

HOUSING AUTHORITY OF THE CITY OF  
BOGALUSA, LOUISIANA

REPORT ON AUDIT  
OF  
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED SEPTEMBER 30, 2025

HOUSING AUTHORITY OF THE CITY OF  
BOGALUSA, LOUISIANA

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Reports	1 - 7
Management's Discussion and Analysis (MD&A)	8 - 16
FINANCIAL STATEMENTS:	
Statement of Net Position	17 - 18
Statement of Revenues, Expenses and Changes in Net Position	19
Statement of Cash Flows	20 - 21
Notes to Financial Statements	22 - 42
SUPPLEMENTARY INFORMATION:	
Schedule of Expenditures of Federal Awards	43
Financial Data Schedule	44 - 50
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	51 - 53
OTHER SUPPLEMENTARY INFORMATION:	
Schedule of Compensation, Benefits and Other Payments to the Executive Director	54
<u>LOUISIANA LEGISLATIVE AUDITOR'S STATEWIDE AGREED-UPON PROCEDURES:</u>	
Report on Agreed-Upon Procedures (Louisiana Legislative Auditor's Office)	55 - 56
Addendum A – Description of Statewide Agreed-Upon Procedures	57



## INDEPENDENT AUDITORS' REPORT

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

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of the Housing Authority of the City of Bogalusa (the Authority) as of and for the years ended September 30, 2025 and December 31, 2024, respectively, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the Authority as of September 30, 2025 and December 31, 2024, respectively, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Pine Trace Homes RAD I, LP; Pine Trace Homes RAD II, LP; and Cypress Pointe RAD, LP, discretely presented component units of the Authority which represent 100% of the assets and deferred outflows of resources, net position and revenues of the aggregate discretely presented component units. Those statements were audited by another auditor whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditor.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Cypress Pointe RAD, LP, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

#### Prior Period Adjustment of the Discretely Presented Component Units (Emphasis-of-Matter)

As described in Note U to the financial statements, the Authority has restated beginning balances of its discretely presented component units applicable to its fair value of interest rate swap asset. Beginning other assets and net position balances have been restated. Our opinion is not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 8 through 16 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

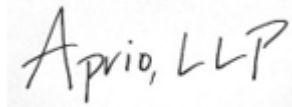
because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and the Financial Data Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, the accompanying Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented for the Office of the Louisiana Legislative Auditor's information and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards; Financial Data Schedule; and the Schedule of Compensation, Benefits and Other Payments to the Executive Director are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2026, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Aprio, LLP". The signature is written in a cursive, slightly slanted style.

Birmingham, Alabama  
March 4, 2026



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Bogalusa (the Authority), as of and for the years ended September 30, 2025 and December 31, 2024, respectively, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 4, 2026. Our report includes a reference to another auditor who audited the financial statements of Pine Trace Homes RAD I, LP; Pine Trace Homes RAD II, LP; and Cypress Pointe RAD, LP, discretely presented component units of the Authority, as described in our report on the Authority's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by the other auditor with respect to Pine Trace Homes RAD I, LP and Pine Trace Homes RAD II, LP. The financial statements of Cypress Pointe RAD, LP were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Cypress Pointe RAD, LP or that are reported on separately by that auditor who audited the financial statements of Cypress Pointe RAD, LP.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a *material weakness*, yet important enough to merit attention by those charged with governance.

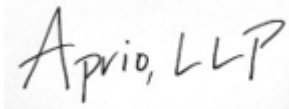
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be *material weaknesses* or *significant deficiencies*. Given these limitations, during our audit we did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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

A handwritten signature in blue ink that reads "Aprio, LLP". The signature is written in a cursive, slightly slanted style.

Birmingham, Alabama  
March 4, 2026



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

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

### Report on Compliance for Each Major Federal Program

#### Opinion on Each Major Program

We have audited the Housing Authority of the City of Bogalusa, Louisiana's (the Authority's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal programs for the year ended September 30, 2025. The Authority's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended September 30, 2025.

#### Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal programs. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

#### Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major federal programs as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

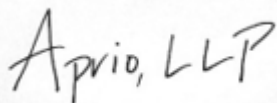
#### **Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a *material weakness* in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be *material weaknesses* or *significant deficiencies* in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, *material weaknesses* or *significant deficiencies* in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Birmingham, Alabama  
March 4, 2026

**HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements. This MD&A covers only the Authority's Enterprise Fund and does not analyze the financial position or current year's activity of the Discretely Presented Component Units. Separate audit reports have been issued on the financial statements of the Discretely Presented Component Units. The audited financial statements of the Discretely Presented Component Units have been included in the financial statements of the Authority.

***Financial Highlights***

- Revenues decreased \$.1 million during 2025, and were \$3.8 million and \$3.7 million for 2024 and 2025, respectively.
- Expenses remained stable during 2025 at \$3.7 million.

*USING THIS ANNUAL REPORT*

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

***MD&A***

*~ MANAGEMENT DISCUSSION  
AND ANALYSIS ~*

***BASIC FINANCIAL STATEMENTS***

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

***OTHER REQUIRED SUPPLEMENTARY INFORMATION***

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

## Authority-Wide Financial Statements

### **Statement of Net Position**

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

The focus of the Statement of Net Position (the “Unrestricted Net Position”) is designed to represent the net available liquid (non-capital) assets and deferred outflows of resources, net of liabilities and deferred inflows of resources, for the entire Authority. Net Position (formerly net assets) is reported in three broad categories:

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

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

Unrestricted Net Position: Consists of Net Position that does not meet the definition of “Net Investment in Capital Assets,” or “Restricted Net Position.”

### **Statement of Revenues, Expenses, and Changes in Net Position**

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

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

### **Statement of Cash Flows**

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

## **THE AUTHORITY'S PROGRAMS**

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

Other Programs – In addition to the significant programs above, the Authority also maintains the following programs:

- Magic City Housing and Development Corporation, a Blended Component Unit
- Emergency Housing Voucher Program

## AUTHORITY-WIDE STATEMENTS

### Condensed Statement of Net Position

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

**TABLE 1**  
**CONDENSED STATEMENT OF NET POSITION**

	<b>2025</b>	<b>2024</b>	<b>Variance</b>
Assets and Deferred Outflows of Resources:			
Current and Restricted Assets	\$ 2,304,075	\$ 2,266,814	\$ 37,261
Capital Assets	213,725	243,290	(29,565)
Notes Receivable	10,619,000	10,619,000	-
Deferred Outflows of Resources	-	-	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 13,136,800</b>	<b>\$ 13,129,104</b>	<b>\$ 7,696</b>
Liabilities and Deferred Inflows of Resources:			
Current Liabilities	\$ 28,970	\$ 28,977	\$ (7)
Non-Current Liabilities	29,534	30,599	(1,065)
Deferred Inflows of Resources	421,276	427,423	(6,147)
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 479,780</b>	<b>\$ 486,999</b>	<b>\$ (7,219)</b>
Net Position:			
Net Investment in Capital Assets	\$ 213,725	\$ 243,290	\$ (29,565)
Restricted Net Position	51,562	89,012	(37,450)
Unrestricted Net Position	12,391,733	12,309,803	81,930
<b>Total Net Position</b>	<b>\$ 12,657,020</b>	<b>\$ 12,642,105</b>	<b>\$ 14,915</b>

### Major Factors Affecting the Condensed Statement of Net Position

During 2025, current and restricted assets increased due primarily to an increase of cash from operating activities. See the Statement of Cash Flows for additional details on cash inflows and outflows. Capital assets decreased due to asset depreciation. See Tables 4 and 5 of this Analysis for additional information about capital assets.

Restricted net position decreased due to a reduction of cash restricted for housing assistance payments.

Table 2 presents details on the change in Unrestricted Net Position

**TABLE 2**

**CHANGE IN UNRESTRICTED NET POSITION**

Unrestricted Net Position, October 1, 2024	\$ 12,309,803
Results of Operations	5,740
Interest Income	9,175
Housing Assistance Payments Funded from Restricted Reserves	37,450
Depreciation Expense	<u>29,565</u>
<b>Unrestricted Net Position, September 30, 2025</b>	<b><u><u>\$ 12,391,733</u></u></b>

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

**TABLE 3****SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

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

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Revenues:			
Operating Grants	\$ 3,622,916	\$ 3,653,628	\$ (30,712)
Interest Income	9,175	25,405	(16,230)
Other Revenue	91,087	161,144	(70,057)
<b>Total Revenues</b>	<b><u>\$ 3,723,178</u></b>	<b><u>\$ 3,840,177</u></b>	<b><u>\$ (116,999)</u></b>
Expenses:			
Administrative	\$ 387,041	\$ 383,922	\$ 3,119
Utilities	8,005	7,826	179
Maintenance	9,154	14,753	(5,599)
General	31,200	36,518	(5,318)
Depreciation	29,565	29,566	(1)
Housing Assistance Payments	3,243,298	3,231,289	12,009
<b>Total Expenses</b>	<b><u>\$ 3,708,263</u></b>	<b><u>\$ 3,703,874</u></b>	<b><u>\$ 4,389</u></b>
<b>Increase (Decrease) in Net Position</b>	<b><u>\$ 14,915</u></b>	<b><u>\$ 136,303</u></b>	<b><u>\$ (121,388)</u></b>

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

Operating grants decreased moderately due to a reduction of subsidies recognized under the Section 8 Housing Choice Voucher Program. Other revenue decreased due to reductions of developer fees recognized.

## Capital Assets

As of fiscal year-end, the Authority had \$.2 million invested in a variety of capital assets as reflected in the following schedule. For additional detail see the Notes to the Financial Statements.

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

	<b>2025</b>	<b>2024</b>	<b>Variance</b>	<b>% Change</b>
Buildings and Improvements	\$ 455,991	\$ 455,991	\$ -	0%
Furniture and Equipment	316,744	316,744	-	0%
Accumulated Depreciation	(559,010)	(529,445)	(29,565)	6%
<b>Net Capital Assets</b>	<b>\$ 213,725</b>	<b>\$ 243,290</b>	<b>\$ (29,565)</b>	<b>-12%</b>

**TABLE 5  
CHANGE IN CAPITAL ASSETS**

The following reconciliation summarizes the change in Capital Assets.

