

**HOUSING AUTHORITY OF THE  
CITY OF WESTWEGO, LOUISIANA  
ANNUAL FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025**

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
The Housing Authority of the  
City of Westwego, Louisiana  
Westwego, Louisiana

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the City of Westwego, Louisiana (the "Housing Authority"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing 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.

To the Board of Commissioners  
The Housing Authority of the  
City of Westwego, Louisiana  
Westwego, Louisiana

***Auditor’s Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. 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 Housing 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 Housing Authority’s ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 4–7 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required

To the Board of Commissioners  
The Housing Authority of the  
City of Westwego, Louisiana  
Westwego, Louisiana

supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Housing Authority's basic financial statements. The accompanying other supplementary information, as listed in the table of contents is presented for the United States Department of Housing and Urban Development and the Louisiana Legislative Auditor and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate 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 Capital Funds Completed, the Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer, the HUD Financial Data Schedules, and the Schedule of Expenditures of Federal Awards 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 25, 2026, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.



Metairie, Louisiana  
March 25, 2026

**PACIERA, GAUTREAU & PRIEST, LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Housing Authority of the City of Westwego's financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the Authority's financial statements which begins on page 8.

### FINANCIAL HIGHLIGHTS

- The Authority's net position increased by 18.52% as a result of this year's operations.
- During the year, the Authority had operating, non-operating revenues, and capital fund grant revenue that were \$3,937,527 more than the \$4,923,068 in operating expenses. This compares to last year when revenues exceeded expenses by \$427,768.
- Total of the Authority's operating expenses increased by \$1,898,336 or 62.76% over the fiscal year ending June 30, 2024.

### USING THIS ANNUAL REPORT

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

#### Reporting the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Authority as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Authority as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's *net position* and changes in it. You can think of the Authority's net position—the difference between assets and liabilities—as one way to measure the Authority's financial health, or *financial position*. Over time, *increases or decreases* in the Authority's net position is one indicator of whether its *financial health* is improving or deteriorating.

#### Proprietary Fund

The Housing Authority of the City of Westwego, Louisiana (the Housing Authority) was created pursuant to the adoption of the United States Housing Act of 1937 to engage in the acquisition, development, and administration of a low income housing program to provide safe, sanitary, and affordable housing to the citizens of Westwego, Louisiana.

**Proprietary Fund - continued**

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

The Housing Authority's *combined* net position increased by \$3,594,733 from a year ago.

	<u>Condensed Statement of Net Position</u>	
	<u>FYE 6/30/25</u>	<u>FYE 6/30/24</u>
Other assets	\$ 8,070,937	\$ 2,464,963
Capital assets	<u>18,678,342</u>	<u>17,351,344</u>
Total Assets	<u>\$26,749,279</u>	<u>\$19,816,307</u>
Other liabilities	\$ 3,700,093	\$ 365,085
Non-current liabilities	<u>45,391</u>	<u>42,160</u>
Total Liabilities	<u>\$ 3,745,484</u>	<u>\$ 407,245</u>
Net position:		
Net Investment in capital assets	\$18,678,342	\$ 17,351,344
Restricted	-0-	82,760
Unrestricted	<u>4,325,453</u>	<u>1,974,958</u>
Total Net Position	<u>\$23,003,795</u>	<u>\$ 19,409,062</u>

	<u>Condensed Statement of Revenues, Expenses, and Changes in Net Position</u>	
Operating Revenues	\$ 2,497,338	\$ 2,414,502
Operating Expenses	<u>4,923,068</u>	<u>3,024,732</u>
Operating Loss	<u>(2,425,730)</u>	<u>(610,230)</u>
Non-operating Revenues		
Non-operating Revenues	<u>\$ 5,500,981</u>	<u>\$ 161,177</u>
Net income(loss) before Capital fund grant revenue/expense	<u>3,075,251</u>	<u>(449,053)</u>
Capital Fund Grant Revenues		
Capital fund grant revenues	<u>\$ 862,276</u>	<u>\$ 876,821</u>
Change in Net Position	\$ 3,937,527	\$ 427,768
Net Position – Beginning of Year	\$19,409,062	\$ 18,981,294
Prior Period Error Correction	<u>\$ (342,794)</u>	<u>\$ -0-</u>
Net Position – End of Year	<u>\$23,003,795</u>	<u>\$ 19,409,062</u>

**Business-type Activities**

The Housing Authority's total revenues of \$8,860,595 increased by 156.64% or \$5,408,095. Total expenses of \$4,923,068 increased by 62.76% or \$1,898,336.

