund, resident opportunities and supportive services, economic development programs, and the Central Office Cost Center. The tenant based Section 8 fund accounts for the Section 8 Housing Choice Voucher program, the Disaster Voucher program, and the DHAP program. The Monroe Housing Facilities and Management Fees earned on properties managed by the Housing Authority are accounted for in separate funds. Our analysis below focuses on the net position and the change in net position of the primary government as a whole.

**Housing Authority of the City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2020**

**Table 1**

**Net Position**  
**June 30,**

	<u>2020</u>	<u>2019</u>	<u>Variance</u>
Current assets	\$ 27,165,425	\$ 26,072,457	\$ 1,092,968
Capital assets	19,498,639	21,296,068	(1,797,429)
Other noncurrent assets	2,942,445	3,721,313	(778,868)
Total assets	<u>49,606,509</u>	<u>51,089,838</u>	<u>(1,483,329)</u>
Current liabilities	1,996,310	3,408,245	(1,411,935)
Noncurrent liabilities	964,567	945,242	19,325
Total liabilities	<u>2,960,877</u>	<u>4,353,487</u>	<u>(1,392,610)</u>
Net position			
Net investment in capital assets	19,404,617	21,296,068	(1,891,451)
Restricted	156,718	-	156,718
Unrestricted	27,084,297	25,440,283	1,644,014
Total net position	<u>\$ 46,645,632</u>	<u>\$ 46,736,351</u>	<u>\$ (90,719)</u>

**Housing Authority of the City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2020**

**Table 2**

**Changes in Net Position**  
**For the Years Ended June 30,**

	<u>2020</u>	<u>2019</u>	<u>Variance</u>
Beginning net position	\$ 46,736,351	\$ 47,749,749	\$ (1,013,398)
Revenues:			
Operating revenues			
Rental and other	5,590,968	6,055,303	(464,335)
Federal grants	<u>16,750,478</u>	<u>17,057,332</u>	<u>(306,854)</u>
Total operating revenues	<u>22,341,446</u>	<u>23,112,635</u>	<u>(771,189)</u>
Expenses:			
Operating expenses			
Administration	3,315,236	3,386,971	(71,735)
Tenant services	613,081	237,654	375,427
Utilities	426,565	409,800	16,765
Ordinary maintenance and operations	6,649,936	8,078,301	(1,428,365)
Protective services	81,681	81,215	466
General expenses	1,768,175	1,606,854	161,321
Housing assistance payments	7,941,402	7,454,201	487,201
Depreciation	<u>2,948,152</u>	<u>3,297,220</u>	<u>(349,068)</u>
Total expenses	<u>23,744,228</u>	<u>24,552,216</u>	<u>(807,988)</u>
Non-operating revenues			
Interest earnings	421,175	353,980	67,195
Gain(Loss) on sale of equipment	<u>-</u>	<u>22,870</u>	<u>(22,870)</u>
Total non-operating revenues	421,175	376,850	44,325
Net income (loss) before capital contributions	(981,607)	(1,062,731)	81,124
Capital contributions	<u>890,888</u>	<u>49,333</u>	<u>841,555</u>
Increase (decrease) in net position	<u>(90,719)</u>	<u>(1,013,398)</u>	<u>922,679</u>
Ending net position	<u>\$ 46,645,632</u>	<u>\$ 46,736,351</u>	<u>\$ (90,719)</u>

---

**Housing Authority of the City of Monroe  
Management's Discussion and Analysis (MD&A)  
June 30, 2020**

---

Total operating revenues decreased \$771,189:

- The general fund's operating revenue had a decrease of \$1,711,023 due to a decrease in federal grants and rental income.
- The Section 8 fund's operating revenue increased \$934,590 due to increased federal funding for HAP expenses. It should be noted that federal funding will be adjusted in FY2021 to recoup excess reserves.
- The management fees' operating revenue increased \$20,244 due to an increase of managed units with Robinson Place II being fully leased.
- The Monroe housing facilities' operating revenue decreased \$15,000 due to a decrease in rental income because our waiting list has transitioned to a site-based waiting list, thus eliminating the need for public housing intake at the Annex building.

Total operating expenses decreased \$807,988:

- The general fund's operating expenses decreased \$1,695,910. This change was due primarily to large contracts completed at our Robinson Place, Locke-Breece, and Johnson-Carver properties.
- The Section 8 funds operating expenses increased \$700,485. This change was due to units leased increasing from 18,410 to 18,683 and from increased administrative expenses such as management fees and bookkeeping fees. The Section 8 fund was not allowed to be charged the usual fees in FY 2019.
- The management fees' operating expenses had an increase of \$184,588 due to our previous executive director retiring after 45 years and receiving his retirement benefits as per company policy.
- The Monroe housing facilities' operating expenses had a slight increase of \$2,849.

Capital contributions increased \$841,555 because of replacing the HVAC system at McKee Plaza and continuing construction on the Burg Jones office.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

*Capital Assets*

At June 30, 2020, the Housing Authority had \$19,498,639 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of \$1,797,429 or 8%, from last year.

**Table 3  
Capital Assets at Year-end**

	2020	2019
Land	\$ 2,591,864	\$ 2,482,904
Buildings and site improvements	15,677,089	18,462,742
Furniture and equipment	289,465	301,089
Construction in progress	940,221	49,333
Totals	\$ 19,498,639	\$ 21,296,068

This year's decrease of \$1,797,429 is mainly due to depreciation offset by construction in progress, which was the McKee HVAC upgrade and the Burg Jones office renovation.

We present more detailed information on capital assets in Note 5 in the notes to the financial statements.

---

**Housing Authority of the City of Monroe  
Management's Discussion and Analysis (MD&A)  
June 30, 2020**

---

***Debt***

Our long-term debt includes accrued annual and sick leave. We present more detail about our long-term liabilities in Note 10 in the notes to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions.

The capital fund programs are multiple year budgets and have remained relatively stable. Capital fund programs are used for the modernization of public housing properties including administrative fees involved in the modernization.

**CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens and investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Janet Sanderford, Administrative Director, at the Housing Authority of the City of Monroe, 300 Harrison Street, Monroe, Louisiana 71201, telephone number (318) 998-3761.

**Housing Authority of the City of Monroe**

This page intentionally left blank.

**Housing Authority of the City of Monroe**

**BASIC FINANCIAL STATEMENTS**

**HOUSING AUTHORITY OF THE CITY OF MONROE**

**ENTERPRISE FUNDS  
Statement of Net Position  
June 30, 2020**

Statement A

	<b>GENERAL</b>	<b>TENANT BASED SECTION 8</b>	<b>MANAGEMENT FEES</b>	<b>MONROE HOUSING FACILITIES</b>	<b>TOTAL GOVERNMENT</b>
<b>ASSETS</b>					
Current Assets:					
Cash and cash equivalents	\$ 2,406,640	\$ 888,330	\$ 779,240	\$ 1,352,838	\$ 5,427,048
Investments	14,404,615	-	-	4,564,818	18,969,433
Accounts receivable, net	1,475,288	12,925	-	315,103	1,803,316
Notes receivable	-	-	-	128,069	128,069
Interfund receivable	41,568	-	-	-	41,568
Prepaid items and other assets	367,912	3,326	-	-	371,238
Inventory	9,305	-	-	-	9,305
Restricted assets:					
Cash for deposits due others	381,735	33,713	-	-	415,448
<b>TOTAL CURRENT ASSETS</b>	<b>19,087,063</b>	<b>938,294</b>	<b>779,240</b>	<b>6,360,828</b>	<b>27,165,425</b>
<b>NONCURRENT ASSETS:</b>					
Notes receivable	-	-	-	2,942,445	2,942,445
Capital Assets, net					
Land and construction in progress	3,003,125	-	-	528,960	3,532,085
Buildings and equipment (net)	15,539,898	20,589	-	406,067	15,966,554
<b>TOTAL NONCURRENT ASSETS</b>	<b>18,543,023</b>	<b>20,589</b>	<b>-</b>	<b>3,877,472</b>	<b>22,441,084</b>
<b>TOTAL ASSETS</b>	<b>37,630,086</b>	<b>958,883</b>	<b>779,240</b>	<b>10,238,300</b>	<b>49,606,509</b>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts and other payables	212,196	16,256	-	6,049	234,501
Interfund payable	-	-	-	41,568	41,568
Accrued liabilities	531,194	19,872	-	258	551,324
Unearned revenue	30,218	186,689	-	-	216,907
Current portion of compensated absences payable	461,851	74,711	-	-	536,562
Current Liabilities Paid with Restricted Assets:					
Deposits due others	381,735	33,713	-	-	415,448
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,617,194</b>	<b>331,241</b>	<b>-</b>	<b>47,875</b>	<b>1,996,310</b>
<b>NONCURRENT LIABILITIES</b>					
Compensated absences payable	775,698	188,869	-	-	964,567
<b>TOTAL LIABILITIES</b>	<b>2,392,892</b>	<b>520,110</b>	<b>-</b>	<b>47,875</b>	<b>2,960,877</b>
<b>NET POSITION</b>					
Net investment in capital assets	18,449,001	20,589	-	935,027	19,404,617
Restricted for HAP	-	156,718	-	-	156,718
Unrestricted	16,788,193	261,466	779,240	9,255,398	27,084,297
<b>TOTAL NET POSITION</b>	<b>\$ 35,237,194</b>	<b>\$ 438,773</b>	<b>\$ 779,240</b>	<b>\$ 10,190,425</b>	<b>\$ 46,645,632</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**HOUSING AUTHORITY OF THE CITY OF MONROE**