<b>Beginning Balance, October 1, 2024</b>	<b>\$ 243,290</b>
Depreciation Expense	(29,565)
<b>Ending Balance, September 30, 2025</b>	<b>\$ 213,725</b>

### ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs

## **FINANCIAL CONTACT**

The individual to be contacted regarding this report is the Executive Director. Specific requests may be submitted to the Housing Authority of the City of Bogalusa, PO Box 1113, Bogalusa, Louisiana 70427.

**HOUSING AUTHORITY OF THE CITY OF BOGALUSA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2025**

**ASSETS AND DEFERRED**  
**OUTFLOWS OF RESOURCES**

	<b>Enterprise Fund</b>	<b>Discrete Component Units</b>	<b>Total Reporting Entity</b>
<b><u>Current Assets</u></b>			
Cash	\$ 1,701,165	\$ 491,485	\$ 2,192,650
Accounts Receivable, Net	6,579	2,929	9,508
Investments	528,847	-	528,847
Prepaid Costs	15,922	192,191	208,113
Total Current Assets	<u>2,252,513</u>	<u>686,605</u>	<u>2,939,118</u>
<b><u>Restricted Assets</u></b>			
Cash	<u>51,562</u>	<u>2,489,758</u>	<u>2,541,320</u>
Total Restricted Assets	<u>51,562</u>	<u>2,489,758</u>	<u>2,541,320</u>
<b><u>Capital Assets</u></b>			
Land	-	841,684	841,684
Buildings and Improvements	455,991	38,859,824	39,315,815
Furniture and Equipment	316,744	4,801,528	5,118,272
	<u>772,735</u>	<u>44,503,036</u>	<u>45,275,771</u>
(Less): Accumulated Depreciation	<u>(559,010)</u>	<u>(6,661,324)</u>	<u>(7,220,334)</u>
Net Capital Assets	<u>213,725</u>	<u>37,841,712</u>	<u>38,055,437</u>
<b><u>Other Assets</u></b>			
Notes Receivable	10,619,000	-	10,619,000
Amortizable Fees, Net	-	125,617	125,617
Fair Value of Interest Rate Swap	-	426,806	426,806
Total Other Assets	<u>10,619,000</u>	<u>552,423</u>	<u>11,171,423</u>
Total Assets	<u>13,136,800</u>	<u>41,570,498</u>	<u>54,707,298</u>
Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 13,136,800</u>	<u>\$ 41,570,498</u>	<u>\$ 54,707,298</u>

See the accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF BOGALUSA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2025**

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

	<b>Enterprise Fund</b>	<b>Discrete Component Units</b>	<b>Total Reporting Entity</b>
<b><u>Current Liabilities</u></b>			
Accounts Payable	\$ 18,358	\$ 483,054	\$ 501,412
Accrued Wages and Payroll Taxes	4,952	-	4,952
Accrued Compensated Absences	5,660	-	5,660
Accrued Interest Payable	-	50,221	50,221
Tenant Security Deposits	-	70,540	70,540
Unearned Revenue	-	1,644	1,644
Current Portion of Capital Debt	-	140,834	140,834
Total Current Liabilities	<u>28,970</u>	<u>746,293</u>	<u>775,263</u>
<b><u>Non-current Liabilities</u></b>			
Long Term Capital Debt	-	30,360,775	30,360,775
Accrued Interest Payable	-	6,040,716	6,040,716
Accrued Compensated Absences	29,534	-	29,534
Total Non-current Liabilities	<u>29,534</u>	<u>36,401,491</u>	<u>36,431,025</u>
Total Liabilities	<u>58,504</u>	<u>37,147,784</u>	<u>37,206,288</u>
Deferred Inflows of Resources - Leases	<u>421,276</u>	<u>-</u>	<u>421,276</u>
Total Liabilities and Deferred Inflows of Resources	<u>479,780</u>	<u>37,147,784</u>	<u>37,627,564</u>
<b><u>Net Position</u></b>			
Net Investment in Capital Assets	213,725	7,340,103	7,553,828
Restricted Net Position	51,562	2,489,758	2,541,320
Unrestricted Net Position	<u>12,391,733</u>	<u>(5,407,147)</u>	<u>6,984,586</u>
Total Net Position	<u>12,657,020</u>	<u>4,422,714</u>	<u>17,079,734</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 13,136,800</u>	<u>\$ 41,570,498</u>	<u>\$ 54,707,298</u>

See the accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF BOGALUSA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Enterprise Fund</b>	<b>Discrete Component Units</b>	<b>Total Reporting Entity</b>
<b><u>Operating Revenues</u></b>			
Tenant Rent Revenue	\$ -	\$ 3,193,641	\$ 3,193,641
Operating Grants	3,622,916	-	3,622,916
Other Revenue	91,087	-	91,087
<b>Total Operating Revenues</b>	<b><u>3,714,003</u></b>	<b><u>3,193,641</u></b>	<b><u>6,907,644</u></b>
<b><u>Operating Expenses</u></b>			
Administrative	387,041	554,267	941,308
Utilities	8,005	198,157	206,162
Maintenance	9,154	755,369	764,523
General	31,200	791,239	822,439
Housing Assistance Payments	3,243,298	-	3,243,298
Depreciation	29,565	1,562,724	1,592,289
<b>Total Operating Expenses</b>	<b><u>3,708,263</u></b>	<b><u>3,861,756</u></b>	<b><u>7,570,019</u></b>
<b>Operating Income (Loss)</b>	<b><u>5,740</u></b>	<b><u>(668,115)</u></b>	<b><u>(662,375)</u></b>
<b><u>Non-Operating Revenue (Expense)</u></b>			
Interest Income	9,175	224,096	233,271
Interest Expense	-	(1,885,170)	(1,885,170)
<b>Total Non-Operating Revenue     (Expense)</b>	<b><u>9,175</u></b>	<b><u>(1,661,074)</u></b>	<b><u>(1,651,899)</u></b>
<b>Increase (Decrease) in Net Position</b>	<b>14,915</b>	<b>(2,329,189)</b>	<b>(2,314,274)</b>
<b>Net Position, Beginning</b>	<b>12,642,105</b>	<b>6,533,795</b>	<b>19,175,900</b>
<b>Prior Period Adjustment - Note U</b>	<b>-</b>	<b>218,108</b>	<b>218,108</b>
<b>Net Position, Ending</b>	<b><u>\$ 12,657,020</u></b>	<b><u>\$ 4,422,714</u></b>	<b><u>\$ 17,079,734</u></b>

See the accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF BOGALUSA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Enterprise Fund</b>	<b>Discrete Component Units</b>	<b>Total Reporting Entity</b>
<u>Cash flows from operating activities:</u>			
Cash Received from Dwelling Rent	\$ -	\$ 3,158,651	\$ 3,158,651
Cash Received from Operating Grants	3,622,916	-	3,622,916
Cash Received from Other Sources	10,086	7,385	17,471
Developer Fees Received from the Discrete Component Units	74,854	-	74,854
Cash Payments for Salaries and Benefits	(261,162)	(474,370)	(735,532)
Cash Payments to Vendors and Landlords	(847,402)	(1,571,313)	(2,418,715)
Rental Subsidies Paid to the Discrete Component Units	<u>(2,571,354)</u>	<u>-</u>	<u>(2,571,354)</u>
Net cash provided (used) by operating activities	<u>27,938</u>	<u>1,120,353</u>	<u>1,148,291</u>
<u>Cash flows from capital and related financing activities:</u>			
Principal and Interest Paid on Capital Debt	<u>-</u>	<u>(821,801)</u>	<u>(821,801)</u>
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(821,801)</u>	<u>(821,801)</u>
<u>Cash flows from investing activities:</u>			
Interest Received from Cash and Investment	9,175	15,398	24,573
Reinvestment in Certificate of Deposit	<u>(621)</u>	<u>-</u>	<u>(621)</u>
Net cash provided (used) by investing activities	<u>8,554</u>	<u>15,398</u>	<u>23,952</u>
Net Increase (Decrease) in Cash and Restricted Cash	36,492	313,950	350,442
Total Cash and Restricted Cash, Beginning of Year	<u>1,716,235</u>	<u>2,667,293</u>	<u>4,383,528</u>
Total Cash and Restricted Cash, End of Year	<u>\$ 1,752,727</u>	<u>\$ 2,981,243</u>	<u>\$ 4,733,970</u>

*Continued on next page*

**HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
STATEMENT OF CASH FLOWS - CONTINUED  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b><u>Enterprise Fund</u></b>	<b><u>Discrete Component Units</u></b>	<b><u>Total Reporting Entity</u></b>
Reconciliation of cash and restricted cash presented on the Statement of Net Position, to ending cash and restricted cash presented above on the Statement of Cash Flows:			
Cash	\$ 1,701,165	\$ 491,485	\$ 2,192,650
Restricted Cash	51,562	2,489,758	2,541,320
Cash and Restricted Cash, End of Year	<u>\$ 1,752,727</u>	<u>\$ 2,981,243</u>	<u>\$ 4,733,970</u>

**Reconciliation of operating income (loss) to net cash provided (used) by operating activities:**

Operating Income (Loss)	\$ 5,740	\$ (668,115)	\$ (662,375)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and Amortization	29,565	1,578,817	1,608,382
Bad Debt Expense	-	36,555	36,555
Change in Accounts Receivable (Tenants)	-	(34,931)	(34,931)
Change in Accounts Receivable (Other)	-	5,475	5,475
Change in Prepaid Costs	(148)	161,284	161,136
Change in Accounts Payable - Operating	99	39,417	39,516
Change in Accrued Personnel Expenses	(1,171)	-	(1,171)
Change in Unearned Revenue (Tenants)	-	(59)	(59)
Change in Security Deposits Held	-	1,910	1,910
Change in Deferred Land Lease Revenue	(6,147)	-	(6,147)
Net cash provided (used) by operating activities	<u>\$ 27,938</u>	<u>\$ 1,120,353</u>	<u>\$ 1,148,291</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF BOGALUSA

BOGALUSA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Housing Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund, in accordance with GASB Statement 34 paragraph 138 and GASB Statement 63.