Rental revenues increased by \$17,803, revenues from U.S. Department of Housing and Urban Development for capital funding decreased by \$14,545, and other income decreased by \$42,909. The operating subsidy grant increased by \$107,942 including the subsidy ROSS funding. Non-operating revenue increased by \$5,339,804.

## The Housing Authority's Funds

The Housing Authority only has one fund which is reported as a Proprietary Fund. The net position of this fund increased by \$3,594,733 during the fiscal year ending June 30, 2025, reflecting an increase of \$3,937,527 primarily due to grant revenue and FEMA reimbursements, and decreased by \$342,794 from a prior period error correction.

### Budgetary Highlights

The Housing Authority adopts an operating budget that serves as a management tool. For the fiscal year ended June 30, 2025, the operating budget was amended when the June 30, 2026 budget was approved.

The original budget for June 30, 2025, was revised by \$3,428,370. Major budget amendments were approved as follows:

Budgeted revenues were increased by \$4,863,360. This increase was due primarily to an increase in FEMA revenue.

Budgeted expenditures increased \$1,434,990 largely due to an increase in legal fees associated with Hurricane Ida.

### Economic Factors and Next Year's Budget

The Housing Authority's appointed officials considered many factors when setting the fiscal year June 30, 2026 budget. The Board's understanding of the Federal Agency's requirements influences the setting of capital projects. Rental rates charged to tenants are set by Federal guidelines and, therefore, cannot be adjusted to maximize revenues. Salaries were adjusted using guidelines for Civil Service employees and merit increases for non-classified employees (the Executive Director and Assistant Director). The budget for fiscal year 2026 is expected to achieve a healthy balance in unrestricted net position.

The Housing Authority remains economically dependent on HUD funding, which provided approximately 67.50% of total revenue for the year ended June 30, 2025, without consideration of FEMA reimbursements.

### Component Units

Westwego Affordable Housing Solutions (WAHS), is considered a component unit. As of and for the year ended June 30, 2025, WAHS had no assets, liabilities, or activities; as a result, there were no separately issued financial statements issued for this entity.

Additional information can be found in Note 1 on page 11 of this report.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At June 30, 2025, the Housing Authority had \$26,858,274 invested in Land, Buildings, Equipment, and Furniture. This amount represents a net increase (including additions and disposals) of \$1,914,683 or 7.68% over last year.

	<u>FYE 6/30/25</u>	<u>FYE 6/30/24</u>
Land	\$ 2,264,014	\$ 2,264,014
Buildings	23,502,487	21,922,092
Equipment and Furniture	<u>1,091,773</u>	<u>757,485</u>
	<u>\$26,858,274</u>	<u>\$24,943,591</u>

Additional information can be found in Note 4 on page 16 of this report.

### **Prior Period Error Correction**

During fiscal year 2025, the Housing Authority determined that \$342,794 of costs recorded as Capital Fund Program expenditures in fiscal year 2024 were related to Hurricane Ida damages and are eligible for FEMA reimbursement. Because these costs were incorrectly classified in the prior period, the Housing Authority recorded an error correction in accordance with GASB Statement No. 100, which resulted in a reduction of beginning net position for fiscal year 2025. Additional information regarding this error correction and its effect on beginning net position is presented in Note 14 to the financial statement.

### **Debt**

The Housing Authority has accrued compensated absences of \$58,152, of which \$12,761 is classified as a current liability and \$45,391 is classified as a non-current liability as of June 30, 2025.

Additional information can be found in Note 5 on page 16 of this report.

### **COMMITMENTS AND CONTINGENCIES**

The Housing Authority has entered into a contract to repair units.

Additional information can be found in Note 12 on page 18 of this report.