**ENTERPRISE FUNDS**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended June 30, 2020**

Statement B

	<b>GENERAL</b>	<b>TENANT BASED SECTION 8</b>	<b>MANAGEMENT FEES</b>	<b>MONROE HOUSING FACILITIES</b>	<b>TOTAL GOVERNMENT</b>
<b>OPERATING REVENUES</b>					
Dwelling rental	\$ 4,029,075	\$ -	\$ -	\$ -	\$ 4,029,075
Other	890,656	249,049	389,188	33,000	1,561,893
Federal grants	7,750,435	9,000,043	-	-	16,750,478
<b>TOTAL OPERATING REVENUES</b>	<b>12,670,166</b>	<b>9,249,092</b>	<b>389,188</b>	<b>33,000</b>	<b>22,341,446</b>
<b>OPERATING EXPENSES</b>					
Administration	2,316,747	767,508	230,299	682	3,315,236
Tenant services	544,303	68,778	-	-	613,081
Utilities	412,649	-	-	13,916	426,565
Ordinary maintenance & operations	6,566,571	74,316	50	8,999	6,649,936
Protective services	81,681	-	-	-	81,681
General expenses	1,557,383	155,391	50,020	5,381	1,768,175
Housing assistance payments	-	7,941,402	-	-	7,941,402
Depreciation	2,847,433	7,602	-	93,117	2,948,152
<b>TOTAL OPERATING EXPENSES</b>	<b>14,326,767</b>	<b>9,014,997</b>	<b>280,369</b>	<b>122,095</b>	<b>23,744,228</b>
Income (loss) from Operations	(1,656,601)	234,095	108,819	(89,095)	(1,402,782)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment earnings and gains/losses	311,971	74	-	109,130	421,175
Net income (loss) before capital contributions	(1,344,630)	234,169	108,819	20,035	(981,607)
Capital contributions	890,888	-	-	-	890,888
Change in net position	(453,742)	234,169	108,819	20,035	(90,719)
<b>NET POSITION - BEGINNING</b>	<b>35,690,936</b>	<b>204,604</b>	<b>670,421</b>	<b>10,170,390</b>	<b>46,736,351</b>
<b>NET POSITION - ENDING</b>	<b>\$ 35,237,194</b>	<b>\$ 438,773</b>	<b>\$ 779,240</b>	<b>\$ 10,190,425</b>	<b>\$ 46,645,632</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**HOUSING AUTHORITY OF THE CITY OF MONROE**

**ENTERPRISE FUNDS  
Statement of Cash Flows  
For the Year Ended June 30, 2020**

Statement C

	<b>GENERAL</b>	<b>TENANT BASED SECTION 8</b>	<b>MANAGEMENT FEES</b>	<b>MONROE HOUSING FACILITIES</b>	<b>TOTAL GOVERNMENT</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Rental receipts	\$ 4,041,262	\$ -	\$ -	\$ -	\$ 4,041,262
Other receipts	788,198	246,856	389,188	33,000	1,457,242
Payments to vendors	(9,133,970)	(592,194)	(54,729)	217,529	(9,563,364)
Payments to employees	(4,044,200)	(425,989)	(200,640)	(1,514)	(4,672,343)
Payments to private landlords	-	(7,757,166)	-	-	(7,757,166)
Payments to others	-	-	(25,000)	775,088	750,088
Federal grants	8,466,802	9,000,043	-	-	17,466,845
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>118,092</b>	<b>471,550</b>	<b>108,819</b>	<b>1,024,103</b>	<b>1,722,564</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Purchase capital assets	(1,041,763)	-	-	(108,960)	(1,150,723)
Contributed capital	890,888	-	-	-	890,888
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(150,875)</b>	<b>-</b>	<b>-</b>	<b>(108,960)</b>	<b>(259,835)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Investment earnings and gains/losses	311,971	74	-	109,130	421,175
Purchase of investments	(311,971)	-	-	(56,039)	(368,010)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>\$ -</b>	<b>\$ 74</b>	<b>\$ -</b>	<b>\$ 53,091</b>	<b>\$ 53,165</b>

(CONTINUED)

**HOUSING AUTHORITY OF THE CITY OF MONROE**

**ENTERPRISE FUNDS  
Statement of Cash Flows  
For the Year Ended June 30, 2020**

Statement C

	<u>GENERAL</u>	<u>TENANT BASED SECTION 8</u>	<u>MANAGEMENT FEES</u>	<u>MONROE HOUSING FACILITIES</u>	<u>TOTAL GOVERNMENT</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (32,783)	\$ 471,624	\$ 108,819	\$ 968,234	\$ 1,515,894
CASH AND CASH EQUIVALENTS - BEGINNING	2,821,158	450,419	670,421	384,604	4,326,602
CASH AND CASH EQUIVALENTS - ENDING	<u>2,788,375</u>	<u>922,043</u>	<u>779,240</u>	<u>1,352,838</u>	<u>5,842,496</u>
Reconciliation to financial statements:					
Cash	2,406,640	888,330	779,240	1,352,838	5,427,048
Restricted Cash (deposits due others)	<u>381,735</u>	<u>33,713</u>	<u>-</u>	<u>-</u>	<u>415,448</u>
	<u>2,788,375</u>	<u>922,043</u>	<u>779,240</u>	<u>1,352,838</u>	<u>5,842,496</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	(1,656,601)	234,095	108,819	(89,095)	(1,402,782)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	2,847,433	7,602	-	93,117	2,948,152
Change in assets and liabilities:					
Accounts receivable, net	605,905	(2,193)	-	255,070	858,782
Notes receivable, net	-	-	-	775,088	775,088
Interfund receivables	10,335	-	-	-	10,335
Inventories	(7,692)	-	-	-	(7,692)
Prepaid items and other assets	(66,709)	-	-	-	(66,709)
Accounts payable	(1,139,988)	(1,602)	-	-	(1,141,590)
Accrued expenses	(6,738)	5,245	-	258	(1,235)
Unearned revenue	8,750	184,236	-	-	192,986
Interfund payables	-	-	-	(10,335)	(10,335)
Deposits due others	11,441	10,939	-	-	22,380
Compensated absences	<u>(488,044)</u>	<u>33,228</u>	<u>-</u>	<u>-</u>	<u>(454,816)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 118,092</u>	<u>\$ 471,550</u>	<u>\$ 108,819</u>	<u>\$ 1,024,103</u>	<u>\$ 1,722,564</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

**INDEX**

	<u>Page</u>
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES .....	37
A. REPORTING ENTITY .....	37
B. FUNDS .....	38
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING.....	38
Proprietary Funds .....	38
D. CASH AND CASH EQUIVALENTS.....	39
E. INVESTMENTS .....	39
F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES .....	39
G. INVENTORY .....	39
H. PREPAID ITEMS.....	39
I. CAPITAL ASSETS.....	40
J. UNEARNED REVENUES .....	40
K. COMPENSATED ABSENCES .....	40
L. RESTRICTED NET POSITION .....	40
M. INTERFUND ACTIVITY .....	40
N. USE OF ESTIMATES.....	41
NOTE 2 - CASH AND CASH EQUIVALENTS .....	41
NOTE 3 - ACCOUNTS RECEIVABLE .....	41
NOTE 4 - NOTES RECEIVABLE .....	41
NOTE 5 - CAPITAL ASSETS .....	42
NOTE 6 - RETIREMENT SYSTEM.....	42
NOTE 7 - ACCOUNTS AND OTHER PAYABLES.....	43
NOTE 8 - ACCRUED LIABILITIES.....	43
NOTE 9 - COMPENSATED ABSENCES .....	43
NOTE 10 - LONG-TERM LIABILITIES .....	44
NOTE 11 - INTERFUND TRANSACTIONS.....	44
NOTE 12 - COMMITMENTS AND CONTINGENCIES .....	44
NOTE 13 - RISK MANAGEMENT .....	44
NOTE 14 - ECONOMIC DEPENDENCE .....	45
NOTE 15 - OPERATING LEASE .....	45
NOTE 16 - INSURANCE PROCEEDS.....	45
NOTE 17 - SUBSEQUENT EVENTS.....	45
NOTE 18 - RESERVES HELD WITH HUD .....	45
NOTE 19 - NEW GASB STANDARDS .....	45

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Housing Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** Housing Authorities are chartered as public corporations under the laws (LSA-R.S. 40:391) of the state of Louisiana for the purpose of providing affordable housing. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the City of Monroe, serve a staggered term of four years.

The Housing Authority has the following units:

PHA Owned Housing	FW 2006	1518
Section 8		
Housing Choice Vouchers	FW 2072 (VO)	1558
Managing Agent (Section 202 Elderly Housing Projects)		
Ouachita Grand Plaza, Inc.		91
Passman Plaza, Inc.		41
Passman Plaza II, Inc.		39
Passman Plaza III, Inc.		60
Claiborne Creek Apartments, LLP		72
Claiborne Creek II, LLP		60
Chauvin Pointe, LLP		74
Chauvin Pointe II, LLP		65
South Pointe, LLP		37
South Pointe II, LLP		44
South Pointe III, LLP		36
South Pointe IV, LLP		6
Alabama Place, LLP		16
Franciscan Apartments		8
Robinson Place II		50

GASB Standards establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these Standards, the Housing Authority is considered a *primary government*, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Standards, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

The Housing Authority is a related organization of the City of Monroe since the City of Monroe appoints a voting majority of the Housing Authority's governing board. The City of Monroe is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Monroe. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Monroe.

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

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

Based on the previous criteria, the Housing Authority has determined that the following component unit should be considered as part of the Housing Authority reporting entity.

Monroe Housing Facilities Corporation (Corporation) is a legally separate entity. The Board is the same as the Board of Commissioners of the Housing Authority. The Corporation is fiscally dependent on the Housing Authority because operations and administration of the Corporation are handled by the same personnel of the Housing Authority, and no costs are being charged to the Corporation for these services. Based on the above, it has been determined that the Corporation is a component unit of the Housing Authority and should be included in the Housing Authority's financial statements through blended presentation. The Corporation does not issue separate financial statements.

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

All funds of the Housing Authority are classified as proprietary. The general fund accounts for the transactions of the public housing low rent program, the capital fund program, the resident opportunities and supportive services program, the economic development program and the Central Office Cost Center. The tenant based Section 8 fund accounts for the tenant based Section 8 programs. The management fees fund accounts for the activity of the Section 202 elderly housing projects for which the Housing Authority is the managing agent and the Monroe housing facilities fund accounts for the activity of the Monroe Housing Facilities Corporation.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**Proprietary Funds** Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets, liabilities and deferred outflows/inflows of resources associated with the operation of these funds are included on the statement of net position.

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to residents. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**E. INVESTMENTS** Investments are limited by LSA-R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted per GASB Statement No. 31:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Housing Authority reported at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

**F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the statement of net position. Short-term interfund loans are classified as interfund receivables/payables.

**G. INVENTORY** All purchased inventory items are valued at cost using just-in-time method. Materials and supplies at the project level are expensed as they are purchased.

**H. PREPAID ITEMS** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$5,000 for any movable items. The capitalization threshold for intangible assets is \$200,000. Donated capital assets are recorded at their acquisition value. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

Any expenditures incurred for purposes of improving any buildings or structure or any site improvement will be expensed up to \$100,000, excluding repairs that involve returning an asset to its existing state (roof repairs where shingles are being replaced and the replacement of rotten wood where found).

Straight line depreciation is used based on the following estimated useful lives using a full-year convention method:

Site improvements	15 years
Buildings	30 years
Furniture and equipment	5 - 7 years

**J. UNEARNED REVENUES** The Housing Authority reports unearned revenues on its statement of net position. Unearned revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for unearned revenue is removed from the statement of net position and the revenue is recognized.