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

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

Governmental Accounting Standards – The Housing Authority has applied all applicable Governmental Accounting Standards Board pronouncements as well as applicable pronouncements issued by the Financial Accounting Standards Board.

Cash and Investments

Cash consisted of funds held in checking accounts. Investments consisted of certificates of deposit.

Prepaid Costs

Prepaid costs consisted of insurance payments applicable to fiscal year 2026.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE A - SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Capital Assets

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed, while significant renewals and betterments are capitalized. Small dollar value equipment items are expensed. Depreciation on assets has been expensed in the Statement of Revenues, Expenses and Changes in Net Position. Estimated useful lives are as follows:

Buildings and Improvements	15 - 33 years
Furniture and Equipment	3 - 7 years

Authority management has assessed the carrying values of capital asset balances as of September 30, 2025, and as of March 4, 2026. No significant capital asset value impairments exist as of the noted dates.

Estimated useful lives of discretely presented component units' (see Note B below) capital assets are as follows:

Buildings and Improvements	20 - 40 years
Furniture and Equipment	10 years

The Partnerships' management has assessed the carrying values of capital asset balances as of December 31, 2024, and as of March 4, 2026. No significant capital asset value impairments exist as of the noted dates.

#### Amortizable Fees

Amortizable fees consisted of tax credit fees of \$195,232, reported net of accumulated amortization of \$69,615. Tax credit fees are amortized over a 10-year period using the straight-line method.

#### Accounts Payable

The Authority's accounts payable balance consisted of \$18,358 of amounts due to vendors and service providers. The discretely presented component units' accounts payable balance consisted of \$174,482 due to vendors and service providers and \$308,572 due to the Authority for administrative fees.

#### Unearned Revenue

The discretely presented component units recognize revenues as earned. Funds received before the component units are eligible to apply them are recorded as a liability under unearned revenue. As of December 31, 2024, unearned revenue consisted of prepaid dwelling rent.

#### Debt Issuance Costs

Debt issuance costs incurred on permanent loans are reported as a direct reduction of the applicable permanent loan obligations and are amortized over the lives of the loans. Amortization of debt issuance costs is reported as a component of interest expense.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE A - SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Deferred Outflows and Inflows of Resources

A Deferred Outflow of Resources is a consumption of assets by the Authority that is applicable to a future reporting period. Conversely, a Deferred Inflow of Resources is an acquisition of assets by the Authority that is applicable to a future reporting period. The Authority did not have any deferred outflows as of September 30, 2025. Deferred inflows consisted of deferred land lease rental revenue. See Note L for additional details regarding deferred inflows of resources.

#### Revenue Accounting Policies

Dwelling rent income, HUD grants recognized for operations, and other miscellaneous operating income are reported as operating revenue. All other revenue is reported as non-operating revenue.

These financial statements do not contain material inter-program revenues and expenses for internal activity within the Enterprise Fund or within the Discretely Presented Component Units. The policy is to eliminate any material inter-program revenues and expenses for these financial statements.

#### Cost Allocation

The Authority allocates indirect costs to programs on the basis of one or more of the following methods: direct salaries and wages, percentage of office square footage, number of vouchers and/or units, estimated/actual time spent, number of checks processed, or the allotment stipulated in contractual agreements.

#### Income Taxes (Discretely Presented Component Units/ Partnerships – see Note B below)

All items of taxable income are passed through to and are reported by its individual partners on their respective income tax returns. The Partnerships file tax returns with the Internal Revenue Service. These financial statements do not reflect a provision for income taxes, and the Partnerships have no other tax positions which must be considered for disclosure. Income tax returns filed by the Partnerships are subject to examination by the Internal Revenue Service for a period of three years. The Partnerships were formed during 2017. As of the date of this Report, the Partnerships are subject to tax examinations for tax years 2023 through 2025.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE B - REPORTING ENTITY DEFINITION

The Housing Authority was chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of the City of Bogalusa. The Authority is governed by a five-member Board of Commissioners appointed by the City. However, the Housing Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in *Section 2100 and 2600 of the Codification of Governmental Accounting and Financial Reporting Standards, Statement No. 14 (amended) of the Governmental Accounting Standards Board: The Financial Reporting Entity; Statement No. 39: Determining Whether Certain Organizations are Component Units; and Statement No. 61: The Financial Reporting Entity Omnibus*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following component units. There are no other component units.

#### Blended Component Unit

**Magic City Housing and Development Corporation** (the Corporation/ a *Blended Component Unit*) is a related not-for-profit Louisiana corporation, which was created to assist the Authority and its affiliates in developing low-moderate income housing in and near the Bogalusa community. The Corporation's Board of Directors consists of the Board of Commissioners of the Authority. The Corporation's fiscal year end is September 30 and its financial balances as of and for the fiscal year ended September 30, 2025, have been consolidated into the Authority's financial statements. The consolidated financial balances and activity are also reported in the '6.2 Component Unit – Blended' column of the attached supplemental Financial Data Schedule. The Corporation does not issue separate, stand-alone financial statements.

#### Discretely Presented Component Units (the Partnerships)

**Pine Trace Homes RAD I, LP** (PTHRI, LPI a *Discrete Component Unit*) is a limited partnership formed in 2017 to acquire, own and operate a 92-unit rental property in Bogalusa known as Pine Trace Homes RAD I Apartments. The project was developed and operates under the low-income housing tax credit program. PTHRI, LP's year end is December 31 and a copy of its financial statements as of December 31, 2024, and for the year then ended can be obtained by contacting the Authority at PO Box 1113 Bogalusa, Louisiana 70427. Due to its fiscal dependence on the Authority and the existence of a financial benefit or burden relationship, the PTHRI, LP's financial balances as of December 31, 2024, and transactions for the period then ended are reported discretely with the financial statements of the Authority.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE B - REPORTING ENTITY DEFINITION - Continued

Discretely Presented Component Units (the Partnerships) - Continued

**Pine Trace Homes RAD II, LP** (PTHRII, LPI a *Discrete Component Unit*) is a limited partnership formed in 2017 to acquire, own and operate a 140-unit rental property in Bogalusa known as Pine Trace Homes RAD II Apartments. The project was developed and operates under the low-income housing tax credit program. PTHRII, LP's year end is December 31 and a copy of its financial statements as of December 31, 2024, and for the year then ended can be obtained by contacting the Authority at PO Box 1113 Bogalusa, Louisiana 70427. Due to its fiscal dependence on the Authority and the existence of a financial benefit or burden relationship, the PTHRII, LP's financial balances as of December 31, 2024, and transactions for the period then ended are reported discretely with the financial statements of the Authority.

**Cypress Pointe RAD, LP** (CPR, LPI a *Discrete Component Unit*) is a limited partnership formed in 2017 to acquire, own and operate a 112-unit rental property in Bogalusa known as Cypress Pointe RAD Apartments. The project was developed and operates under the low-income housing tax credit program. CPR, LP's year end is December 31 and a copy of its financial statements as of December 31, 2024, and for the year then ended can be obtained by contacting the Authority at PO Box 1113 Bogalusa, Louisiana 70427. Due to its fiscal dependence on the Authority and the existence of a financial benefit or burden relationship, the CPR, LP's financial balances as of December 31, 2024, and transactions for the period then ended are reported discretely with the financial statements of the Authority.

NOTE C - CASH AND INVESTMENT DEPOSITS

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

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

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

The Authority's cash consisted of funds held in interest-bearing checking accounts totaling a reconciled balance of \$1,752,727. Investments consisted of three certificates of deposit yielding interest of 4% to 4.75%, totaling \$528,847.

The Authority's deposit balances with financial institutions totaled \$2,301,781 and were secured as follows:

	<b>Bank Deposits</b>
Insured by FDIC	\$ 1,409,568
Collateralized with specific securities in the Authority's name which are held by a third-party financial institution	447,899
Uncollateralized	444,314
	<b>\$ 2,301,781</b>

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE C - CASH AND INVESTMENT DEPOSITS - Continued

The Authority's uncollateralized deposits consisted of non-federal funds held by Magic City Housing Development Corporation, the blended component unit. The Corporation maintains deposit balances with four commercial banks. These balances can exceed the FDIC insured deposit limit of \$250,000 per financial institution. As of September 30, 2025, the Corporation's deposit balances exceeded the FDIC limits by \$444,314. The Corporation has not experienced any losses through March 4, 2026, the date the financial statements were available to be issued.

The Partnerships' cash and cash equivalents consisted of funds held in checking accounts totaling a reconciled balance of \$2,981,243.

Cash and cash equivalents were insured up to \$250,000 at each financial institution by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2024, \$799,458 of the Partnerships' deposit balances were uninsured. The Partnerships have not experienced any losses through March 4, 2026.

### NOTE D – CONCENTRATION OF RISK

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

### NOTE E - CONTRACTUAL COMMITMENTS

The Authority did not have any outstanding long-term contractual commitments of significance as of September 30, 2025. The Partnerships did not have any outstanding long-term contractual commitments of significance as of December 31, 2024.