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

This financial report is designed to provide a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director at the Housing Authority of the City of Westwego, 1010 Sixth St., Westwego, LA 70094, or call (504) 341-5545.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

STATEMENT OF NET POSITION  
 PROPRIETARY FUND  
 JUNE 30, 2025

ASSETS

Current assets:	
Cash and cash equivalents	\$ 4,755,001
Grants receivable	3,007,626
Accounts receivable (net of allowance for doubtful accounts)	24,703
Prepaid expenses	<u>224,865</u>
Total current assets	<u>8,012,195</u>
Restricted assets:	
Cash and cash equivalents	<u>58,742</u>
Capital assets:	
Land	2,264,014
Buildings, equipment, and furniture, at cost less accumulated depreciation	<u>16,414,328</u>
Total capital assets, net	<u>18,678,342</u>
Total assets	<u>26,749,279</u>

LIABILITIES AND NET POSITION

Current liabilities:	
Accounts payable	254,756
Compensated absences	12,761
Deferred revenue	7,562
Due to HUD - Grants	701,100
Refundable deposit – FEMA	<u>2,665,172</u>
Total current liabilities	<u>3,641,351</u>
Liabilities payable from restricted assets:	
Tenant security deposits	<u>58,742</u>
Non-current liabilities:	
Compensated absences	<u>45,391</u>
Total liabilities	<u>3,745,484</u>
Net Position	
Net investment in capital assets	18,678,342
Unrestricted	<u>4,325,453</u>
Total net position	<u>\$23,003,795</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2025

Operating Revenues:	
Tenant rental revenue	\$ 1,051,481
Operating subsidy grant	1,319,924
ROSS grant	85,795
Other revenue	<u>40,138</u>
Total operating revenues	<u>2,497,338</u>
Operating Expenses:	
Administrative salaries	331,958
Auditing fees	23,650
Employee benefits-administrative	70,621
Other operating-administrative	1,867,067
Tenant services other	177,860
Water & Sewer	255,068
Electricity	80,230
Gas	155,291
Other utilities expense	72,756
Ordinary maintenance and operations-labor	215,866
Materials	137,951
Contract costs	459,400
Employee benefits-maintenance & operations	46,056
Insurance	319,203
Payment in lieu of taxes	48,991
Bad debt-tenant rents	2,864
Depreciation expense	<u>658,236</u>
Total operating expenses	<u>4,923,068</u>
Net operating loss	<u>(2,425,730)</u>
Non-operating Revenues	
FEMA reimbursements	5,500,838
Investment income	<u>143</u>
Total non-operating revenues	<u>5,500,981</u>
Net income before Capital fund grant revenues	<u>3,075,251</u>
Capital Fund Grant Revenues	<u>862,276</u>
Change in Net Position	<u>3,937,527</u>
Net Position-Beginning of Year	19,409,062
Prior Period Error Correction	<u>(342,794)</u>
Net Position – Beginning of Year (as restated)	<u>19,066,268</u>
Net Position-End of Year	<u>\$ 23,003,795</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND  
 YEAR ENDED JUNE 30, 2025

Cash Flows from Operating Activities:	
Dwelling rent receipts	\$ 1,052,127
Operating subsidy and supplemental	1,245,831
Other income	40,138
Net tenant security deposits	20,695
Payments to employees	(543,020)
Payments to vendors and others	(3,685,712)
Payment in lieu of taxes	(46,101)
Net cash used by operating	<u>(1,916,042)</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition of property, plant, and equipment	(2,020,836)
FEMA proceeds	5,448,779
Capital subsidy received, net	1,190,462
Net cash provided by capital and related financing activities	<u>4,618,405</u>
Cash Flows from Investing Activities:	
Interest on investments	143
Net cash provided by investing activities	<u>143</u>
Net increase in cash and cash equivalents	2,702,506
Cash and Cash Equivalents:	
Beginning of year	2,111,237
End of year	<u>\$ 4,813,743</u>
Classification of Cash and Cash Equivalents at End of Year:	
Current assets	\$ 4,755,001
Restricted assets	58,742
	<u>\$ 4,813,743</u>
Reconciliation of Net Operating (Loss) to Net Cash	
Used by Operating Activities:	
Net operating (loss)	\$ (2,425,730)
Adjustments to reconcile net operating loss to	
net cash used by operating activities:	
Depreciation	658,236
Bad debt	2,864
(Increase) in accounts and grants receivable	(156,991)
(Increase) in prepaid expenses	(1,990)
(Decrease) in accounts payable	(15,030)
Increase in accrued wages	4,804
Increase in tenant security deposit	20,695
(Decrease) in deferred revenue	(2,900)
Net cash used by operating activities	<u>\$(1,916,042)</u>
Noncash investing, capital, and financing activities:	
Acquisitions of property, plant and equipment through	
accounts payable	<u>\$ 118,167</u>

The accompanying notes are an integral part of this statement.

# HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2025

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. FORMATION AND OPERATIONS

The Housing Authority of the City of Westwego, Louisiana (the Housing Authority) was created pursuant to the adoption of the United States Housing Act of 1937 to engage in the acquisition, development, and administration of a low income housing program to provide safe, sanitary, and affordable housing to the citizens of Westwego, Louisiana. Under the Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct oversight and financial responsibility for administering and overseeing low rent housing programs in the United States. To accomplish this task, HUD has entered into annual contributions contracts with the Housing Authority for the purpose of providing assistance to the Housing Authority to acquire, contract, and lease the housing units. The annual contributions or subsidies also aid in helping the Housing Authority maintain its low rent character.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separately appointed governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its budget and set rates or charges.

The Housing Authority is a related organization of the City of Westwego, Louisiana since the City appoints a voting majority of the Housing Authority's governing board. The Board is composed of five members who are appointed by the Mayor of the City of Westwego, Louisiana. Members serve four-year staggered terms. The City is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City.

In determining how to define the reporting entity, management has considered all potential component units. Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Authority for financial reporting purposes. The criterion 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 dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable.

Based on the previous criteria, the Authority has determined that there is one component unit that should be considered as part of the Authority's reporting entity.

On July 15, 2019, the Westwego Affordable Housing Solutions (WAHS), a Louisiana nonprofit corporation was created. The purpose of WAHS is to provide a financial entity to assist in facilitating the financing, acquisition, redevelopment, rehabilitation and constructing of affordable housing in collaboration with the Housing Authority. Membership of WAHS includes (a) the Housing Authority's Board of Commissioners and Executive Director, and (b) Westwego Resident Organization. Membership may include appointed honorary members of the community at-large. For the year ended June 30, 2025, WAHS had no assets, liabilities, or activities; as a result, there were no separately issued financial statements issued for this entity.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

In accordance with Louisiana State Reporting Laws (LAS-R.S. 24:514), the accompanying financial statements of the Housing Authority have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Housing Authority classifies its fund as a proprietary fund (enterprise fund). Enterprise funds account for activities similar to those funds in the private sector, where the determination of net income is necessary or useful to sound financial administration. The focus for enterprise funds is on income measurement, which together with the maintenance of equity, is an important financial indication.

The accompanying financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The proprietary fund financial statements follow guidance included in GASB Statement No. 62 - Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits and cash on hand. The Housing Authority considers short-term (maturity of less than 90 days), highly liquid investments as cash equivalents. Under state law, the Housing Authority may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana Law and national banks having their principal offices in Louisiana.

D. INVESTMENTS

Investments are limited by R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments are 90 or more days, they are classified as investments; however, if the original maturities are less than 90 days, they are classified as cash equivalents. Investments are carried at fair value. The Housing Authority had no investments on June 30, 2025.

E. PREPAID ITEMS

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

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

F. CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the accompanying financial statements. Capital assets are stated at their historical cost or estimated historical cost if actual cost was not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The Housing Authority maintains a threshold level of \$500 or more for capitalizing capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized on the last day of the month in which the projects are completed. The results of that method do not differ materially from generally accepted accounting principles.

Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Furniture, office equipment	5
Motor Vehicles	5
Buildings	40
Equipment	5

G. COMPENSATED ABSENCES

The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate an unlimited number of annual and sick leave; however, a maximum of three hundred hours of annual leave may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

In some cases, employees can earn compensatory time in lieu of overtime. For each hour worked over the scheduled hours, the employee earns 1 ½ hours of compensatory time.

H. LONG-TERM OBLIGATIONS

Long-term obligations, consisting of compensated absences, are expected to be financed from operating funds.

I. USE OF ESTIMATES

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

J. RESTRICTED ASSETS

Restricted assets consist of tenant deposits.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

K. ENCUMBRANCES

The Housing Authority does not utilize encumbrance accounting.

L. OPERATING AND NON-OPERATING REVENUES/(EXPENSES)

Operating revenues include rents received from tenants as well as operating subsidy and supplemental subsidy grant funds received from HUD. Other income amounts are included as well.

Non-operating revenue includes FEMA proceeds, and investment income.