**K. COMPENSATED ABSENCES** The Housing Authority follows Louisiana Civil Service regulations for accumulated annual, compensatory, and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date. The Board may approve payment of one-half of sick leave if the employee has been with the Housing Authority for ten years and is 55 years of age. Compensatory leave credited to an employee may be used by the employee or may be paid out to the employee at any time. The Board may approve employees' extended time off prior to their retirement, to use accumulated leave balances above the compensated absence payout policy.

**L. RESTRICTED NET POSITION** Net position is reported as restricted when constraints placed on net position use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The restricted net position for housing assistance payments (HAP) reported in the Statement of Net Position is restricted by enabling legislation.

**M. INTERFUND ACTIVITY** Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate. Services provided, deemed to be at market, or near market rates, are treated as revenues and expenses.

All other interfund transfers are reported as transfers. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

**N. USE OF ESTIMATES** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - CASH AND CASH EQUIVALENTS** The Housing Authority's deposits are recorded at cost. The carrying amount of deposits totaled \$24,811,929 which includes \$18,969,433 held in certificates of deposit that are classified as investments and \$415,448 in deposits due others classified as restricted deposits.

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

Credit Rate Risk: The Housing Authority investments are in certificates of deposit, which do not have credit ratings; however, the Housing Authority's policy does not address credit rate risk.

Custodial Credit Risk-Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2020 the Housing Authority bank balance was \$25,119,250 in which \$23,369,250 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Housing Authority's name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon request. The Housing Authority's policy does not address custodial credit risk.

**NOTE 3 - ACCOUNTS RECEIVABLE** The receivables at June 30, 2020, are as follows:

Class of Receivables	General	Tenant Based Section 8	Monroe Housing Facilities	Total
<u>Local sources:</u>				
Tenants	\$ 43,918	\$ -	\$ -	\$ 43,918
Other	788,607	10,732	315,103	1,114,442
<u>Federal sources:</u>				
Due from HUD	642,763	2,193	-	644,956
Total	<u>\$ 1,475,288</u>	<u>\$ 12,925</u>	<u>\$ 315,103</u>	<u>\$ 1,803,316</u>

The tenants account receivable is net of an allowance for doubtful accounts of \$18,823. The accounts receivable - other are balances due from other entities the Housing Authority manages or are in development and repayment agreements for fraudulently reporting wrong income amounts for past rental calculations. The Housing Authority accounts receivable - other for the General Fund is net of an allowance for doubtful accounts of \$290,016. The Tenant Based Section 8 accounts receivable other is reporting \$47,718 in accounts receivable related to fraud recovery; however, the full balance is reported as an allowance for doubtful accounts.

**NOTE 4 - NOTES RECEIVABLE** The Housing Authority entered into a note receivable during the year ended June 30, 2013. The note receivable was between Monroe Housing Facilities and Alabama Place for cost incurred with the construction of the property in the amount of \$541,648 at an interest rate of 3%. The amount of the note receivable at June 30, 2020 was \$318,896. Of this amount, \$35,809 is due within a year to Monroe Housing Facilities.

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

During the fiscal year ended June 30, 2017, the Housing Authority's Monroe Housing Facilities fund entered into two notes receivables. One note was with Claiborne Creek I for \$877,731 and the other note was with Claiborne Creek II for \$691,560, in order to provide a bridge loan until permanent financing could be arranged, at an interest rate of 3%. The amount of these notes receivable at June 30, 2020 was \$1,301,618 in which \$92,260 is due within one year.

During the fiscal year ended June 30, 2019, the Housing Authority had approved for the Monroe Housing Facilities fund to enter into a notes receivable with Robinson Place II Development up to \$2,000,000 to facilitate financing to construct the new development at an interest rate of 4%. The Robinson Place II Development is still in the construction phase and utilized \$1,450,000 for construction at fiscal year-end. The financing will continue until the construction is complete; therefore, no amounts are recognized due within one year.

The Housing Authority expects to receive the notes receivable in full; and therefore, no allowance for doubtful accounts was recorded.

**NOTE 5 - CAPITAL ASSETS** The balances and changes in capital assets are as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Capital Assets, nondepreciable				
Land	\$ 2,482,904	\$ 108,960	\$ -	\$ 2,591,864
Construction in progress	49,333	890,888	-	940,221
Total capital assets, non depreciable	<u>2,532,237</u>	<u>999,848</u>	<u>-</u>	<u>3,532,085</u>
Capital assets, depreciable				
Buildings and site improvements	94,034,982	63,394	-	94,098,376
Furniture and equipment	1,713,821	87,481	-	1,801,302
Total capital assets, depreciable	<u>95,748,803</u>	<u>150,875</u>	<u>-</u>	<u>95,899,678</u>
Less accumulated depreciation				
Buildings and site improvements	75,572,241	2,849,046	-	78,421,287
Furniture and equipment	1,412,731	99,106	-	1,511,837
Total	<u>76,984,972</u>	<u>2,948,152</u>	<u>-</u>	<u>79,933,124</u>
Net Depreciable Assets	<u>18,763,831</u>	<u>(2,797,277)</u>	<u>-</u>	<u>15,966,554</u>
Total capital assets, net	<u>\$ 21,296,068</u>	<u>\$ (1,797,429)</u>	<u>\$ -</u>	<u>\$ 19,498,639</u>

**NOTE 6 - RETIREMENT SYSTEM** The Housing Authority participates in the Housing-Renewal and Local Agency Retirement Plan, administered by Broussard, Bush & Hurst, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment. Plan provisions and changes to plan contributions are determined by the Board of the Housing Authority. The Housing Authority does not have any assets in a trust to fund pension benefits.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 14.0 percent of each participant's basic (excludes overtime) compensation.

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

Normal retirement date shall be the first day of the month following the employee's 65<sup>th</sup> birthday or after 10 years of participation in the plan.

The Housing Authority's contributions were calculated using the base salary amount of \$3,076,346. The members' contributions were \$56,716 for the year ended June 30, 2020. The Housing Authority made the required contributions of \$397,930 for the year ended June 30, 2020.

During the fiscal year ended June 30, 2020, the Housing Authority had \$10,595 in forfeitures that was recognized in the current year pension expense. At June 30, 2020, the Housing Authority had \$0 in payables to the retirement plan for the June 2020 employee and employer required contributions.

**NOTE 7 - ACCOUNTS AND OTHER PAYABLES** The payables at June 30, 2020, are as follows:

	General	Tenant Based Section 8	Monroe Housing Facilities	Total
Vendors	\$ 58,738	\$ 16,256	\$ 6,049	\$ 81,043
Retainage Payable	153,458	-	-	153,458
Total	<u>\$ 212,196</u>	<u>\$ 16,256</u>	<u>\$ 6,049</u>	<u>\$ 234,501</u>

For retainage payable at fiscal year end of \$153,458, the amount related to construction in progress was \$94,022.

**NOTE 8 - ACCRUED LIABILITIES** The accrued liabilities at June 30, 2020, are as follows:

	General	Tenant Based Section 8	Monroe Housing Facilities	Total
Payments in lieu of taxes	\$ 365,753	\$ -	\$ -	\$ 365,753
Salaries and benefits	165,441	19,872	258	185,571
Total	<u>\$ 531,194</u>	<u>\$ 19,872</u>	<u>\$ 258</u>	<u>\$ 551,324</u>

**NOTE 9 - COMPENSATED ABSENCES** At June 30, 2020, employees of the Housing Authority have accumulated and vested \$1,501,129 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. In the past, the liability has been liquidated by the General fund and Tenant Based Section 8 fund.

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

**NOTE 10 - LONG-TERM LIABILITIES** The following is a summary of the long-term liabilities for the year ended June 30, 2020:

	Compensated Absences
Beginning Balance	\$ 1,955,945
Additions	207,307
Deletions	662,123
Ending Balance	\$ 1,501,129
Amounts Due Within One Year	\$ 536,562

**NOTE 11 - INTERFUND TRANSACTIONS**

**Interfund receivables/payables** at June 30, 2020, are as follows:

<u>Receivable</u>	<u>Amount</u>	<u>Payable</u>	<u>Amount</u>
General Fund	\$ 41,568	Monroe Housing Facilities	\$ 41,568

The General Fund pays salaries and other expenses on behalf of the business activities account. Monroe Facilities charges rent for space used for housing activities. The General Fund covers that cost on behalf of the different developments. Without having to write a check to the Monroe Facilities to cancel that payable, the General Fund chooses to keep the receivable on the books from the business activities account to cancel one another out.

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

**Litigation** At June 30, 2020, the Housing Authority was involved in various litigation. It is the opinion of the legal advisor of the Housing Authority that this litigation would not have a material effect on the financial statements.

**Grant Disallowances** The Housing Authority participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. The Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**Construction Commitments** There are certain construction contracts at June 30, 2020. The Housing Authority had three open contracts at fiscal year end for repairs and renovations. The contracts of \$3,924,216 had \$2,408,273 remaining at fiscal year end.

**NOTE 13 - RISK MANAGEMENT** The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance through the Louisiana Housing Council Authorities Group Self-Insurance Trust; however, the Housing Authority does not carry flood insurance. This self-insurance program is a public entity risk pool, which has been approved by both the State of Louisiana Insurance Commission and the Department of Housing and Urban Development. The Trust operates as any other commercial insurance company. Five insurance companies currently share the excess coverage insurance. No additional assessments can be made against the Housing Authority. The Housing Authority is responsible only for the premium payments. The current policy limits on most commercial coverage has been in effect for multiple years. Settled claims have not exceeded commercial excess coverage in any of the last three years. The Housing Authority has

**Housing Authority of the City of Monroe**  
**Notes to the Financial Statements**  
**June 30, 2020**

not made any significant reductions in insurance coverage.

In June 2019, the Board of Commissioners approved for the Housing Authority to establish a self-insurance fund to cover future flooding costs in the amount of \$2,000,000. However, as of June 30, 2020, no action has been taken regarding the resolution.

**NOTE 14 - ECONOMIC DEPENDENCE** Due to the amount of funding received, the Housing Authority is economically dependent on the Department of Housing and Urban Development. The Department of Housing and Urban Development provided \$17,641,366 to the Housing Authority, which represents approximately 74% of the Housing Authority’s total revenue for the year.

**NOTE 15 - OPERATING LEASE** The Housing Authority leases three copiers under noncancelable operating leases. Total costs for such leases were \$4,928 the year ended June 30, 2020. The minimum lease payables for these leases at June 30, 2020 is \$8,624.

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 4,928
2022	3,696
Total	<u>\$ 8,624</u>

**NOTE 16 - INSURANCE PROCEEDS** In the fiscal year ended June 30, 2020 the Housing Authority received \$33,644 in insurance proceeds for damage to public housing units which is classified as other income in the statement of revenues, expenses and changes in fund net position.