### NOTE F – SIGNIFICANT ESTIMATES

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

### NOTE G – RISK MANAGEMENT

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

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE H – RESTRICTED ASSETS AND NET POSITION

The Authority's restricted assets and net position consisted of the following as of the end of the fiscal year:

Funds held for Housing Assistance Payments	<b><u>\$ 51,562</u></b>
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The Partnerships' restricted assets and net position consisted of the following as of the end of December 31, 2024:

	<u>PTH RAD I, LP</u>	<u>PTH RAD II, LP</u>	<u>CP RAD, LP</u>	<u>Total DCU's</u>
Replacement reserves	\$ 153,371	\$ 219,407	\$ 451,037	\$ 823,815
Operating reserves	332,623	497,515	442,242	1,272,380
Escrow deposits	61,811	88,712	243,040	393,563
<b>Total Restricted Assets</b>	<b><u>\$ 547,805</u></b>	<b><u>\$ 805,634</u></b>	<b><u>\$ 1,136,319</u></b>	<b><u>\$ 2,489,758</u></b>

NOTE I – CAPITAL ASSETS

A summary of the Authority's capital asset balances as of, and activity for the fiscal year ended September 30, 2025, is as follows:

	<u>October 1, 2024 Balance</u>	<u>Additions</u>	<u>Transfers and Disposals</u>	<u>September 30, 2025 Balance</u>
Buildings and Improvements	\$ 455,991	\$ -	\$ -	\$ 455,991
Furniture and Equipment	316,744	-	-	316,744
Total Capital Assets	772,735	-	-	772,735
Less Accumulated Depreciation				
Buildings and Improvements	(259,342)	(19,715)	-	(279,057)
Furniture and Equipment	(270,103)	(9,850)	-	(279,953)
<b>Net Book Value</b>	<b><u>\$ 243,290</u></b>	<b><u>\$ (29,565)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 213,725</u></b>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE I – CAPITAL ASSETS - Continued

A summary of the Partnerships' capital asset balances as of December 31, 2024, is as follows:

	<u>PTH RAD I, LP</u>	<u>PTH RAD II, LP</u>	<u>CP RAD, LP</u>	<u>TOTAL</u>
Land	\$ 90,085	\$ 251,471	\$ 500,128	\$ 841,684
Buildings and Improvements	10,676,903	12,856,253	15,326,668	38,859,824
Furniture and Equipment	889,322	1,019,611	2,892,595	4,801,528
Less: Accumulated Depreciation	<u>(1,897,166)</u>	<u>(2,070,533)</u>	<u>(2,693,625)</u>	<u>(6,661,324)</u>
<b>Total Capital Assets</b>	<b><u>\$ 9,759,144</u></b>	<b><u>\$ 12,056,802</u></b>	<b><u>\$ 16,025,766</u></b>	<b><u>\$ 37,841,712</u></b>

A summary of the Partnerships' capital asset activity for the year ended December 31, 2024, is as follows:

	<u>January 1, 2024</u>		<u>Transfers and</u>	<u>December 31, 2024</u>
	<u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u>
Land	\$ 841,684	\$ -	\$ -	\$ 841,684
Total Assets not being Depreciated	841,684	-	-	841,684
Buildings and Improvements	38,859,824			38,859,824
Furniture and Equipment	<u>4,801,528</u>		-	<u>4,801,528</u>
Total Capital Assets	44,503,036		-	44,503,036
Less Accumulated Depreciation	<u>(5,098,600)</u>	<u>(1,562,724)</u>		<u>(6,661,324)</u>
<b>Net Book Value</b>	<b><u>\$ 39,404,436</u></b>	<b><u>\$ (1,562,724)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 37,841,712</u></b>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE J – NOTE RECEIVABLE

A summary of the Authority’s notes receivable as of September 30, 2025, is as follows:

Due from Pine Trace RAD I, LP		
Credit Note dated October 2018, matures October 2060	\$ 2,452,000	
Land Note dated October 2018, matures October 2060	73,000	
Cash Note dated October 2018, matures October 2060	1,300,000	
Accrued Interest, 6.50% compounded annually on principal and interest	2,113,190	
Allowance against Accrued Interest	(2,113,190)	<u>3,825,000</u>
Due from Pine Trace RAD II, LP		
Credit Note dated November 2018, matures November 2060	\$ 1,965,000	
Land Note dated November 2018, matures November 2060	195,000	
Cash Note dated November 2018, matures November 2060	1,500,000	
Accrued Interest, 7.75% compounded annually on principal and interest	2,422,227	
Allowance against Accrued Interest	(2,422,227)	<u>3,660,000</u>
Due from Cypress Pointe RAD, LP		
Credit Note dated October 2019, matures October 2061	\$ 2,100,000	
Cash Note dated October 2019, matures October 2061	1,034,000	
Accrued Interest, 6.50% compounded annually on principal and interest	1,825,125	
Allowance against Accrued Interest	(1,825,125)	<u>3,134,000</u>
<b>Notes Receivable</b>		<b><u><u>\$ 10,619,000</u></u></b>

Each of the above notes are secured with subordinate mortgages against the applicable dwelling properties.

NOTE K – FAIR VALUE OF INTEREST RATE SWAP

Cypress Pointe RAD, LP

In October of 2019, Cypress Pointe RAD, LP entered into an Interest Rate Swap Agreement in order to mitigate potential risk of variable interest on its permanent loan with Cedar Rapids Bank and Trust Company (converted from a construction loan in May of 2022). The Agreement is based on the notional amount of \$5,000,000 which is the original principal amount of the permanent loan. Under the Agreement, the Partnership exchanged its variable interest rate on the permanent loan for a fixed interest rate of 4.36%. The Agreement is a cash flow hedging derivative and is categorized under the Level 2 fair value measurement hierarchy described as follows:

Level 2- Observable inputs (other than quoted prices in active markets for identical investments) such as quoted prices for similar assets or liabilities, quoted prices in inactive markets, or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE K – FAIR VALUE OF INTEREST RATE SWAP - Continued

The interest rate swap asset is reported at its fair value of \$426,806 as of December 31, 2024. The asset's fair value is determined as the difference between the present value of the remaining fixed payments to be made over the life of the loan and the present value of the remaining variable payments exchanged. During 2024, the Partnership recognized an unrealized gain on the swap of \$208,698 which is reported as interest income on the Statement of Revenues, Expenses and Changes in Net Position.

### NOTE L – LAND LEASES

#### Pine Trace Homes RAD I, LP

On October 31, 2018, the Authority entered into a Ground Lease Agreement with Pine Trace Homes RAD I, LP, under which the Authority leased land to the Partnership for a term of 75 years and total rent of \$73,000. Upon execution of the lease, the Authority received consideration for the lease in the form of a promissory note in the amount of \$73,000. The promissory note is separate from and independent of the lease agreement, and therefore, management considers the total rent amount of \$73,000 stated in the lease agreement to have been satisfied upon the issuance and receipt of the promissory note. During fiscal year 2025, the Authority recognized rent revenue applicable to the lease of \$975 and has deferred recognition of \$66,267 of the rent as of September 30, 2025, which is reported as a deferred inflow of resources in the Statement of Net Position.

#### Pine Trace Homes RAD II, LP

On November 29, 2018, the Authority entered into a Ground Lease Agreement with Pine Trace Homes RAD II, LP, under which the Authority leased land to the Partnership for a term of 75 years and total rent of \$195,000. Upon execution of the lease, the Authority received consideration for the lease in the form of a promissory note in the amount of \$195,000. The promissory note is separate from and independent of the lease agreement, and therefore, management considers the total rent amount of \$195,000 stated in the lease agreement to have been satisfied upon the issuance and receipt of the promissory note. During fiscal year 2025, the Authority recognized rent revenue applicable to the lease of \$2,600 and has deferred recognition of \$177,233 of the rent as of September 30, 2025, which is reported as a deferred inflow of resources in the Statement of Net Position.

#### Cypress Pointe RAD, LP

On October 31, 2019, the Authority entered into a Ground Lease Agreement with Cypress Pointe RAD, LP, under which the Authority leased land to the Partnership for a term of 75 years and total rent of \$193,000. Upon execution of the lease, the Authority received consideration for the lease in the form of a prepayment of \$193,000. During fiscal year 2025, the Authority recognized rent revenue applicable to the lease of \$2,572 and has deferred recognition of \$177,776 of the rent as of September 30, 2025, which is reported as a deferred inflow of resources in the Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE M – DEFINED CONTRIBUTION RETIREMENT PLAN

The Authority provides retirement benefits for all of its eligible full-time employees through a defined contribution plan, known as the Housing Agency Retirement Trust Plan, administered by Mercer. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 6.5% of the eligible employees' base salaries, and employees are required to contribute 5% to the plan. Contributions and allocated investment earnings are fully vested after 5 years of continuous service. During 2025, the Authority made the required contributions in the amount of \$17,842, and there were no significant unpaid pension liabilities outstanding as of September 30, 2025.

NOTE N – ACCRUED COMPENSATED ABSENCES

It is the Housing Authority's policy to permit employees to accumulate a limited amount of earned annual leave. All regular full-time employees earn and accumulate annual leave based on years of service. Upon termination of employment, employees will be paid for unused leave up to a specified maximum. The Authority's leave liability accrual is divided and reported between current and non-current liabilities in the Statement of Net Position.