M. NET POSITION

Net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

- Net investment in capital assets – consists of capital assets net of accumulated depreciation and 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 – consists of amounts with constraints placed on the use by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted – all other amounts that do not meet the definition of “restricted” or “net investment in capital assets”.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Housing Authority has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Housing Authority has no items that qualify for reporting in this category.

O. LEASES

The Housing Authority recognizes a lease liability and an intangible right-to-use lease asset for all leases with terms greater than 12 months, in accordance with GASB Statement No. 87, “Leases.” The lease liability is measured at the present value of payments expected to be made during the lease term, discounted using the interest rate implicit in the lease or, if not readily determinable, the Housing Authority’s incremental borrowing rate. The right-to-use lease asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, and initial direct costs incurred.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

O. LEASES (continued)

Short-term leases, defined as leases with a maximum possible term of 12 months or less, are recognized as lease expenses on a straight-line basis over the lease term. Contracts that transfer ownership of the underlying asset to the Authority by the end of the contract and do not contain termination options are accounted for as financed purchases. The Housing Authority has no leases that meet the criteria for recognition under GASB Statement No. 87. All lease arrangements are short-term and are expensed as incurred.

2. CASH AND CASH EQUIVALENTS

At June 30, 2025, the Housing Authority had cash and cash equivalents totaling \$4,813,743 as follows:

Petty cash and demand deposits, unrestricted	\$ 4,755,001
Demand deposits, restricted	<u>58,742</u>
 Total	 <u>\$ 4,813,743</u>

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2025, the Housing Authority had \$4,949,526 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$4,699,526 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the Housing Authority will not be able to recover the value of its deposit or collateral securities that are in the possession of an outside party. The Housing Authority's bank balance of \$4,949,526 at June 30, 2025 is secured by pledged collateral held in joint custody. The Housing Authority has no formal policy regarding custodial credit risk.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand.

The Housing Authority does not maintain investments; therefore, it is not exposed to interest rate risk, credit risk, or concentration of credit risk. The Authority has no formal deposit or investment policy.

3. ACCOUNTS AND GRANTS RECEIVABLES

The following is a summary of accounts and grants receivables at June 30, 2025:

<u>FEMA</u>	<u>HUD</u>	<u>Current Tenant (net)</u>	<u>Other</u>
<u>\$2,717,231</u>	<u>\$290,395</u>	<u>\$ 22,464</u>	<u>\$ 2,239</u>

An allowance for doubtful accounts is used in the valuation of accounts receivable from tenants. As of June 30, 2025, \$4,971 was recorded as an allowance for doubtful accounts.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

4. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2025.

	<u>Balance</u> <u>07/01/24</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>06/30/25</u>
Land	\$ 2,264,014	\$ 0	\$ 0	\$ 2,264,014
Buildings	21,922,092	1,580,395	0	23,502,487
Furniture and Equipment Dwelling	460,301	404,839	70,551	794,589
Furniture and Equipment Administration	297,184	0	0	297,184
Totals	<u>24,943,591</u>	<u>1,985,234</u>	<u>70,551</u>	<u>26,858,274</u>
Less accumulated Depreciation	<u>7,592,247</u>	<u>658,236</u>	<u>70,551</u>	<u>8,179,932</u>
Capital assets, net	<u>\$17,351,344</u>	<u>\$1,326,998</u>	<u>\$ 0</u>	<u>\$18,678,342</u>

Depreciation expense recorded for the year ended June 30, 2025, was \$658,236.

5. COMPENSATED ABSENCES

At June 30, 2025, employees of the Housing Authority have accumulated and vested \$58,152 of vacation benefits and compensatory time. This is classified on the Statement of Net Position as \$12,761 as a current obligation and \$45,391 as a non-current obligation.

The following is a summary of the compensated absences liability for the year ended June 30, 2025.

<u>Balance at</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at</u> <u>June 30, 2025</u>	<u>Amount due</u> <u>within one year</u>
<u>\$ 53,348</u>	<u>\$ 34,019</u>	<u>\$ 29,215</u>	<u>\$ 58,152</u>	<u>\$ 12,761</u>

6. RETIREMENT PLAN

The Housing Authority participates in The Housing Agency Retirement Trust (“HART”) which is a defined contribution plan (the “Plan”) and has no defined benefit pension obligations. HART is a retirement savings program established exclusively for local and regional housing agencies and pools the funds of local agencies.