**NOTE 17 - SUBSEQUENT EVENTS** In July 2020, the Housing Authority had opted out of the Louisiana State Civil Service after a bill was presented and passed by the State Legislature. This action had propted an offer for employees to be paid up to 300 hours of accrued annual leave.

In August 2020, the Housing Authority had terminated a \$2.3 million construction contract for renovations at Miller Square due to asbestos being discovered in the units. The Housing Authority is in the process to complete the abatement in the units that renovations had already begun.

The Housing Authority had incurred damages as a result of Hurricanes Laura and Delta that occurred in August and October 2020, respectively. The Housing Authority is currently working with the insurance company regarding the claim and therefore the final estimate is unknown.

Since fiscal year end, the Housing Authority had awarded multiple construction contacts. The contracts awarded are \$852,000 for the replacement of the HVAC System at Francis Towers, \$398,864 for upgrades to the elevator at Francis Tower and \$202,000 to complete remaining work items at Burg Jones due to the termination of the initial contract for nonpayment to subcontractors.

**NOTE 18 - RESERVES HELD WITH HUD** Due to HUD operating the Section 8 Housing Choice Voucher Program under cash management, HUD maintains reserves for the Housing Authority that have not been utilized. As of June 30, 2020, the Housing Authority had \$189,032 in HUD-Held Reserves.

**NOTE 19 - NEW GASB STANDARDS** In May 2020, the Governmental Accounting Standards Board issued Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. This statement extended the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides. The primary objective of GASB Statement No. 95 was to provide temporary relief to governments and other stakeholders in the light of the COVID-19 pandemic. The Housing Authority implemented this Statement for fiscal year ended June 30, 2020.

**Housing Authority of the City of Monroe  
Schedule of Compensation Paid Board Members  
For the Year Ended June 30, 2020**

**Exhibit 1**

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

Mr. Hal Hinchliffe, Chairman

Mr. Rick Miller, Vice Chairman

Mr. Joe Farr

Ms. Patricia Gix

Ms. Beverly V. Lewis

**Housing Authority of the City of Monroe**  
**Schedule of Compensation, Benefits and Other Payments to Agency Head (Executive Director)**  
**For the Year Ended June 30, 2020**

**Exhibit 2**

**Agency Head Name: Frank Wilcox, Executive Director**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 104,054
Leave payout	255,261
Benefits-insurance	9,467
Benefits-retirement, including FICA	42,832
Benefits-performance incentive	10,155
Car allowance	750
Cell phone	422
Dues	55
Reimbursements	60
Total	<u>\$ 423,056</u>

**Agency Head Name: William Smart, Acting Executive Director**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 140,000
Benefits-insurance	6,545
Benefits-retirement, including FICA	30,690
Benefits-performance incentive	4,971
Car allowance	9,000
Cell phone	633
Dues	55
Reimbursements	60
Registration fees	325
Conference travel	1,818
Total	<u>\$ 194,097</u>

**Housing Authority of the City of Monroe**  
**Financial Data Schedule**  
**June 30, 2020**

	Project Total	14.IKE DHAP-IKE	14.895 Jobs- Plus Pilot Initiative	1 Business Activities	14.871 Housing Choice Vouchers
111 Cash - Unrestricted	\$2,314,981	\$100,318		\$2,132,078	\$366,007
113 Cash - Other Restricted					\$156,718
114 Cash - Tenant Security Deposits	\$381,735				
115 Cash - Restricted for Payment of Current Liabilities					\$33,713
100 Total Cash	\$2,696,716	\$100,318	\$0	\$2,132,078	\$556,438
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$286,852		\$321,904		
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous				\$315,103	\$12,925
126 Accounts Receivable - Tenants	\$62,741				
126.1 Allowance for Doubtful Accounts - Tenants	-\$18,823				
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current				\$128,069	
128 Fraud Recovery	\$48,662				\$47,718
128.1 Allowance for Doubtful Accounts - Fraud	-\$43,796				-\$47,718
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$335,636	\$0	\$321,904	\$443,172	\$12,925
131 Investments - Unrestricted	\$13,939,716			\$4,564,818	
132 Investments - Restricted					
142 Prepaid Expenses and Other Assets					\$3,326
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From	\$23,429				
150 Total Current Assets	\$16,995,497	\$100,318	\$321,904	\$7,140,068	\$572,689
161 Land	\$2,062,904			\$528,960	
162 Buildings	\$92,624,595			\$1,473,781	
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration	\$1,281,497			\$6,761	\$68,427
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$78,463,733			-\$1,074,475	-\$47,838
167 Construction in Progress	\$940,221				
160 Total Capital Assets, Net of Accumulated Depreciation	\$18,445,484	\$0	\$0	\$935,027	\$20,589
171 Notes, Loans and Mortgages Receivable - Non-Current				\$2,942,445	
180 Total Non-Current Assets	\$18,445,484	\$0	\$0	\$3,877,472	\$20,589
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$35,440,981	\$100,318	\$321,904	\$11,017,540	\$593,278

**Exhibit 3**

14.870 Resident Opportunity and Supportive Services	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	14.HCC HCV CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	COCC	Subtotal	ELIM	Total
	\$81,051				\$91,659	\$5,086,094		\$5,086,094
			\$184,236			\$340,954		\$340,954
						\$381,735		\$381,735
						\$33,713		\$33,713
\$0	\$81,051	\$0	\$184,236	\$0	\$91,659	\$5,842,496	\$0	\$5,842,496
\$10,578		\$23,429				\$642,763		\$642,763
					\$1,029,961	\$1,357,989		\$1,357,989
						\$62,741		\$62,741
						-\$18,823		-\$18,823
\$0		\$0			-\$246,220	-\$246,220		-\$246,220
						\$128,069		\$128,069
						\$96,380		\$96,380
						-\$91,514		-\$91,514
\$10,578	\$0	\$23,429	\$0	\$0	\$783,741	\$1,931,385	\$0	\$1,931,385
					\$464,899	\$18,969,433		\$18,969,433
					\$367,912	\$371,238		\$371,238
					\$9,305	\$9,305		\$9,305
					\$0	\$0		\$0
					\$373,182	\$396,611	-\$355,043	\$41,568
\$10,578	\$81,051	\$23,429	\$184,236	\$0	\$2,090,698	\$27,520,468	-\$355,043	\$27,165,425
						\$2,591,864		\$2,591,864
						\$94,098,376		\$94,098,376
					\$444,617	\$1,801,302		\$1,801,302
					-\$347,078	-\$79,933,124		-\$79,933,124
						\$940,221		\$940,221
\$0	\$0	\$0	\$0	\$0	\$97,539	\$19,498,639	\$0	\$19,498,639
						\$2,942,445		\$2,942,445
\$0	\$0	\$0	\$0	\$0	\$97,539	\$22,441,084	\$0	\$22,441,084
\$10,578	\$81,051	\$23,429	\$184,236	\$0	\$2,188,237	\$49,961,552	-\$355,043	\$49,606,509

(Continued)

**Housing Authority of the City of Monroe**  
**Financial Data Schedule**  
**June 30, 2020**

	Project Total	14.IKE DHAP-IKE	14.895 Jobs- Plus Pilot Initiative	1 Business Activities	14.871 Housing Choice Vouchers
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$51,846			\$6,049	\$16,256
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$73,573		\$868	\$258	\$19,872
322 Accrued Compensated Absences - Current Portion	\$216,553				\$74,711
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$365,753				
341 Tenant Security Deposits	\$381,735				
342 Unearned Revenue	\$30,218				\$2,453
345 Other Current Liabilities	\$153,458				\$33,713
346 Accrued Liabilities - Other					
347 Inter Program - Due To			\$321,036	\$41,568	
310 Total Current Liabilities	\$1,273,136	\$0	\$321,904	\$47,875	\$147,005
354 Accrued Compensated Absences - Non Current	\$293,246				\$188,869
350 Total Non-Current Liabilities	\$293,246	\$0	\$0	\$0	\$188,869
300 Total Liabilities	\$1,566,382	\$0	\$321,904	\$47,875	\$335,874
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$18,351,462			\$935,027	\$20,589
511.4 Restricted Net Position					\$156,718
512.4 Unrestricted Net Position	\$15,523,137	\$100,318	\$0	\$10,034,638	\$80,097
513 Total Equity - Net Assets / Position	\$33,874,599	\$100,318	\$0	\$10,969,665	\$257,404
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$35,440,981	\$100,318	\$321,904	\$11,017,540	\$593,278

**Exhibit 3**

14.870 Resident Opportunity and Supportive Services	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	14.HCC HCV CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	COCC	Subtotal	ELIM	Total
					\$6,892	\$81,043		\$81,043
					\$91,000	\$185,571		\$185,571
					\$245,298	\$536,562		\$536,562
						\$365,753		\$365,753
						\$381,735		\$381,735
			\$184,236			\$216,907		\$216,907
						\$187,171		\$187,171
\$10,578		\$23,429				\$396,611	-\$355,043	\$41,568
\$10,578	\$0	\$23,429	\$184,236	\$0	\$343,190	\$2,351,353	-\$355,043	\$1,996,310
					\$482,452	\$964,567		\$964,567
\$0	\$0	\$0	\$0	\$0	\$482,452	\$964,567	\$0	\$964,567
\$10,578	\$0	\$23,429	\$184,236	\$0	\$825,642	\$3,315,920	-\$355,043	\$2,960,877
					\$97,539	\$19,404,617		\$19,404,617
						\$156,718		\$156,718
\$0	\$81,051	\$0	\$0	\$0	\$1,265,056	\$27,084,297		\$27,084,297
\$0	\$81,051	\$0	\$0	\$0	\$1,362,595	\$46,645,632	\$0	\$46,645,632
\$10,578	\$81,051	\$23,429	\$184,236	\$0	\$2,188,237	\$49,961,552	-\$355,043	\$49,606,509

(Continued)