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

A summary of the Authority's accrued compensated absences liability balance as of September 30, 2025, and activity for the fiscal year then ended is as follows:

	<b>October 1, <u>2024 Balance</u></b>	<b><u>Increase</u></b>	<b><u>Decrease</u></b>	<b>September 30, <u>2025 Balance</u></b>	<b><u>Due Within One Year</u></b>
Compensated Absences	\$ 36,091	\$ 21,647	\$ 22,544	\$ 35,194	\$ 5,660
Less: Current portion	<u>(5,492)</u>			<u>(5,660)</u>	
<b>Non-current Liabilities</b>	<b><u><u>\$ 30,599</u></u></b>	<b><u><u>\$ 21,647</u></u></b>	<b><u><u>\$ 22,544</u></u></b>	<b><u><u>\$ 29,534</u></u></b>	<b><u><u>\$ 5,660</u></u></b>

NOTE O – COMMITMENTS AND CONTINGENCIES

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

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE P – NON-CURRENT LIABILITIES (Partnerships)

A summary of the Partnerships' notes and interest payable liabilities is as follows:

<b><u>Creditor and Description</u></b>	<b><u>Interest Rate</u></b>	<b><u>Payment Terms</u></b>	<b><u>Maturity</u></b>	<b><u>Principal Balance</u></b>	<b><u>Interest Payable</u></b>
Permanent Loan due to Bellweather Enterprise Real Estate Capital, LLC; dated October 2021; original principal amount of \$3,431,900; collateralized by first mortgage on the applicable property/apartment complex	5.13%	Monthly payments of \$16,845 through maturity	October 2058	\$ 3,170,782	\$ 10,380
HOME Loan due the Louisiana Housing Corporation; dated October 2018; original principal amount of \$1,000,000; collateralized by third mortgage on the applicable property/apartment complex	5.10%	Annual payments from available Net Cash Flows	October 2060	1,000,000	249,956
Credit Note payable to HACB; dated October 2018; original principal amount of \$2,452,000; collateralized by subordinate mortgage on the applicable property/apartment complex	6.50%	Annual payments from available Net Cash Flows	October 2060	2,452,000	1,185,540
Land Note payable to HACB; dated October 2018; original principal amount of \$73,000; collateralized by subordinate mortgage on the applicable property/apartment complex	6.50%	Annual payments from available Net Cash Flows	October 2060	73,000	35,296
Cash Note payable to HACB; dated October 2018; original principal amount of \$1,300,000; collateralized by subordinate mortgage on the applicable property/apartment complex	6.50%	Annual payments from available Net Cash Flows	October 2060	1,300,000	628,549
Notes and Interest Payable - Pine Trace Homes RAD I, LP				<u>\$ 7,995,782</u>	<u>\$ 2,109,721</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE P – NON-CURRENT LIABILITIES (Partnerships) – Continued

<u>Creditor and Description</u>	<u>Interest Rate</u>	<u>Payment Terms</u>	<u>Maturity</u>	<u>Principal Balance</u>	<u>Interest Payable</u>
Permanent Loan due to Bellweather Enterprise Real Estate Capital, LLC; dated May 2021; original principal amount of \$5,000,000; collateralized by first mortgage on the applicable property/apartment complex	5.18%	Monthly payments of \$24,709 through maturity	November 2058	\$ 4,658,364	\$ 21,544
HOME Loan due the Louisiana Housing Corporation; dated November 2018; original principal amount of \$1,000,000; collateralized by third mortgage on the applicable property/apartment complex	5.10%	Annual payments from available Net Cash Flows	November 2060	1,000,000	265,750
Credit Note payable to HACB; dated November 2018; original principal amount of \$1,965,000; collateralized by subordinate mortgage on the applicable property/apartment complex	7.75%	Annual payments from available Net Cash Flows	November 2060	1,965,000	1,132,917
Land Note payable to HACB; dated November 2018; original principal amount of \$195,000; collateralized by subordinate mortgage on the applicable property/apartment complex	7.75%	Annual payments from available Net Cash Flows	November 2060	195,000	112,427
Cash Note payable to HACB; dated November 2018; original principal amount of \$1,500,000; collateralized by subordinate mortgage on the applicable property/apartment complex	7.75%	Annual payments from available Net Cash Flows	November 2060	1,500,000	864,823
Notes and Interest Payable - Pine Trace Homes RAD II, LP				\$ 9,318,364	\$ 2,397,461

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE P – NON-CURRENT LIABILITIES (Partnerships) – Continued

<u>Creditor and Description</u>	<u>Interest Rate</u>	<u>Payment Terms</u>	<u>Maturity</u>	<u>Principal Balance</u>	<u>Interest Payable</u>
Permanent Loan due to Cedar Rapids Bank and Trust Company; dated May 2022; original principal amount of \$5,000,000; collateralized by first mortgage on the applicable property/apartment complex	4.36%	Monthly payments of \$22,636 through maturity	May 2040	\$ 4,682,975	\$ 18,297
Credit Note payable to HACB; dated October 2019; original principal amount of \$2,100,000; collateralized by subordinate mortgage on the applicable property/apartment complex	8.00%	Annual payments from available Net Cash Flows	October 2061	2,100,000	1,045,518
Cash Note payable to HACB; dated October 2019; original principal amount of \$1,034,000; collateralized by subordinate mortgage on the applicable property/apartment complex	8.00%	Annual payments from available Net Cash Flows	October 2061	1,034,000	514,793
CDBG Loan payable to the LA Office of Community Development; dated October 2019; original principal amount of \$4,579,878; collateralized by the applicable property/apartment complex	0.00%	Annual payments from available Net Cash Flows	May 2060	4,563,107	-
Notes and Interest Payable - Cypress Pointe RAD, LP				<u>\$ 12,380,082</u>	<u>\$ 1,578,608</u>
<b>Total DCU's Notes and Interest Payable</b>				<u><b>\$ 29,694,228</b></u>	<u><b>\$ 6,085,790</b></u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE P – NON-CURRENT LIABILITIES (Partnerships) – Continued

Pine Trace Homes RAD I, LP - Permanent Loan from Bellweather Enterprise Real Estate Capital, LLC

As of December 31, 2024, Pine Trace Homes RAD I, LP's permanent loan had an outstanding principal balance of \$3,311,012 and is reported net of unamortized debt issuance costs of \$140,230. Future debt service obligations are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal Balance Due</u>
2025	33,055	169,085	\$ 3,277,957
2026	34,791	167,349	3,243,166
2027	36,619	165,521	3,206,547
2028	38,542	163,598	3,168,005
2029	40,566	161,574	3,127,439
2030 - 2034	237,120	773,580	2,890,319
2035 - 2039	306,287	704,414	2,584,032
2040 - 2044	395,628	615,072	2,188,404
2045 - 2049	511,030	499,670	1,677,374
2050 - 2054	660,093	350,607	1,017,281
2055 - 2058	1,017,281	141,126	-
<b>Total Payments</b>	<b><u>\$ 3,311,012</u></b>	<b><u>\$ 3,911,596</u></b>	<b><u>\$ -</u></b>

Pine Trace Homes RAD II, LP - Permanent Loan from Bellweather Enterprise Real Estate Capital, LLC

As of December 31, 2024, Pine Trace Homes RAD II, LP's permanent loan had an outstanding principal balance of \$4,829,851 and is reported net of unamortized debt issuance costs of \$171,487. Future debt service obligations are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal Balance Due</u>
2025	47,437	249,071	\$ 4,782,414
2026	49,954	246,554	4,732,460
2027	52,604	243,904	4,679,856
2028	55,394	241,114	4,624,462
2029	58,333	238,175	4,566,129
2030 - 2034	341,497	1,141,043	4,224,632
2035 - 2039	442,209	1,040,331	3,782,423
2040 - 2044	572,622	909,919	3,209,801
2045 - 2049	741,494	741,046	2,468,307
2050 - 2054	960,170	522,370	1,508,137
2055 - 2058	1,508,137	215,284	-
<b>Total Payments</b>	<b><u>\$ 4,829,851</u></b>	<b><u>\$ 5,788,811</u></b>	<b><u>\$ -</u></b>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE P – NON-CURRENT LIABILITIES (Partnerships) – Continued

Cypress Pointe RAD, LP - Permanent Loan from Cedar Rapids Bank and Trust Company

As of December 31, 2024, Cypress Pointe RAD, LP's permanent loan had an outstanding principal balance of \$4,873,470 and is reported net of unamortized debt issuance costs of \$190,495. Future debt service obligations are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal Balance Due</u>
2025	60,342	211,287	\$ 4,813,128
2026	63,026	208,603	4,750,102
2027	65,830	205,799	4,684,272
2028	68,758	202,871	4,615,514
2029	71,816	199,813	4,543,698
2030 - 2034	409,938	948,207	4,133,760
2035 - 2039	509,592	848,552	3,624,168
2040	3,624,168	65,494	-
<b>Total Payments</b>	<b><u>\$ 4,873,470</u></b>	<b><u>\$ 2,890,626</u></b>	<b><u>\$ -</u></b>

Projected future principal retirements of the other notes payable are as follows:

	<u>Principal</u>
2060	\$ 14,048,107
2061	3,134,000
	<b><u>\$ 17,182,107</u></b>

A summary of the Partnerships' non-current liability balances as of December 31, 2024, and activity for the year then ended is as follows:

	<u>January 1, 2024 Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>December 31, 2024 Balance</u>	<u>Due Within One Year</u>
Notes Payable	\$ 29,812,907	\$ 4,780	\$ 123,459	\$ 29,694,228	\$ 140,834
Accrued Interest Payable (Notes)	4,827,342	1,857,921	599,473	6,085,790	50,221
Developer Fees Payable	859,823		52,442	807,381	-
Accrued Interest Payable (Developer Fees)	29,105	22,469	46,427	5,147	-
Less: Current portion	(150,828)			(191,055)	
<b>Non-current Liabilities</b>	<b><u>\$ 35,378,349</u></b>			<b><u>\$ 36,401,491</u></b>	<b><u>\$ 191,055</u></b>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE Q – BLENDED COMPONENT UNIT – CONDENSED FINANCIAL STATEMENTS

**Condensed Statement of Net Position**

	<b>MCHDC</b>
	<b>9/30/2025</b>
Assets	
Current assets	\$ 1,563,725
Notes receivable	10,619,000
<b>Total assets</b>	<b>12,182,725</b>
Deferred Inflows of Resources	
Deferred Inflows of Resources - Leases	421,276
<b>Total Deferred Inflows of Resources</b>	<b>421,276</b>
Net position	
Unrestricted net position	11,761,449
<b>Total net position</b>	<b>\$ 11,761,449</b>

**Condensed Statement of Revenues, Expenses and Changes in Net Position**

	<b>MCHDC</b>
	<b>FY Ended</b>
	<b>9/30/2025</b>
Revenues	
Operating revenues	\$ 83,461
Interest income	6,442
<b>Total revenues</b>	<b>89,903</b>
Expenses	
Administrative and general	81,301
Maintenance and Utilities	16,475
<b>Total expenses</b>	<b>97,776</b>
<b>Increase of</b>	
<b>net position</b>	<b>(7,873)</b>
Beginning net position	11,769,322
<b>Ending net position</b>	<b>\$ 11,761,449</b>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE Q – BLENDED COMPONENT UNIT – CONDENSED FINANCIAL STATEMENTS - Continued