The Plan is governed by a Board of Trustees who serve without compensation. Each trustee is a plan participant and is employed by a participating agency. The Plan is administered by Mercer, a division of Marsh and McLennan since the Plan’s inception. Personalized service is provided by HART’s recordkeeper, ADP retirement services. As approved by the Housing Authority’s Board of Commissioners, the Housing Authority elects all plan provisions. This is inclusive of the: eligibility date, contribution levels of the employer or employee, vesting schedule, normal retirement age, and whether or not to provide life insurance or to offer loans. All of these provisions may be changed at any time at the discretion of the Housing Authority.

All regular and full-time employees shall participate in the Plan on the first day of the month after attaining age eighteen (18) and completing one (1) year of continuous and uninterrupted employment with the employer. All employees who were participants in the prior retirement plan shall automatically be participants in this Plan.

Each participant in the plan is required to make a monthly contribution equal to 5% of his basic employee compensation, and may make additional contributions. The employer is required to make monthly contributions equal to 7% of each participant’s basic employee compensation.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

6. RETIREMENT PLAN - Continued

The normal retirement date for participating employees shall be the first day of the month following the employee's sixty-fifth (65<sup>th</sup>) birthday, or the date specified in the prior plan, if later, with respect to participating employees in the prior plan who are participating employees in this Plan. Under a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings.

Employees shall vest in the value of the employer's contributions at the rate of twenty percent (20%) per each full year of continuous employment with the employer. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority contributed approximately \$31,184 to the plan and the plan members contributed approximately \$22,274 to the plan. At June 30, 2025, there is a liability of \$4,137 due to the pension plan, shown on the Statement of Net Position as a current obligation.

The Authority provides retirement benefits exclusively through a defined contribution plan and has no defined benefit pension obligations. Plan provisions, including contribution rates and eligibility, are established and may be amended by the Authority's Board of Commissioners. Forfeitures, if any, are used to offset future employer contributions.

7. RISK MANAGEMENT

The Housing Authority is exposed to various risks of losses related to general liability; theft of, damage to, and destruction of assets; error and omissions; workers' compensation; employee health and accident; and natural disasters. The Housing Authority is a party to various legal proceedings incidental to its business. Certain claims, suits, and complaints arising in the ordinary course of business have been filed or are pending against the Housing Authority. In the opinion of management, all such matters are adequately covered by commercial insurance purchased by the Housing Authority, or if not so covered, are not expected to have a material effect on the financial statements of the Housing Authority.

8. FEDERAL COMPLIANCE CONTINGENCIES

The Housing Authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing the Housing Authority's activities. These examinations may result in the Housing Authority receiving a lower HUD score and a reduced HUD subsidy.

9. ECONOMIC DEPENDENCY

The Housing Authority is economically dependent upon annual contributions and grants from HUD. HUD provided approximately 67.50% of the Housing Authority's revenue for the year ended June 30, 2025, without consideration of FEMA reimbursements.

10. RELATED PARTY TRANSACTIONS

The governing board of the Housing Authority receives a per diem of \$225 each month as long as they attend at least one meeting that month. For the year ended June 30, 2025, the related party transactions were:

<u>Name</u>	<u>Amount</u>
D. Thibodeaux, III	\$ 2,700
D. Manuel	2,700
C. Jones	2,700
S. Lacayo	2,700
C. Falgout	2,700
Total	<u>\$ 13,500</u>

No amounts were payable at June 30, 2025.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

11. RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES GRANT (ROSS)

The Housing Authority was awarded a Resident Opportunity Self-Sufficiency Grant (ROSS), beginning June 1, 2022, and ending May 31, 2025. The grant amount is \$245,850 and \$79,988 was expended in FYE June 30, 2025, and the grant was closed.

The Housing Authority was awarded a Resident Opportunity Self-Sufficiency Grant (ROSS), beginning June 1, 2025, and ending May 31, 2028. The grant amount is \$271,441 and \$5,807 was expended in FYE June 30, 2025.

12. RISK DISCLOSURES RELATED TO CONCENTRATIONS AND CONSTRAINTS

In accordance with GASB Statement No. 102, the Housing Authority evaluated whether any concentrations or constraints exist that could have a substantial impact on its ability to provide services within twelve months of the date the financial statements are available to be issued.