**Housing Authority of the City of Monroe**  
**Financial Data Schedule**  
**June 30, 2020**

	Project Total	14.IKE DHAP-IKE	14.895 Jobs- Plus Pilot Initiative	1 Business Activities	14.871 Housing Choice Vouchers
70300 Net Tenant Rental Revenue	\$4,029,075				
70400 Tenant Revenue - Other	\$277,714				
70500 Total Tenant Revenue	\$4,306,789	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$7,203,480		\$261,616		\$8,987,067
70610 Capital Grants	\$890,888				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$306,058			\$109,130	\$74
71400 Fraud Recovery	\$60,771				\$53,070
71500 Other Revenue	\$126,622			\$422,188	\$195,979
71600 Gain or Loss on Sale of Capital Assets					
70000 Total Revenue	\$12,894,608	\$0	\$261,616	\$531,318	\$9,236,190
91100 Administrative Salaries	\$418,634		\$20,384	\$176,000	\$327,550
91200 Auditing Fees	\$36,470				\$564
91300 Management Fee	\$1,411,698				\$170,470
91310 Book-keeping Fee	\$133,660				\$85,235
91400 Advertising and Marketing	\$12,668				\$527
91500 Employee Benefit contributions - Administrative	\$205,321		\$1,772	\$38,452	\$94,219
91600 Office Expenses	\$122,225		\$33,120		\$88,233
91700 Legal Expense	\$9,775			\$1,338	
91800 Travel	\$3,822				\$188
91900 Other	\$10,363		\$3,100	\$15,191	\$522
91000 Total Operating - Administrative	\$2,364,636	\$0	\$58,376	\$230,981	\$767,508
92000 Asset Management Fee	\$181,920				
92100 Tenant Services - Salaries					
92200 Relocation Costs	\$42,861				
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$79,818	\$55,802	\$203,240		
92500 Total Tenant Services	\$122,679	\$55,802	\$203,240	\$0	\$0
93100 Water	\$51,394			\$2,015	
93200 Electricity	\$252,267			\$10,097	
93300 Gas	\$72,672			\$1,608	
93400 Fuel					
93600 Sewer	\$31,563				
93800 Other Utilities Expense				\$196	
93000 Total Utilities	\$407,896	\$0	\$0	\$13,916	\$0

**Exhibit 3**

14.870 Resident Opportunity and Supportive Services	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	14.HCC HCV CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	COCC	Subtotal	ELIM	Total
						\$4,029,075		\$4,029,075
						\$277,714		\$277,714
\$0	\$0	\$0	\$0	\$0	\$0	\$4,306,789	\$0	\$4,306,789
\$148,061		\$137,278	\$12,976			\$16,750,478		\$16,750,478
						\$890,888		\$890,888
					\$1,542,428	\$1,542,428	-\$1,371,958	\$170,470
					\$181,920	\$181,920	-\$181,920	\$0
					\$218,895	\$218,895	-\$133,660	\$85,235
					\$1,943,243	\$1,943,243	-\$1,687,538	\$255,705
					\$5,913	\$421,175		\$421,175
						\$113,841		\$113,841
				\$57,771	\$701,347	\$1,503,907	-\$589,274	\$914,633
\$148,061	\$0	\$137,278	\$12,976	\$57,771	\$2,650,503	\$25,930,321	-\$2,276,812	\$23,653,509
\$56,846					\$753,027	\$1,752,441		\$1,752,441
					\$17,381	\$54,415		\$54,415
		\$57,771				\$1,639,939	-\$1,429,729	\$210,210
						\$218,895	-\$133,660	\$85,235
					\$4,961	\$18,156		\$18,156
\$17,764					\$369,115	\$726,643		\$726,643
\$1,005					\$144,272	\$388,855		\$388,855
					\$16,768	\$27,881		\$27,881
					\$12,137	\$16,147		\$16,147
-\$14,180					\$20,257	\$35,253		\$35,253
\$61,435	\$0	\$57,771	\$0	\$0	\$1,337,918	\$4,878,625	-\$1,563,389	\$3,315,236
						\$181,920	-\$181,920	\$0
		\$47,870	\$10,338	\$50,005		\$108,213		\$108,213
						\$42,861		\$42,861
\$86,626		\$31,637	\$2,638	\$7,766		\$467,527	-\$5,520	\$462,007
\$86,626	\$0	\$79,507	\$12,976	\$57,771	\$0	\$618,601	-\$5,520	\$613,081
					\$408	\$53,817		\$53,817
					\$3,587	\$265,951		\$265,951
					\$554	\$74,834		\$74,834
						\$31,563		\$31,563
					\$204	\$400		\$400
\$0	\$0	\$0	\$0	\$0	\$4,753	\$426,565	\$0	\$426,565

(Continued)

**Housing Authority of the City of Monroe**  
**Financial Data Schedule**  
**June 30, 2020**

	Project Total	14.IKE DHAP-IKE	14.895 Jobs- Plus Pilot Initiative	1 Business Activities	14.871 Housing Choice Vouchers
94100 Ordinary Maintenance and Operations - Labor	\$596,857			\$1,772	
94200 Ordinary Maintenance and Operations - Materials and Other	\$708,434			\$183	\$3,826
94300 Ordinary Maintenance and Operations Contracts	\$4,679,771			\$7,094	\$70,490
94500 Employee Benefit Contributions - Ordinary Maintenance	\$228,884			\$0	
94000 Total Maintenance	\$6,213,946	\$0	\$0	\$9,049	\$74,316
95100 Protective Services - Labor	\$74,488				
95200 Protective Services - Other Contract Costs	\$693				
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services	\$6,500				
95000 Total Protective Services	\$81,681	\$0	\$0	\$0	\$0
96110 Property Insurance	\$254,504			\$3,710	\$6,306
96120 Liability Insurance	\$101,086			\$1,628	\$2,768
96130 Workmen's Compensation	\$7,895			\$43	\$1,261
96140 All Other Insurance				\$25,020	
96100 Total insurance Premiums	\$363,485	\$0	\$0	\$30,401	\$10,335
96200 Other General Expenses				\$25,000	\$101,056
96210 Compensated Absences	\$131,498				\$43,932
96300 Payments in Lieu of Taxes	\$365,752				
96400 Bad debt - Tenant Rents	\$137,672				
96600 Bad debt - Other					
96000 Total Other General Expenses	\$634,922	\$0	\$0	\$25,000	\$144,988
96900 Total Operating Expenses	\$10,371,165	\$55,802	\$261,616	\$309,347	\$997,147
97000 Excess of Operating Revenue over Operating Expenses	\$2,523,443	-\$55,802	\$0	\$221,971	\$8,239,043
97100 Extraordinary Maintenance	\$0				
97200 Casualty Losses - Non-capitalized	\$222,718				
97300 Housing Assistance Payments					\$7,761,309
97350 HAP Portability-In					\$180,093
97400 Depreciation Expense	\$2,813,037			\$93,117	\$7,602
97500 Fraud Losses					\$68
90000 Total Expenses	\$13,406,920	\$55,802	\$261,616	\$402,464	\$8,945,739
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$512,312	-\$55,802	\$0	\$128,854	\$289,971

Exhibit 3

14.870 Resident Opportunity and Supportive Services	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	14.HCC HCV CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	COCC	Subtotal	ELIM	Total
					\$406,490	\$1,005,119		\$1,005,119
					\$62,475	\$774,918		\$774,918
					\$50,530	\$4,807,885	-\$525,983	\$4,281,902
					\$136,395	\$365,279		\$365,279
\$0	\$0	\$0	\$0	\$0	\$655,890	\$6,953,201	-\$525,983	\$6,427,218
						\$74,488		\$74,488
						\$693		\$693
						\$6,500		\$6,500
\$0	\$0	\$0	\$0	\$0	\$0	\$81,681	\$0	\$81,681
					\$28,613	\$293,133		\$293,133
					\$12,561	\$118,043		\$118,043
					\$13,623	\$22,822		\$22,822
					\$18,771	\$43,791		\$43,791
\$0	\$0	\$0	\$0	\$0	\$73,568	\$477,789	\$0	\$477,789
						\$126,056		\$126,056
					\$239,188	\$414,618		\$414,618
						\$365,752		\$365,752
						\$137,672		\$137,672
					\$246,220	\$246,220		\$246,220
\$0	\$0	\$0	\$0	\$0	\$485,408	\$1,290,318	\$0	\$1,290,318
\$148,061	\$0	\$137,278	\$12,976	\$57,771	\$2,557,537	\$14,908,700	-\$2,276,812	\$12,631,888
\$0	\$0	\$0	\$0	\$0	\$92,966	\$11,021,621	\$0	\$11,021,621
						\$0		\$0
						\$222,718		\$222,718
						\$7,761,309		\$7,761,309
						\$180,093		\$180,093
					\$34,396	\$2,948,152		\$2,948,152
						\$68		\$68
\$148,061	\$0	\$137,278	\$12,976	\$57,771	\$2,591,933	\$26,020,560	-\$2,276,812	\$23,743,748
\$0	\$0	\$0	\$0	\$0	\$58,570	-\$90,719	\$0	-\$90,719

(Continued)

**Housing Authority of the City of Monroe**  
**Financial Data Schedule**  
**June 30, 2020**

	Project Total	14.IKE DHAP-IKE	14.895 Jobs- Plus Pilot Initiative	1 Business Activities	14.871 Housing Choice Vouchers
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$34,386,911	\$156,120	\$0	\$10,840,811	-\$32,567
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors					
11170 Administrative Fee Equity					\$100,686
11180 Housing Assistance Payments Equity					\$156,718
11190 Unit Months Available	18192				18720
11210 Number of Unit Months Leased	17950				18683
11270 Excess Cash	\$15,055,598				
11610 Land Purchases	\$0				
11620 Building Purchases	\$954,282				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$71,044				
11650 Leasehold Improvements Purchases	\$0				

**Exhibit 3**

14.870 Resident Opportunity and Supportive Services	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	14.HCC HCV CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	COCC	Subtotal	ELIM	Total
\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
\$0	\$81,051	\$0	\$0	\$0	\$1,304,025	\$46,736,351		\$46,736,351
						\$100,686		\$100,686
						\$156,718		\$156,718
						36912		36912
						36633		36633
						\$15,055,598		\$15,055,598
					\$0	\$0		\$0
					\$0	\$954,282		\$954,282
					\$0	\$0		\$0
					\$16,437	\$87,481		\$87,481
					\$0	\$0		\$0

(Concluded)

**HOUSING AUTHORITY OF THE CITY OF MONROE**

**ACTUAL CAPITAL FUND  
COST CERTIFICATE - CFP  
June 30, 2020**

**Exhibit 4**

1. The actual Capital Fund costs is as follows:

	<u>PROJECT</u> <u>LA-48 P006 501-17</u>
Funds Approved	\$ 2,370,471
Funds Expended	<u>2,370,471</u>
Excess of Funds Approved	<u><u>-</u></u>
Funds Advanced	2,370,471
Funds Expended	<u>2,370,471</u>
Excess of Funds Advanced	<u><u>\$ -</u></u>

2. The distribution of costs by project as shown on the final schedule of Capital Fund expenditures dated January 9, 2020, accompanying the actual Capital Fund cost certificate submitted to HUD for approval is in agreement with the PHA's records.