**Condensed Statement of Cash Flows**

	<b>MCHDC FY Ended 9/30/2025</b>
From all operating activities	\$ (20,453)
Used by all investing activities	6,442
<b>Increase in cash</b>	<b>(14,011)</b>
Beginning cash	1,060,717
<b>Ending cash</b>	<b>\$ 1,046,706</b>

NOTE R – DISCRETE COMPONENT UNITS – CONDENSED FINANCIAL STATEMENTS

**Condensed Statement of Net Position**

	<b>PTH RAD I, LP 12/31/2024</b>	<b>PTH RAD II, LP 12/31/2024</b>	<b>CP RAD, LP 12/31/2024</b>	<b>Total DCU's 12/31/2024</b>
<b>Assets</b>				
Current and restricted assets	\$ 729,545	\$ 1,143,675	\$ 1,303,143	\$ 3,176,363
Capital assets	9,759,144	12,056,802	16,025,766	37,841,712
Other assets	15,109	76,566	460,748	552,423
<b>Total assets</b>	<b>10,503,798</b>	<b>13,277,043</b>	<b>17,789,657</b>	<b>41,570,498</b>
<b>Liabilities</b>				
Current liabilities	122,361	161,557	153,803	437,721
Current liabilities due to the Authority	102,437	65,255	140,880	308,572
Non-current liabilities	4,387,683	6,142,758	9,732,187	20,262,628
Non-current liabilities due to the Authority	5,674,385	5,770,167	4,694,311	16,138,863
<b>Total liabilities</b>	<b>10,286,866</b>	<b>12,139,737</b>	<b>14,721,181</b>	<b>37,147,784</b>
<b>Net position</b>				
Net investment in capital assets	1,763,362	2,477,504	3,099,237	7,340,103
Restricted net position	547,805	805,634	1,136,319	2,489,758
Unrestricted net position	(2,094,235)	(2,145,832)	(1,167,080)	(5,407,147)
<b>Total net position</b>	<b>\$ 216,932</b>	<b>\$ 1,137,306</b>	<b>\$ 3,068,476</b>	<b>\$ 4,422,714</b>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE R – DISCRETE COMPONENT UNITS – CONDENSED FINANCIAL STATEMENTS - Continued

**Condensed Statement of Revenues, Expenses and Changes in Net Position**

	PTH RAD I, LP FY Ended 12/31/2024	PTH RAD II, LP FY Ended 12/31/2024	CP RAD, LP FY Ended 12/31/2024	Total DCU's FY Ended 12/31/2024
Revenues				
Operating revenue	\$ 810,475	\$ 1,224,857	\$ 1,158,309	\$ 3,193,641
Non-operating revenue	200	-	223,896	224,096
<b>Total revenues</b>	<b>810,675</b>	<b>1,224,857</b>	<b>1,382,205</b>	<b>3,417,737</b>
Expenses				
Operating expenses	608,138	891,499	736,110	2,235,747
Operating expenses to the Authority	17,911	16,391	28,983	63,285
Interest expense	219,868	327,607	216,793	764,268
Interest expense to the Authority	351,738	416,079	353,085	1,120,902
Depreciation	367,869	467,990	726,865	1,562,724
<b>Total expenses</b>	<b>1,565,524</b>	<b>2,119,566</b>	<b>2,061,836</b>	<b>5,746,926</b>
<b>Decrease of net position</b>	<b>(754,849)</b>	<b>(894,709)</b>	<b>(679,631)</b>	<b>(2,329,189)</b>
Beginning net position	971,781	2,032,015	3,529,999	6,533,795
Prior Period Adjustment	-	-	218,108	218,108
<b>Ending net position</b>	<b>\$ 216,932</b>	<b>\$ 1,137,306</b>	<b>\$ 3,068,476</b>	<b>\$ 4,422,714</b>

**Condensed Statement of Cash Flows**

	PTH RAD I, LP FY Ended 12/31/2024	PTH RAD II, LP FY Ended 12/31/2024	CP RAD, LP FY Ended 12/31/2024	Total DCU's FY Ended 12/31/2024
From (used by) all operating activities	\$ 263,941	\$ 385,851	\$ 470,561	\$ 1,120,353
From (used by) all capital activities	(202,142)	(370,667)	(248,992)	(821,801)
From (used by) all investing activities	200	-	15,198	15,398
<b>Net increase (decrease) of cash and restricted cash</b>	<b>61,999</b>	<b>15,184</b>	<b>236,767</b>	<b>313,950</b>
Beginning cash and restricted cash	619,014	1,061,404	986,875	2,667,293
<b>Ending cash and restricted cash</b>	<b>\$ 681,013</b>	<b>\$ 1,076,588</b>	<b>\$ 1,223,642</b>	<b>\$ 2,981,243</b>

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE S – DIFFERENT REPORTING STANDARDS

The financial statements of the Discrete Component Units were not prepared in accordance with *Generally Accepted Governmental Accounting Standards* (GAGAS). However, in these financial statements, items have been presented in the same categories as the Housing Authority's Enterprise Fund.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* amends or supersedes the accounting and financial reporting guidance for certain items previously reported as assets or liabilities, including debt issuance costs. Under GASBS No. 65, debt issuance costs are to be reported as an expense as incurred, rather than reported as a direct reduction of the applicable debt. As of December 31, 2024, the Discrete Component Units reported unamortized debt issuance costs of \$502,212 as a reduction of note payable liabilities. If the Discrete Component Units' financial statements were prepared in accordance with GAGAS, including the adoption of GASBS No. 65, liabilities would have been \$502,212 more than (and net position less than) what is currently being reported in these financial statements.

GASB Statement No. 53 *Accounting and Financial Reporting for Derivative Instruments* requires changes in fair values of hedging derivative instruments to be reported as deferred outflows of resources or deferred inflows of resources on the Statement of Net Position, rather than as investment income or expense on the Statement of Revenues, Expenses and Changes in Net Position. The Discrete Component Units' financial statements report changes in the fair value of the interest rate swap asset applicable to 2024 of \$208,698, as interest income on its Statement of Revenues, Expenses and Changes in Net Position. Additionally, cumulative changes in fair value applicable to periods prior to 2024 of \$218,108 are reported in these financial statements in net position on the Statement of Net Position. If the Discrete Component Units' financial statements were prepared in accordance with GAGAS, including the adoption of GASBS No. 53, deferred inflows of resources would have been \$426,806 more than (and net position less than) what is currently being reported in these financial statements. And interest income would have been \$208,698 less than what is currently being reported in these financial statements.

GASB Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* requires note disclosure of beginning and ending accumulated depreciation balances for major classes of capital assets. The Discrete Component Units' financial statement note disclosures report beginning and ending accumulated depreciation applicable to all depreciable capital assets, but do not disclose accumulated depreciation applicable to each major class of capital assets.

### NOTE T – RELATED PARTY TRANSACTIONS - RENTAL ASSISTANCE

During fiscal year 2025, the Authority provided rental assistance funding to Pine Trace Homes RAD I, LP of \$709,367; Pine Trace Homes RAD II, LP of \$1,031,641 and Cypress Pointe RAD, LP of \$830,346.

Total rental assistance funding provided to the Partnerships in the amount of \$2,571,354 is reported as housing assistance payments expense in the Statement of Revenues, Expenses and Changes in Net Position.

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE U – PRIOR PERIOD ADJUSTMENT

Cypress Pointe RAD, LP (a Discrete Component Unit) has restated its beginning other assets and net position balances to account for a Fair Value of Interest Rate Swap asset (previously disclosed in Note K) which was omitted from its financial statements reported as of December 31, 2023, in the amount of \$218,108. The beginning balance of the Discrete Component Units' other assets of \$141,710 increased by \$218,108 and is restated to \$359,818. The beginning balance of the Discrete Component Units' net position of \$6,533,795 increased by \$218,108 and is restated to \$6,751,903.

### NOTE V – SUBSEQUENT EVENTS

In preparing the financial statements, management evaluated subsequent events through March 4, 2026, the date the financial statements were available to be issued. Management has determined that no significant subsequent events have occurred which require disclosure in the financial statements.

HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
BOGALUSA, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2025

<u>Grantor Program or Cluster Title</u>	<u>Federal Assistance Listing No.</u>	<u>Pass-through Entity Identifying No.</u>	<u>Federal Expenditures</u>
Housing Choice Voucher Cluster:			
Section 8 Housing Choice Voucher Program	14.871	N/A	\$ 3,503,659
Emergency Housing Voucher Program	14.EHV	N/A	119,257
			\$ 3,622,916
TOTAL HUD EXPENDITURES			3,622,916
<b>TOTAL FEDERAL EXPENDITURES</b>			<b>\$ 3,622,916</b>

NOTE 1 – BASIS OF PRESENTATION

The above Schedule of Expenditures of Federal Awards includes the federal award activity of the Authority under programs of the federal government for the fiscal year ended September 30, 2025. The information on this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the financial net position, changes in net position, or cash flows of the Authority.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

NOTE 3 – AWARDS PASSED-THROUGH TO SUBRECIPIENTS

No federal award funds were passed-through to subrecipient grantees during the fiscal year ended September 30, 2025.

NOTE 4 – NON-MONETARY FEDERAL AWARDS ASSISTANCE

The Authority did not receive or expend non-monetary federal awards assistance during the fiscal year ended September 30, 2025.

NOTE 5 – INDIRECT COST RATE

The Authority has elected not to use the 10% *De Minimus Indirect Cost Rate* allowed under the Uniform Guidance.