*Concentrations:*

- The Authority received approximately 67.50% of its total revenue from the U.S. Department of Housing and Urban Development (HUD), without consideration of FEMA reimbursement, during the year ended June 30, 2025. This includes operating subsidies, capital funds grants, and ROSS grant funding. A significant reduction in HUD funding could materially affect the Authority's operations.
- The Authority also received \$5,500,838 in FEMA reimbursements related to Hurricane Ida. While these are non-recurring, they represent a concentration of recovery funding that may not be available in future periods.

*Constraints:*

- Rental rates charged to tenants are governed by federal guidelines and cannot be adjusted to maximize revenue. This constraint limits the Authority's ability to respond to rising operating costs.

Management has considered these factors and determined that while they represent potential vulnerabilities, no conditions currently exist that are more likely than not to result in a substantial impact within the next twelve months.

13. HURRICANE IDA

On August 29, 2021, Hurricane Ida struck the Louisiana coast, causing extensive damage to the Housing Authority's property. The Housing Authority maintains property insurance for this type of damage; however, as of the date of the loss, the amount of the FEMA proceeds and insurance recoveries could not be estimated. Accordingly, FEMA proceeds totaling \$5,500,838 are considered a change in estimate and are shown as non-operating revenue in the accompanying statement of activities, expenses and changes in the assets.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

14. PRIOR PERIOD ERROR CORRECTION

During fiscal year 2025, the Housing Authority determined that \$342,794 of costs recorded as Capital Fund Program expenditures in fiscal year 2024 were related to Hurricane Ida damages and are eligible for FEMA reimbursement. Because these costs were incorrectly classified in the prior period, the Authority corrected the error in accordance with GASB Statement No. 100 by reclassifying the expenditures and recording a corresponding liability to HUD.

This correction has been reported retroactively, resulting in a reduction of beginning net position for the fiscal year ending June 30, 2025.

The reconciliation of the Housing Authority's beginning net position, as previously reported and as restated, is presented below:

Description	Amount
Beginning net position, previously reported (July 1, 2024)	\$19,409,062
Error correction — reclassification of Hurricane Ida expenditures eligible for FEMA reimbursement (recorded as liability to HUD)	(342,794)
Beginning net position, restated (July 1, 2024)	\$19,066,268

Financial statement line items affected — The correction decreases Capital Fund Program expenditures previously recognized in fiscal year 2024 and increases liabilities (reported as Due to HUD/Program liabilities) as of July 1, 2024. The correction does not affect current-period operating results beyond the presentation of a restated beginning net position for fiscal year 2025.

Management's determination — The Housing Authority concluded that the previous classification constituted an error rather than a change in accounting principle or estimate. Accordingly, the correction is reported as a retroactive restatement of beginning net position under GASB Statement No. 100.

15. SUBSEQUENT EVENT: RAD CONVERSION

On August 14, 2025, the Housing Authority finalized the conversion of 52 public housing units at Woodland Acres under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration (RAD) program. Under RAD, these units transitioned from the Public Housing program (Section 9) to long-term Section 8 assistance through Project-Based Vouchers (PBV).

As part of the conversion, the Housing Authority transferred the units to Westwego Affordable Housing Solutions (WAHS). WAHS entered into a Housing Assistance Payment (HAP) contract for a term of 20 years, ensuring continued affordability and resident protections.

This conversion occurred after the fiscal year ended June 30, 2025, and does not affect the financial position or results of operations reported in these financial statements. The Housing Authority expects the conversion to impact future reporting, including the removal of the property from the Public Housing program and the addition of a discretely presented component unit in subsequent years.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025

16. COMMITMENTS AND CONTINGENCIES

Management of the Housing Authority of Westwego has evaluated subsequent events through March 25, 2026 the date which the financial statements were available to be issued. Except for the information in the following paragraphs, the Housing Authority is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

The Housing Authority of Westwego entered into a contract to repair units. The remainder that is payable under this contract is approximately \$64,019 of which \$58,319 was recorded as accounts payable.

The Housing Authority does not utilize encumbrance accounting and has no unused letters of credit, guarantees, or other significant commitments beyond those disclosed above. Management is not aware of any pending litigation or other contingencies that would materially affect the financial statements.

## **SUPPLEMENTARY INFORMATION**

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA  
SCHEDULE OF CAPITAL FUND PROGRAMS COMPLETED  
AS OF JUNE 30, 2025

The following amounts are in agreement with the Housing Authority's records.