3. All Capital Fund costs have been paid and all related liabilities have been discharged through payment.

---

# STATISTICAL SECTION



**Housing Authority of the City of Monroe  
Statistical Section  
Contents**

	<b>Table Number</b>	<b>Page Number</b>
<b>Financial Trends</b>		
These schedules contain trend information to help the reader understand how the Housing Authority's financial performance and well being has changed over time.		
Net Position by Component	1	62
Changes in Net Position	2	63
<b>Revenue Capacity</b>		
This schedule contains information to help the reader assess the Housing Authority's most significant revenue source.		
General Fund Revenues by Source	3	64
<b>Demographic and Economic Information</b>		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Housing Authority's financial activities take place.		
Tenant Demographics	4	65
Demographic and Economic Statistics	5	66
Principal Employers	6	67
<b>Operating Information</b>		
These schedules contain service and infrastructure data to help the reader understand how the information in the Housing Authority's financial report relates to the services the Housing Authority provides and the activities it performs.		
Property Characteristics and Dwelling Unit Composition	7	68
Government Employees	8	69

Table 1

## HOUSING AUTHORITY OF THE CITY OF MONROE

**Net Position by Component**  
**Fiscal Years Ended June 30, 2011 through June 30, 2020**  
**(Accrual Basis of Accounting)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net Investment in capital assets	\$ 33,885,659	\$ 36,731,313	\$ 35,644,380	\$ 35,463,463	\$ 34,469,168	\$ 31,363,390	\$ 27,990,631	\$ 24,445,087	\$ 21,296,068	\$ 19,404,617
Restricted	607,284	356,954	407,318	18,807	154,626	189,160	-	32,506	-	156,718
Unrestricted	<u>14,312,114</u>	<u>13,350,060</u>	<u>15,376,586</u>	<u>16,211,688</u>	<u>18,032,211</u>	<u>18,927,674</u>	<u>20,028,458</u>	<u>23,272,156</u>	<u>25,440,283</u>	<u>27,084,297</u>
Total net position	<u>\$ 48,805,057</u>	<u>\$ 50,438,327</u>	<u>\$ 51,428,284</u>	<u>\$ 51,693,958</u>	<u>\$ 52,656,005</u>	<u>\$ 50,480,224</u>	<u>\$ 48,019,089</u>	<u>\$ 47,749,749</u>	<u>\$ 46,736,351</u>	<u>\$ 46,645,632</u>

Table 2

## HOUSING AUTHORITY OF THE CITY OF MONROE

**Changes in Net Position**  
**Fiscal Years Ended June 30, 2011 through June 30, 2020**  
**(Accrual Basis of Accounting)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Operating Revenues</b>										
Dwelling rental	\$ 3,349,432	\$ 3,395,763	\$ 3,598,384	\$ 3,964,000	\$ 4,100,781	\$ 4,379,807	\$ 4,488,026	\$ 4,339,245	\$ 4,262,243	\$ 4,029,075
Other	1,228,055	1,458,192	1,635,189	1,565,857	1,468,057	1,555,778	1,645,904	2,283,420	1,793,060	1,561,893
Federal grants	12,685,295	12,281,784	11,902,646	11,823,604	12,907,171	14,252,814	13,869,425	14,047,767	17,057,332	16,750,478
Total operating revenues	<u>17,262,782</u>	<u>17,135,739</u>	<u>17,136,219</u>	<u>17,353,461</u>	<u>18,476,009</u>	<u>20,191,399</u>	<u>20,003,355</u>	<u>20,670,432</u>	<u>23,112,635</u>	<u>22,341,446</u>
<b>Operating Expenses</b>										
Administration	3,248,924	2,919,618	3,048,675	3,138,980	3,197,155	3,280,757	3,297,853	3,352,856	3,386,971	3,315,236
Tenant services	66,246	111,297	63,897	117,279	172,699	104,674	157,778	76,852	237,654	613,081
Utilities	393,963	352,448	359,075	409,961	369,884	378,956	445,305	400,631	409,800	426,565
Ordinary maintenance & operations	2,852,076	3,216,455	3,195,123	3,270,470	3,007,479	7,232,949	6,417,456	4,428,833	8,078,301	6,649,936
Protective services	143,627	164,820	166,129	158,283	111,922	87,420	77,286	78,996	81,215	81,681
General expenses	1,306,456	1,259,721	1,129,036	1,307,706	1,200,209	1,400,380	1,512,129	1,605,396	1,606,854	1,768,175
Housing assistance payments	6,633,258	7,079,337	7,015,090	6,749,646	6,988,936	6,674,689	7,092,256	7,473,548	7,454,201	7,941,402
Depreciation	3,393,658	3,590,084	3,667,184	3,721,468	3,676,837	3,653,570	3,540,824	3,639,900	3,297,220	2,948,152
Total operating expenses	<u>18,038,208</u>	<u>18,693,780</u>	<u>18,644,209</u>	<u>18,873,793</u>	<u>18,725,121</u>	<u>22,813,395</u>	<u>22,540,887</u>	<u>21,057,012</u>	<u>24,552,216</u>	<u>23,744,228</u>
<b>Income (Loss) from Operations</b>	<u>(775,426)</u>	<u>(1,558,041)</u>	<u>(1,507,990)</u>	<u>(1,520,332)</u>	<u>(249,112)</u>	<u>(2,621,996)</u>	<u>(2,537,532)</u>	<u>(386,580)</u>	<u>(1,439,581)</u>	<u>(1,402,782)</u>
<b>Nonoperating Revenues (Expenses)</b>										
Investment earnings and gains/losses	77,766	50,493	52,697	43,311	28,936	30,025	31,226	109,589	353,980	421,175
Gain (loss) disposal of capital assets	-	8,965	-	10,590	(230,021)	(59,089)	12,174	7,651	22,870	-
Total nonoperating revenues (expenses)	<u>77,766</u>	<u>59,458</u>	<u>52,697</u>	<u>53,901</u>	<u>(201,085)</u>	<u>(29,064)</u>	<u>43,400</u>	<u>117,240</u>	<u>376,850</u>	<u>421,175</u>
<b>Net Income (Loss) before Contributions</b>	<u>(697,660)</u>	<u>(1,498,583)</u>	<u>(1,455,293)</u>	<u>(1,466,431)</u>	<u>(450,197)</u>	<u>(2,651,060)</u>	<u>(2,494,132)</u>	<u>(269,340)</u>	<u>(1,062,731)</u>	<u>(981,607)</u>
Capital Contributions	<u>5,116,893</u>	<u>3,234,170</u>	<u>2,445,250</u>	<u>1,732,105</u>	<u>1,412,244</u>	<u>475,279</u>	<u>33,000</u>	<u>-</u>	<u>49,333</u>	<u>890,888</u>
<b>Change in Net Position</b>	<u>\$ 4,419,233</u>	<u>\$ 1,735,587</u>	<u>\$ 989,957</u>	<u>\$ 265,674</u>	<u>\$ 962,047</u>	<u>\$ (2,175,781)</u>	<u>\$ (2,461,132)</u>	<u>\$ (269,340)</u>	<u>\$ (1,013,398)</u>	<u>\$ (90,719)</u>

Table 3

## HOUSING AUTHORITY OF THE CITY OF MONROE

**General Fund Revenues by Source**  
**Fiscal Years Ended June 30, 2011 Through 2020**

Fiscal Year	Dwelling rentals		Federal sources (2)		Interest earnings		Other (1)		Total	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
2011	\$ 3,349,432	35.83%	\$ 5,118,704	54.76%	\$ 74,977	0.80%	\$ 805,128	8.61%	\$ 9,348,241	100%
2012	3,395,763	37.48%	4,613,406	50.92%	43,388	0.48%	1,007,068	11.12%	9,059,625	100%
2013	3,598,384	41.17%	4,143,185	47.41%	32,887	0.38%	965,163	11.04%	8,739,619	100%
2014	3,964,000	40.38%	4,820,440	49.10%	22,070	0.22%	1,010,272	10.29%	9,816,782	100%
2015	4,100,781	40.92%	4,986,086	49.75%	7,714	0.08%	928,058	9.26%	10,022,639	100%
2016	4,379,807	36.38%	6,726,774	55.87%	7,481	0.06%	926,220	7.69%	12,040,282	100%
2017	4,488,026	38.39%	6,191,333	52.97%	8,257	0.07%	1,002,097	8.57%	11,689,713	100%
2018	4,339,245	37.04%	5,717,414	48.81%	30,174	0.26%	1,627,033	13.89%	11,713,866	100%
2019	4,262,243	29.14%	8,910,436	60.92%	228,990	1.57%	1,223,670	8.37%	14,625,339	100%
2020	4,029,075	31.04%	7,750,435	59.70%	311,971	2.40%	890,656	6.86%	12,982,137	100%

Source: Comprehensive Annual Financial Reports of the Housing Authority of the City of Monroe.

(1) The other amount column includes maintenance charges, late charges, other miscellaneous revenue and gain on sale of capital assets.

(2) The federal sources do not include capital contributions.

Table 4

## HOUSING AUTHORITY OF THE CITY OF MONROE

**Tenant Demographics:  
Occupancy Ratios by Program  
Fiscal Years Ended June 30, 2011 Through June 30, 2020**

Fiscal Year	General Fund			Section 8 Program			Total		
	Number of Units	Average occupied units	Occupied ratio	Number of units	Average occupied units	Occupied ratio	Number of Units	Average occupied units	Occupied ratio
2011	1,522	1,454	95.53%	1,545	1,497	96.89%	3,067	2,951	96.22%
2012	1,522	1,455	95.62%	1,546	1,530	98.95%	3,068	2,985	97.30%
2013	1,522	1,486	97.63%	1,547	1,514	97.87%	3,069	3,000	97.75%
2014	1,518	1,502	98.95%	1,548	1,487	96.06%	3,066	2,989	97.49%
2015	1,518	1,497	98.62%	1,548	1,534	99.10%	3,066	3,031	98.86%
2016	1,499	1,480	98.73%	1,558	1,514	97.18%	3,057	2,994	97.94%
2017	1,462	1,429	97.74%	1,561	1,547	99.10%	3,023	2,976	98.45%
2018	1,514	1,492	98.55%	1,560	1,570	100.64%	3,074	3,062	99.61%
2019	1,511	1,491	98.68%	1,558	1,529	98.14%	3,069	3,020	98.40%
2020	1,516	1,496	98.68%	1,560	1,557	99.81%	3,076	3,053	99.25%

(1) General Fund total number of units reduced in 2016 due to significant flooding in March 2016 and units were temporarily off line while repair were made.