Housing Authority of the City of Bogalusa (LA024)  
BOGALUSA, LA

**Entity Wide Balance Sheet Summary**

Fiscal Year

End: 09/30/2025

	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
111 Cash - Unrestricted	\$ 1,046,706	\$ 623,456	\$ 31,003	\$ 1,701,165	\$ 420,945	2,122,110
112 Cash - Restricted - Modernization and Development	-	-	-	-	-	-
113 Cash - Other Restricted	-	51,562	-	51,562	2,489,758	2,541,320
114 Cash - Tenant Security Deposits	-	-	-	-	70,540	70,540
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-
<b>100 Total Cash</b>	<b>\$ 1,046,706</b>	<b>\$ 675,018</b>	<b>\$ 31,003</b>	<b>\$ 1,752,727</b>	<b>\$ 2,981,243</b>	<b>\$ 4,733,970</b>
121 Accounts Receivable - PHA Projects	-	-	-	-	-	-
122 Accounts Receivable - HUD Other Projects	-	-	-	-	-	-
124 Accounts Receivable - Other Government	-	-	-	-	348	348
125 Accounts Receivable - Miscellaneous	-	6,579	-	6,579	-	6,579
126 Accounts Receivable - Tenants	-	-	-	-	2,581	2,581
126.1 Allowance for Doubtful Accounts - Tenants	-	-	-	-	-	-
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-
128 Fraud Recovery	-	18,210	-	18,210	-	18,210
128.1 Allowance for Doubtful Accounts - Fraud	-	(18,210)	-	(18,210)	-	(18,210)
129 Accrued Interest Receivable	-	-	-	-	-	-
<b>120 Total Receivables, Net of Allowances for Doubtful Accounts</b>	<b>\$ -</b>	<b>\$ 6,579</b>	<b>\$ -</b>	<b>\$ 6,579</b>	<b>\$ 2,929</b>	<b>\$ 9,508</b>
131 Investments - Unrestricted	515,155	13,692	-	528,847	-	528,847
132 Investments - Restricted	-	-	-	-	-	-
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-
142 Prepaid Expenses and Other Assets	1,864	14,058	-	15,922	192,191	208,113
143 Inventories	-	-	-	-	-	-
143.1 Allowance for Obsolete Inventories	-	-	-	-	-	-
144 Inter Program Due From	-	-	-	-	-	-
145 Assets Held for Sale	-	-	-	-	-	-
<b>150 Total Current Assets</b>	<b>\$ 1,563,725</b>	<b>\$ 709,347</b>	<b>\$ 31,003</b>	<b>\$ 2,304,075</b>	<b>\$ 3,176,363</b>	<b>\$ 5,480,438</b>

Housing Authority of the City of Bogalusa (LA024)  
BOGALUSA, LA

**Entity Wide Balance Sheet Summary**

Fiscal Year

End: 09/30/2025

	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
161 Land	-	-	-	-	841,684	841,684
162 Buildings	-	455,991	-	455,991	38,859,824	39,315,815
163 Furniture, Equipment & Machinery - Dwellings	-	-	-	-	4,801,528	4,801,528
164 Furniture, Equipment & Machinery - Administration	-	316,744	-	316,744	-	316,744
165 Leasehold Improvements	-	-	-	-	-	-
166 Accumulated Depreciation	-	(559,010)	-	(559,010)	(6,661,324)	(7,220,334)
167 Construction in Progress	-	-	-	-	-	-
168 Infrastructure	-	-	-	-	-	-
<b>160 Total Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ -</b>	<b>\$ 213,725</b>	<b>\$ -</b>	<b>\$ 213,725</b>	<b>\$ 37,841,712</b>	<b>\$ 38,055,437</b>
171 Notes, Loans and Mortgages Receivable - Non-Current	10,619,000	-	-	10,619,000	-	10,619,000
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	-	-	-	-	-	-
173 Grants Receivable - Non Current	-	-	-	-	-	-
174 Other Assets	-	-	-	-	552,423	552,423
176 Investments in Joint Ventures	-	-	-	-	-	-
<b>180 Total Non-Current Assets</b>	<b>\$ 10,619,000</b>	<b>\$ 213,725</b>	<b>\$ -</b>	<b>\$ 10,832,725</b>	<b>\$ 38,394,135</b>	<b>\$ 49,226,860</b>
<b>200 Deferred Outflow of Resources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>290 Total Assets and Deferred Outflow of Resources</b>	<b>\$ 12,182,725</b>	<b>\$ 923,072</b>	<b>\$ 31,003</b>	<b>\$ 13,136,800</b>	<b>\$ 41,570,498</b>	<b>\$ 54,707,298</b>
311 Bank Overdraft	-	-	-	-	-	-
312 Accounts Payable <= 90 Days	-	8,367	-	8,367	158,662	167,029
313 Accounts Payable >90 Days Past Due	-	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	-	4,952	-	4,952	-	4,952
322 Accrued Compensated Absences - Current Portion	-	5,660	-	5,660	-	5,660
324 Accrued Contingency Liability	-	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	-	50,221	50,221
331 Accounts Payable - HUD PHA Programs	-	-	-	-	-	-
332 Account Payable - PHA Projects	-	-	-	-	-	-

Housing Authority of the City of Bogalusa (LA024)  
BOGALUSA, LA

**Entity Wide Balance Sheet Summary**

Fiscal Year

End: 09/30/2025

	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
333 Accounts Payable - Other Government	-	-	-	-	-	-
341 Tenant Security Deposits	-	-	-	-	70,540	70,540
342 Unearned Revenue	-	-	-	-	1,644	1,644
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	140,834	140,834
345 Other Current Liabilities	-	9,991	-	9,991	308,572	318,563
346 Accrued Liabilities - Other	-	-	-	-	15,820	15,820
347 Inter Program - Due To	-	-	-	-	-	-
348 Loan Liability - Current	-	-	-	-	-	-
<b>310 Total Current Liabilities</b>	<b>\$ -</b>	<b>\$ 28,970</b>	<b>\$ -</b>	<b>\$ 28,970</b>	<b>\$ 746,293</b>	<b>\$ 775,263</b>
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	30,360,775	30,360,775
353 Non-current Liabilities - Other	-	-	-	-	6,040,716	6,040,716
354 Accrued Compensated Absences - Non Current	-	29,534	-	29,534	-	29,534
355 Loan Liability - Non Current	-	-	-	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-	-	-	-
<b>350 Total Non-Current Liabilities</b>	<b>\$ -</b>	<b>\$ 29,534</b>	<b>\$ -</b>	<b>\$ 29,534</b>	<b>\$ 36,401,491</b>	<b>\$ 36,431,025</b>
<b>300 Total Liabilities</b>	<b>\$ -</b>	<b>\$ 58,504</b>	<b>\$ -</b>	<b>\$ 58,504</b>	<b>\$ 37,147,784</b>	<b>\$ 37,206,288</b>
<b>400 Deferred Inflow of Resources</b>	<b>\$ 421,276</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 421,276</b>	<b>\$ -</b>	<b>\$ 421,276</b>
508.4 Net Investment in Capital Assets	-	213,725	-	213,725	7,340,103	7,553,828
511.4 Restricted Net Position	-	51,562	-	51,562	2,489,758	2,541,320
512.4 Unrestricted Net Position	11,761,449	599,281	31,003	12,391,733	(5,407,147)	6,984,586
<b>513 Total Equity - Net Assets / Position</b>	<b>\$ 11,761,449</b>	<b>\$ 864,568</b>	<b>\$ 31,003</b>	<b>\$ 12,657,020</b>	<b>\$ 4,422,714</b>	<b>\$ 17,079,734</b>
<b>600 Total Liabilities, Deferred Inflows of Resources and Equity - Net</b>	<b>\$ 12,182,725</b>	<b>\$ 923,072</b>	<b>\$ 31,003</b>	<b>\$ 13,136,800</b>	<b>\$ 41,570,498</b>	<b>\$ 54,707,298</b>

Housing Authority of the City of Bogalusa (LA024)  
 BOGALUSA, LA

**Entity Wide Revenue and Expense Summary**

Fiscal Year

End: 09/30/2025

	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
70300 Net Tenant Rental Revenue	\$ -	\$ -	\$ -	\$ -	\$ 3,137,102	3,137,102
70400 Tenant Revenue - Other	-	-	-	-	56,539	56,539
<b>70500 Total Tenant Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,193,641</b>	<b>\$ 3,193,641</b>
70600 HUD PHA Operating Grants	-	3,503,659	119,257	3,622,916	-	3,622,916
70610 Capital Grants	-	-	-	-	-	-
70710 Management Fee	-	-	-	-	-	-
70720 Asset Management Fee	-	-	-	-	-	-
70730 Book Keeping Fee	-	-	-	-	-	-
70740 Front Line Service Fee	-	-	-	-	-	-
70750 Other Fees	-	-	-	-	-	-
<b>70700 Total Fee Revenue</b>	<b>\$ -</b>	<b>\$ 3,503,659</b>	<b>\$ 119,257</b>	<b>\$ 3,622,916</b>	<b>\$ -</b>	<b>\$ 3,622,916</b>
70800 Other Government Grants	-	-	-	-	-	-
71100 Investment Income - Unrestricted	6,442	2,733	-	9,175	224,096	233,271
71200 Mortgage Interest Income	-	-	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-
71310 Cost of Sale of Assets	-	-	-	-	-	-
71400 Fraud Recovery	-	-	-	-	-	-
71500 Other Revenue	83,461	7,626	-	91,087	-	91,087
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-
72000 Investment Income - Restricted	-	-	-	-	-	-
<b>70000 Total Revenue</b>	<b>\$ 89,903</b>	<b>\$ 3,514,018</b>	<b>\$ 119,257</b>	<b>\$ 3,723,178</b>	<b>\$ 3,417,737</b>	<b>\$ 7,140,915</b>
91100 Administrative Salaries	19,491	142,236	-	161,727	152,238	313,965
91200 Auditing Fees	-	29,700	-	29,700	24,726	54,426
91300 Management Fee	-	-	-	-	-	-
91310 Book-keeping Fee	-	-	-	-	-	-
91400 Advertising and Marketing	250	-	-	250	8,934	9,184
91500 Employee Benefit contributions - Administrative	-	87,643	-	87,643	20,357	108,000

Housing Authority of the City of Bogalusa (LA024)  
 BOGALUSA, LA

**Entity Wide Revenue and Expense Summary**

Fiscal Year

End: 09/30/2025

	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
91600 Office Expenses	24,516	10,900	-	35,416	78,469	113,885
91700 Legal Expense	3,381	-	-	3,381	18,718	22,099
91800 Travel	2,299	1,128	-	3,427	12,362	15,789
91810 Allocated Overhead	-	-	-	-	-	-
91900 Other	26,700	26,447	12,350	65,497	238,463	303,960
<b>91000 Total Operating - Administrative</b>	<b>\$ 76,637</b>	<b>\$ 298,054</b>	<b>\$ 12,350</b>	<b>\$ 387,041</b>	<b>\$ 554,267</b>	<b>\$ 941,308</b>
<b>92000 Asset Management Fee</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
92100 Tenant Services - Salaries	-	-	-	-	-	-
92200 Relocation Costs	-	-	-	-	-	-
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-
92400 Tenant Services - Other	-	-	-	-	-	-
<b>92500 Total Tenant Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
93100 Water	195	17	-	212	82,210	82,422
93200 Electricity	6,563	630	-	7,193	30,249	37,442
93300 Gas	157	-	-	157	438	595
93400 Fuel	-	-	-	-	-	-
93500 Labor	-	-	-	-	-	-
93600 Sewer	406	37	-	443	85,260	85,703
93700 Employee Benefit Contributions - Utilities	-	-	-	-	-	-
93800 Other Utilities Expense	-	-	-	-	-	-
<b>93000 Total Utilities</b>	<b>\$ 7,321</b>	<b>\$ 684</b>	<b>\$ -</b>	<b>\$ 8,005</b>	<b>\$ 198,157</b>	<b>\$ 206,162</b>
94100 Ordinary Maintenance and Operations - Labor	-	-	-	-	266,033	266,033
94200 Ordinary Maintenance and Operations - Materials and Other	-	-	-	-	109,033	109,033
94300 Ordinary Maintenance and Operations Contracts	9,154	-	-	9,154	344,561	353,715
94500 Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	35,742	35,742
<b>94000 Total Maintenance</b>	<b>\$ 9,154</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,154</b>	<b>\$ 755,369</b>	<b>\$ 764,523</b>

Housing Authority of the City of Bogalusa (LA024)  
 BOGALUSA, LA

**Entity Wide Revenue and Expense Summary**

Fiscal Year

End: 09/30/2025

	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
95100 Protective Services - Labor	-	-	-	-	-	-
95200 Protective Services - Other Contract Costs	-	-	-	-	-	-
95300 Protective Services - Other	-	-	-	-	-	-
95500 Employee Benefit Contributions - Protective Services	-	-	-	-	-	-
<b>95000 Total Protective Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
96110 Property Insurance	-	3,968	-	3,968	558,945	562,913
96120 Liability Insurance	1,489	2,677	-	4,166	-	4,166
96130 Workmen's Compensation	-	8,471	-	8,471	11,414	19,885
96140 All Other Insurance	3,175	52	-	3,227	578	3,805
<b>96100 Total insurance Premiums</b>	<b>\$ 4,664</b>	<b>\$ 15,168</b>	<b>\$ -</b>	<b>\$ 19,832</b>	<b>\$ 570,937</b>	<b>\$ 590,769</b>
96200 Other General Expenses	-	-	747	747	135,270	136,017
96210 Compensated Absences	-	10,621	-	10,621	-	10,621
96300 Payments in Lieu of Taxes	-	-	-	-	48,477	48,477
96400 Bad debt - Tenant Rents	-	-	-	-	36,555	36,555
96500 Bad debt - Mortgages	-	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-	-
96800 Severance Expense	-	-	-	-	-	-
<b>96000 Total Other General Expenses</b>	<b>\$ -</b>	<b>\$ 10,621</b>	<b>\$ 747</b>	<b>\$ 11,368</b>	<b>\$ 220,302</b>	<b>\$ 231,670</b>
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	-	1,885,170	1,885,170
96720 Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-
96730 Amortization of Bond Issue Costs	-	-	-	-	-	-
<b>96700 Total Interest Expense and Amortization Cost</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,885,170</b>	<b>\$ 1,885,170</b>
<b>96900 Total Operating Expenses</b>	<b>\$ 97,776</b>	<b>\$ 324,527</b>	<b>\$ 13,097</b>	<b>\$ 435,400</b>	<b>\$ 4,184,202</b>	<b>\$ 4,619,602</b>
<b>97000 Excess of Operating Revenue over Operating Expenses</b>	<b>\$ (7,873)</b>	<b>\$ 3,189,491</b>	<b>\$ 106,160</b>	<b>\$ 3,287,778</b>	<b>\$ (766,465)</b>	<b>\$ 2,521,313</b>

Housing Authority of the City of Bogalusa (LA024)  
BOGALUSA, LA

**Entity Wide Revenue and Expense Summary**

Fiscal Year

End: 09/30/2025

	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
97100 Extraordinary Maintenance	-	-	-	-	-	-
97200 Casualty Losses - Non-capitalized	-	-	-	-	-	-
97300 Housing Assistance Payments	-	3,149,163	94,135	3,243,298	-	3,243,298
97350 HAP Portability-In	-	-	-	-	-	-
97400 Depreciation Expense	-	29,565	-	29,565	1,562,724	1,592,289
97500 Fraud Losses	-	-	-	-	-	-
<b>90000 Total Expenses</b>	<b>\$ 97,776</b>	<b>\$ 3,503,255</b>	<b>\$ 107,232</b>	<b>\$ 3,708,263</b>	<b>\$ 5,746,926</b>	<b>\$ 9,455,189</b>
10010 Operating Transfer In	-	-	-	-	-	-
10020 Operating transfer Out	-	-	-	-	-	-
<b>10100 Total Other financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses</b>	<b>\$ (7,873)</b>	<b>\$ 10,763</b>	<b>\$ 12,025</b>	<b>\$ 14,915</b>	<b>\$ (2,329,189)</b>	<b>\$ (2,314,274)</b>
11020 Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>11030 Beginning Equity</b>	<b>\$ 11,769,322</b>	<b>\$ 853,805</b>	<b>\$ 18,978</b>	<b>\$ 12,642,105</b>	<b>\$ 6,533,795</b>	<b>\$ 19,175,900</b>
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	218,108	218,108
11170 Administrative Fee Equity	\$ -	\$ 813,006	\$ -	\$ 813,006	\$ -	\$ 813,006
11180 Housing Assistance Payments Equity	\$ -	\$ 51,562	\$ -	\$ 51,562	\$ -	\$ 51,562
11190 Unit Months Available	-	4,860	146	5,006	4,128	9,134
11210 Number of Unit Months Leased	-	4,860	135	4,995	3,765	8,760
11610 Land Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11620 Building Purchases	-	-	-	-	-	-
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-
13901 Replacement Housing Factor Funds	-	-	-	-	-	-

HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
BOGALUSA, LOUISIANA

SCHEDULE OF FINDINGS  
AND QUESTIONED COSTS

SEPTEMBER 30, 2025

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

**FINANCIAL STATEMENTS**

Type of auditors' report issued: Unmodified

Internal Control over financial reporting:

Are material weaknesses identified?  Yes  No

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

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

**FEDERAL AWARDS**

Internal control over Major Programs:

Are material weaknesses identified?  Yes  No

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

Type of report issued on compliance with requirements applicable to each Major Program: Unmodified

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

**Identification of Major Programs:**

<u>Name of Federal Program</u>	<u>Assistance Listing No.</u>
Section 8 Housing Choice Voucher Program (HCV Cluster)	14.871
Emergency Housing Voucher Program (HCV Cluster)	14.EHV

Dollar threshold used to distinguish between Type A and Type B Programs: \$1,000,000

Is the auditee identified as a Low-Risk Auditee?  Yes  No

HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
BOGALUSA, LOUISIANA

SCHEDULE OF FINDINGS  
AND QUESTIONED COSTS

SEPTEMBER 30, 2025

**Section II: Financial Statement Findings:**

**Summary Schedule of Prior Year Findings:**

None

**Current Year Findings:**

None

HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
BOGALUSA, LOUISIANA

SCHEDULE OF FINDINGS  
AND QUESTIONED COSTS

SEPTEMBER 30, 2025

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

**Summary Schedule of Prior Year Findings:**

None

**Current Year Findings and Questioned Costs:**

None

HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
BOGALUSA, LOUISIANA

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

YEAR ENDED SEPTEMBER 30, 2025

**EXPENDITURE PURPOSE**

Salary	<u>\$ 81,921</u>
Benefits - Insurance	<u>14,682</u>
Benefits - Retirement	<u>8,219</u>
Benefits - Life	<u>1,374</u>
Per Diem	<u>240</u>
Reimbursements	<u>734</u>
Travel	<u>1,724</u>
<b>Total Compensation, Benefits and Other Payments</b>	<b><u><u>\$ 108,894</u></u></b>

Agency Head: Vonda Waskom, Executive Director

Basis of Presentation:

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



## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners  
Housing Authority of the City of Bogalusa  
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) area identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period of October 1, 2024 through September 30, 2025. The Housing Authority of the City of Bogalusa's (the Authority's) management is responsible for the C/C area identified in the SAUPs.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C area identified in the LLA's SAUP's for the period of October 1, 2024 through September 30, 2025. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

See Addendum A following this report for a description of the SAUPs.

The associated results and conclusions are as follows:

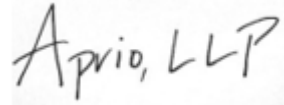
### **Bank Reconciliations**

Applicable bank reconciliations business functions outlined in Addendum A (attached) were sufficiently addressed and adhered to.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is solely to describe the scope of testing performed on the C/C area identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

A handwritten signature in black ink that reads "Aprio, LLP". The signature is written in a cursive, slightly slanted style.

Birmingham, Alabama  
March 4, 2026

# ADDENDUM A

# PROCEDURES

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Report all findings to the following procedures, either after each procedure or after all procedures, within each of the fourteen AUP categories. "Random" selections may be made using Microsoft Excel's random number generator or an alternate method selected by the practitioner that results in an equivalent sample (e.g., those methods allowed under the AICPA Audit Guide - *Audit Sampling*).

## **1) Bank Reconciliations**

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- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts<sup>1</sup> (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
  - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

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<sup>1</sup> Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.