**Table 5**

**HOUSING AUTHORITY OF THE CITY OF MONROE  
Monroe, Louisiana**

**Demographic and Economic Statistics  
Last Ten Fiscal Years**

<u>Fiscal Year Ended June 30</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2011	48,815	\$ 6,098,000	\$ 33,930	10.5
2012	49,183	5,999,437	33,942	8.1
2013	49,156	6,012,791	33,846	7.5
2014	49,761	6,308,115	35,482	6.8
2015	49,601	6,480,620	36,293	6.6
2016	49,598	6,515,194	36,425	6.6
2017	49,367	6,490,904	36,214	6.1
2018	49,361	6,804,474	37,914	5.3
2019	47,877	7,021,300	39,347	5.9
2020	47,294	8,375,896	41,825	6.7

- 1 Population & unemployment data obtained from U. S. Census Bureau 2019
- 2 Income information obtained from Bureau of Economic Analysis for 2019

**Table 6**

**HOUSING AUTHORITY OF THE CITY OF MONROE  
Monroe, Louisiana**

**Principal Employers**

	2020			2011		
	Rank	Number of Employees	% of Total Employment	Rank	Number of Employees	% of Total Employment
Ouachita Parish School Board	1	2,989	4.48%	1	3,035	4.74%
Century Link	2	2,360	3.54%	4	1,500	2.34%
St. Francis Medical Center	3	1,584	2.37%	2	2,500	3.90%
Monroe City School District	4	1,348	2.02%	5	1,400	2.19%
JP Morgan Chase Bank	5	1,291	1.93%	3	1,200	1.87%
City Monroe	6	1,195	1.79%	10	650	1.02%
IASIS Healthcare Corporation (Glenwood Hospital)	7	1,156	1.73%	9	900	1.41%
Walmart Stores	8	912	1.37%			
ULM	9	905	1.36%	7	1,118	1.75%
Graphic Packaging	10	840	1.26%	6	1,200	1.87%
Foster Farms				8	1,100	1.72%

Source:

- North Louisiana Economic Partnership
- City of Monroe
- Ouachita Parish School Board
- Monroe Chamber of Commerce
- University of Louisiana
- Monroe City School District
- US Dept. of Labor

Table 7

**HOUSING AUTHORITY OF THE CITY OF MONROE**  
Monroe, Louisiana

**Property Characteristics and Dwelling Unit Composition**

June 30, 2020

Project Number	Name of Development	Address	Year built or acquired	Bedroom Composition						
				Zero	One	Two	Three	Four	Five	Total
LA006-001	Lock - Breece	306 Winnsboro Road	31-Oct-51		26	66	43	15	0	150
LA006-002	Johnson-Carver Terrace	Texas Ave. (31 Carroll Dr.)	31-Mar-52		38	87	66	29	3	223
LA006-005	Foster Heights	Swayze and Louberta Sts.	30-Sep-54		8	89	77	6	2	182
LA006-006	Burg Jones Lane	2601 Burg Jones Lane	30-Jun-73		10	80	122	71	18	301
LA006-009	Robinson Place	1207 Milliken Drive	30-Sep-73		0	28	78	68	37	211
LA006-010	Miller Square	4200 Matthew Street	30-Apr-73		0	0	74	111	7	192
LA006-011	Frances Tower	300 Harrison Street	31-Aug-78		129	0	0	0	0	129
LA006-013	McKeen Plaza I	1500 McKeen Place	31-Jan-80		100	0	0	0	0	100
LA006-014	Group Homes (scattered sites)	Scattered Sites	31-Aug-84		0	0	0	0	30	30
	Total Units				311	350	460	300	97	1,518
<b><u>Managed Units</u></b>										
064-EH150	Ouachita Grand Plaza, Inc. (Mgr. Apt.)	501 South Grand	15-Jun-89	21	70	0	0	0	0	91
064-EE037	Passman Plaza, Inc. (Mgr. Apt.)	230 DeSiard Plaza Dr., #101-141	1-Nov-96		40	1	0	0	0	41
064-EE050	Passman Plaza II, Inc.	230 DeSiard Plaza Dr.	1-Nov-98		39	0	0	0	0	39
Tax Credit Dev	Passman Plaza III, Inc.	235 Lake Passman Dr.	1-Mar-08		0	60	0	0	0	60
Tax Credit Dev	Claiborne Creek Apartments, LP	200 Claiborne Dr., West Monroe	1-Oct-97		60	12	0	0	0	72
Tax Credit Dev	Claiborne Creek II, LP	200 Claiborne Dr., West Monroe	1-Oct-99		50	10	0	0	0	60
Tax Credit Dev	Chauvin Pointe I	325 Chauvin Pointe Drive, Monroe	1-Nov-01		24	50	0	0	0	74
Tax Credit Dev	Chauvin Pointe II	325 Chauvin Pointe Drive, Monroe	1-Apr-04		2	63	0	0	0	65
064-EE100	South Pointe I (Mgr. Apt.)	100 South Pointe Drive, Monroe	1-May-02		37	0	0	0	0	37
064-EE137	South Pointe II	100 South Pointe Drive, Monroe	1-Jun-04		44	0	0	0	0	44
N/A	South Pointe III	100 South Pointe Drive, Monroe	1-Mar-10		36	0	0	0	0	36
N/A	South Pointe IV	100 South Pointe Drive, Monroe	1-Jun-10		0	4	2	0	0	6
N/A	Alabama Place	3202 Alabama, Monroe	1-Dec-12		0	1	15	0	0	16
N/A	Franciscan Apts.	109 South 4th Street, Monroe	7-Dec-14		8	0	0	0	0	8
N/A	Robinson Place II	Scattered Sites	1-May-19		0	0	50	0	0	50
	Total Managed Units			21	410	201	67	0	0	699

Source: Records of the Housing Authority of the City of Monroe.

**Table 8**

**HOUSING AUTHORITY OF THE CITY OF MONROE  
Monroe, Louisiana**

**Government Employees  
For Calendar Years 2010 and 2011**

	2010			2011		
	Full Time	Part Time	Total	Full Time	Part Time	Total
Administrative	39	11	50	36	12	48
Capital Fund	0	0	0	0	0	0
Maintenance	29	6	35	26	8	34
Security Attendants	0	12	12	0	15	15
Trash Pick-Up	0	4	4	0	4	4
Students	0	6	6	0	18	18
	68	39	107	62	57	119

Source: Records of the Housing Authority of the City of Monroe.

**Housing Authority of the City  
of Monroe  
Monroe, Louisiana**

**Single Audit Report  
For the Year Ended June 30, 2020**

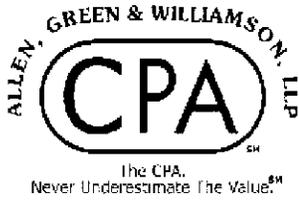


**Housing Authority of the City of Monroe  
Table of Contents**

	<u>Page</u>
<b>OTHER REPORTS REQUIRED BY <u>GOVERNMENT AUDITING STANDARDS</u> AND BY OFFICE OF MANAGEMENT AND BUDGET THE UNIFORM GUIDANCE</b>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>	5-6
Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	7-9
Schedule of Expenditures of Federal Awards	10
Notes to the Schedule of Expenditures of Federal Awards	11
Schedule of Findings and Questioned Costs	12
<b>OTHER INFORMATION</b>	13
Summary Status of Prior Year Audit Findings and Questioned Costs	14-15
Management Letter	16-17
Status of Prior Year Management Letter Items	18-19

**Housing Authority of the City of Monroe**

This page intentionally left blank.



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA  
Amy Tynes, CPA, CFE  
Aimee Buchanan, CPA  
Principal: Cindy Thomason, CPA

Jennie Henry, CPA, CFE  
Crystal Patterson, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

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

### Independent Auditor's Report

Board Members  
Housing Authority of the City of Monroe  
Monroe, 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 each major fund of the Housing Authority of the City of Monroe as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated December 31, 2020

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing 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 Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing 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 Housing 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

## Purpose of this Report

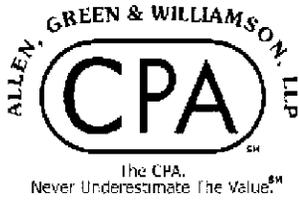
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

December 31, 2020



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075  
Monroe, LA 71211-6075

2441 Tower Drive  
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA  
Amy Tynes, CPA, CFE  
Aimee Buchanan, CPA  
Principal: Cindy Thomason, CPA

Jennie Henry, CPA, CFE  
Crystal Patterson, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

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

### **Independent Auditor's Report**

Board Members  
Housing Authority of the City of Monroe  
Monroe, Louisiana

#### **Report on Compliance for Each Major Federal Program**

We have audited the Housing Authority of the City of Monroe's 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 Housing Authority's major federal programs for the year ended June 30, 2020. The Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Housing 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 Housing 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 Housing Authority's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the Housing 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 June 30, 2020.

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

Management of the Housing 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 Housing 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 Housing Authority's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

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

We have audited the financial statements of each major fund of the Housing Authority, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements. We issued our report thereon dated December 31, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial

statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

December 31, 2020

**Housing Authority of the City of Monroe  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2020**

FEDERAL GRANTOR/ <u>PASS-THROUGH GRANTOR/PROGRAM NAME</u>	CFDA <u>Number</u>	Pass-Through/ <u>Grantor No.</u>	<u>Expenditures</u>
<b>CASH FEDERAL AWARDS</b>			
United States Department of Housing and Urban Development			
Direct Programs:			
Public and Indian Housing	14.850	LA 006-00000118D	\$ 9,900
Public and Indian Housing	14.850	LA 006-00000119D	2,291,286
Public and Indian Housing	14.850	LA 006-00000120D	2,532,348
Public and Indian Housing - CARES	14.PHC	LA 006-00000120DC	<u>137,278</u>
Public and Indian Housing Total			\$ 4,970,812
Section 8 Housing Choice Voucher Program	14.871	LA006VO, LA006AF	8,987,067
Section 8 Housing Choice Voucher Program - CARES	14.HCC	LA006AF	<u>12,976</u>
Section 8 Housing Choice Voucher Cluster Total			9,000,043
Resident Opportunity and Supportive Services	14.870	LA006RPS042A015	31,372
Resident Opportunity and Supportive Services	14.870	ROSS191308	<u>116,689</u>
Resident Opportunity and Supportive Services Total			148,061
Jobs-Plus Pilot Initiative	14.895	LA006FJP000717	261,616
Public Housing Capital Fund Program	14.872	LA48P006501-18	1,612,603
Public Housing Capital Fund Program	14.872	LA48P006501-19	<u>1,648,231</u>
Public Housing Capital Fund Program Total			<u>3,260,834</u>
Total Cash Federal Awards			<u>\$ 17,641,366</u>

The accompanying notes are an integral part of this schedule.

**Housing Authority of the City of Monroe**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2020**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the City of Monroe, Monroe, Louisiana. The Housing Authority of the City of Monroe's (the Housing Authority) reporting entity is defined in Note 1 to the Housing Authority's basic financial statements of the Comprehensive Annual Financial Report. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the Schedule.

Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Housing Authority.

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority's basic financial statements of the Comprehensive Annual Financial Report. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

<u>Federal Sources</u>	<u>Amount</u>
Federal grants	\$ 16,750,478
Capital contributions	890,888
Total	<u>\$ 17,641,366</u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**NOTE 5 - MAJOR FEDERAL AWARDS PROGRAMS** The dollar threshold of \$750,000 was used to distinguish between Type A and Type B federal programs. For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures. Federal awards do not include the Housing Authority's operating income from rents or investments (or other non-federal sources). In addition, the entire amount of operating subsidy received during the fiscal year is considered to be "expended" during the fiscal year.

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

**Housing Authority of the City of Monroe  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2020**

**PART I - Summary of the Auditor's Results**

**Financial Statement Audit**

- i. The type of audit report issued was unmodified.
- ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There no instances of noncompliance as defined by the Government Auditing Standards, to the financial statement.

**Audit of Federal Awards**

- iv. There were no significant deficiencies required to be disclosed by the Uniform Guidance (2 CFR 200).
- v. The type of report the auditor issued on compliance for major programs was unmodified.
- vi. The audit disclosed no audit findings which the auditor is required to report under the Uniform Guidance.
- vii. The major federal program is:
  - CFDA# 14.872            Capital Fund Program
  - CFDA# 14.871            Housing Choice Vouchers Program Cluster
  - CFDA# 14.895            Jobs Plus Pilot Initiative
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in the Uniform Guidance (2 CFR 200) was \$750,000.
- ix. The auditee does qualify as a low-risk auditee under the Uniform Guidance (2 CFR 200).

**Housing Authority of the City of Monroe**

**OTHER INFORMATION**



Monroe Housing Authority • 300 Harrison Street • Monroe, LA 71201 • 318-388-1500 • TDD/TYY 1-800-545-1833 ext. 872  
 William Smart, Executive Director • Hal Hinchliffe, Chairman • Rick Miller, Vice Chairman • Joe Farr • Patricia Gix • Beverly Lewis

**Summary Status of Prior Year Audit Findings and Questioned Costs  
 For the Year Ended June 30, 2020**

**Reference # and title:**        **2019-001**        **Public Meetings**

**Entity-wide or program/department specific:** This finding is considered entity-wide.

**Condition:** In accordance with Louisiana Revised Statute 42:19, the public agency should provide written public notice of any regular, special, or rescheduled meetings no later than twenty-four hours before the meeting. This public notice is to be posted at the principal office of the agency as well as on the agency’s website. Additionally, Revised Statute 42:20 states that all minutes from the public meeting are to be written and if the agency has a website, then the agency should post the minutes of the meetings on the website.

When testing the public meetings of the Housing Authority, it was noted that the Housing Authority did not post the written notice of the meetings at the principal office. Additionally, during the testing, it was noted that the Housing Authority’s website was not fully functioning throughout the majority of the fiscal year. Therefore, the public notice of the meeting nor the board minutes were not made available.

**Corrective action taken:** New administration has been made aware of the Louisiana Revised Statutes. In addition, our website has been totally rebuilt and is fully functional. This finding is considered cleared.

**Reference # and title:**        **2019-002**        **Controls over Davis Bacon Act Monitoring**

<b><u>Federal program and specific federal award identification:</u></b>	<b><u>CFDA Number</u></b>	<b><u>Award Year</u></b>
FEDERAL GRANTER/ PASS THROUGH GRANTOR/PROGRAM NAME United States Department of Housing and Urban Development Capital Fund Program	14.872	2017 and 2018

**Condition:** In accordance with the Davis Bacon Act at 29 CFR part 5, for construction contracts in excess of \$2,000, the Housing Authority is required to perform reviews of contractors and subcontractors wages paid to construction workers to ensure amounts being paid are in accordance with the prevailing wage rates for the related work performed. This review includes obtaining weekly payroll reports and performing interviews of contractors’ and subcontractors’ employees in such frequency as necessary to assure compliance with the Davis Bacon Act.

When testing the controls over the Davis Bacon Act requirements, it was noted that, although the Housing Authority was receiving and reviewing the weekly payroll reports, the Housing Authority had not adequately performed interviews of contractors’ and subcontractors’ employees. The Housing Authority had two construction projects going at one time that included multiple subcontractors. The Housing Authority was only able to provide interviews for one on the projects that were performed during the fiscal year.

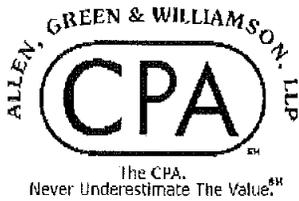
**Summary Status of Prior Year Audit Findings and Questioned Costs (Continued):**

**Corrective action taken:** Our architects have been made advised to be more diligent concerning interviews of contractors and subcontractors. This finding is considered to be cleared.

Respectfully submitted,



Janet Sanderford  
Administrative Director



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive  
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA  
Amy Tynes, CPA, CFE  
Aimee Buchanan, CPA  
Principal: Cindy Thomason, CPA

Jennie Henry, CPA, CFE  
Crystal Patterson, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## Management Letter

Board Members  
Housing Authority of the City of Monroe  
Monroe, Louisiana

In planning and performing our audit of the financial statements of each major fund of the Housing Authority of the City of Monroe as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements, we considered the Housing Authority's internal control over financial reporting (internal control) to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted certain matters involving internal control that are presented for your consideration. This letter does not affect our report dated December 31, 2020, on the financial statements of the Housing Authority. We will review the status of these comments during our next audit engagement. Our comments and recommendations, which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendations. Our comments and management's responses are summarized as follows:

### 2020-M1                      Review of Accounting Details

**Comment:** Best practices require all accounts are periodically reviewed to ensure accounting records contain accurate and complete information. Additionally, account receivables should be reviewed monthly to identify receivables not received in a timely manner and to adjust allowances for doubtful accounts as necessary. Furthermore, expenses should be reviewed to ensure claims for reimbursements are submitted in a timely manner.

In reviewing and performing testing of general ledger accounts, it was noted that the Housing Authority had corrected accounts related to accrued interest after the trial balance was provided to the auditors. It was also noted that the Housing Authority is not periodically reviewing accounts receivables to determine if outside agencies are reimbursing the general fund's Central Office Cost Center in a timely manner or evaluating if allowances for bad debt should be established. It was further noted that for some of the smaller grants, the Housing Authority was not requesting reimbursement from HUD in a timely manner.

**Recommendation:** The Housing Authority should establish procedures to periodically perform reviews and establish procedures to ensure reimbursements are submitted time and accounts are updated and completed before providing to the auditor.

**Management's response:** In the past, interest relating to the certificates of deposit were posted as the cd's matured. Going forward, we will obtain from the various financial institutions the amounts of interest that have accrued as of the end of the fiscal year. We have noticed that the amounts receivables from various properties have grown over the past few years. We have initiated steps that will allow these properties to reimburse the expenses for which the Central Office Cost Center has paid on their behalf. We will implement measures that will assist in timely requests for reimbursement from the various grants that we administer.

\*\*\*\*\*

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of each major fund of the Housing Authority, as of and for the year ended June 30, 2020, which collectively comprise the Housing Authority's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Also included are management's responses to our current year management letter items. We have performed no audit work to verify the content of the responses.

Included immediately following this letter is a Status of Prior Management Letter Items. This information has not been audited by Allen, Green & Williamson, LLP, and no opinion is expressed. However, we did follow-up on the prior management letter item and performed procedures to assess the reasonableness of the Status of Prior Management Letter Items prepared by Management, and we would report, as a current-year management letter item when Allen, Green & Williamson, LLP, concludes that the Status of Prior Management Letter Items misrepresents the status of any prior management letter item.

This report is intended solely for the information and use of the Board of Commissioners, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this letter may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*Allen, Green & Williamson, LLP*  
ALLEN, GREEN & WILLIAMSON, LLP  
Monroe, Louisiana  
December 31, 2020

**Housing Authority of the City of Monroe  
Status of Prior Year Management Letter Items  
For the Year Ended June 30, 2020**

**2019-M1**                      **Adjustments to Tenant Accounts**

**Comment:** Best practices require all adjustments to tenant accounts follow the Housing Authority’s policy and procedures and be properly reviewed and approved by someone other than the individual that posted the error. During the testing of account adjustments, it was noted that managers have access to post adjustments to tenant accounts. When testing a sample of twenty-five adjustments, it was noted that two adjustments were made by without obtaining the required approval.

**Recommendation:** The Housing Authority should establish quality control procedures to ensure managers are following the Housing Authority’s policies regarding adjustments to tenant accounts.

**Management’s response:** We are following closely any adjustments made and making sure that managers understand that they are not to make any adjustments to tenants’ accounts. Any adjustments made without approval will have a written explanation with it explaining why such action was taken. This item is considered cleared.

**2019-M2**                      **Policies and Procedures**

**Comment:** Good internal controls and best practices require the Housing Authority to have well documented policies and procedures relating to standard operating procedures and financial procedures. These policies and procedures should be reviewed periodically for necessary changes. Furthermore, the Uniform Guidance requires additional policies and procedures related to federal funds such as time-minimizing elapsing for cash management and allowable costs principles. When reviewing the policies and procedures of the Housing Authority, it was noted that several of the policies have not been updated for several years. Additionally, some of the policies do not include procedural activities such as credit card purchases, ethics certification, receipts and etc.

**Recommendation:** The Housing Authority’s written policies and procedures should be reviewed and revised accordingly to include best practices of the Uniform Guidance. Additionally procedures should be established to ensure annual reviews are completed of the Housing Authority’s written policies and procedures for necessary updates. Policies should be in a central location in order to be easily accessible.

**Management’s response:** The new administration has updated new policies and procedures in fiscal year 2020. This item is considered cleared.

**2019-M3**                      **Inspection of Capital Assets**

**Comment** Good controls require physical inspections to be completed to assure capital assets are accounted for. It was noted that the Housing Authority does a good job keeping up with larger equipment items; however, the Housing Authority was unable to provide documentation of physical inspections of capital assets of lower amounts that are reflected on the depreciation schedule.

**Housing Authority of the City of Monroe  
Status of Prior Year Management Letter Items  
For the Year Ended June 30, 2020**

**Recommendation:** The Housing Authority should establish procedures to ensure physical inventory is taken on capital assets either on an annual or biannual basis.

**Management's response:** The new administration has updated new policies and procedures in fiscal year 2020. This item is considered cleared.