<u>Project No.</u>	<u>LA48P01150123</u>
Funds Approved	\$ 940,082
Funds Advanced	<u>940,082</u>
Funds Remaining	<u>\$ 0</u>
Funds Advanced	\$ 940,082
Funds Expended	<u>940,082</u>
Excess (Deficiency)	<u>\$ 0</u>

The Comprehensive Grant Program LA48P01150123 was completed with all budgeted amounts expended and the amended Actual Cost Modernization Cost Certificate submitted to the United States Department of Housing and Urban Development on August 25, 2025.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

Schedule of Compensation, Benefits, and Other Payments  
to Agency Head or Chief Executive Officer  
Year Ended June 30, 2025

	<u>Cantrese Wilson - Jones Executive Director</u>
Salary	\$ 90,956
Benefits – Insurance	5,479
Benefits – Retirement	6,367
Benefits – Payroll Taxes	6,715
Phone Allowance	600
Per Diem	2,117
Conference Travel	8,182
Registration Fees & Dues	<u>2,161</u>
	<u>\$ 122,577</u>

Housing Authority of Westwego (LA011)  
WESTWEGO, LA  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
111 Cash - Unrestricted	\$4,755,001			\$4,755,001	\$4,755,001
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	\$58,742			\$58,742	\$58,742
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$4,813,743	\$0	\$0	\$4,813,743	\$4,813,743
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$290,395			\$290,395	\$290,395
124 Accounts Receivable - Other Government	\$2,717,231			\$2,717,231	\$2,717,231
125 Accounts Receivable - Miscellaneous	\$2,239			\$2,239	\$2,239
126 Accounts Receivable - Tenants	\$27,434			\$27,434	\$27,434
126.1 Allowance for Doubtful Accounts -Tenants	-\$4,970			-\$4,970	-\$4,970
126.2 Allowance for Doubtful Accounts - Other	\$0			\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$3,032,329	\$0	\$0	\$3,032,329	\$3,032,329
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
WESTWEGO, LA  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
142 Prepaid Expenses and Other Assets	\$224,865			\$224,865	\$224,865
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$8,070,937	\$0	\$0	\$8,070,937	\$8,070,937
161 Land	\$2,264,014			\$2,264,014	\$2,264,014
162 Buildings	\$23,502,487			\$23,502,487	\$23,502,487
163 Furniture, Equipment & Machinery - Dwellings	\$794,589			\$794,589	\$794,589
164 Furniture, Equipment & Machinery - Administration	\$297,184			\$297,184	\$297,184
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$8,179,932			-\$8,179,932	-\$8,179,932
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$18,678,342	\$0	\$0	\$18,678,342	\$18,678,342
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$18,678,342	\$0	\$0	\$18,678,342	\$18,678,342

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
WESTWEGO, LA  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$26,749,279	\$0	\$0	\$26,749,279	\$26,749,279
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$205,766			\$205,766	\$205,766
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion	\$12,761			\$12,761	\$12,761
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs	\$701,100			\$701,100	\$701,100
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$48,990			\$48,990	\$48,990
341 Tenant Security Deposits	\$58,742			\$58,742	\$58,742
342 Unearned Revenue	\$7,562			\$7,562	\$7,562
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$2,665,172			\$2,665,172	\$2,665,172
346 Accrued Liabilities - Other					
347 Inter Program - Due To					
348 Loan Liability - Current					

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
**WESTWEGO, LA**  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
310 Total Current Liabilities	\$3,700,093	\$0	\$0	\$3,700,093	\$3,700,093
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current	\$45,391			\$45,391	\$45,391
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$45,391	\$0	\$0	\$45,391	\$45,391
300 Total Liabilities	\$3,745,484	\$0	\$0	\$3,745,484	\$3,745,484
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$18,678,342			\$18,678,342	\$18,678,342
511.4 Restricted Net Position	\$0			\$0	\$0
512.4 Unrestricted Net Position	\$4,325,453	\$0	\$0	\$4,325,453	\$4,325,453
513 Total Equity - Net Assets / Position	\$23,003,795	\$0	\$0	\$23,003,795	\$23,003,795
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$26,749,279	\$0	\$0	\$26,749,279	\$26,749,279

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
WESTWEGO, LA  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
70300 Net Tenant Rental Revenue	\$1,051,481			\$1,051,481	\$1,051,481
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$1,051,481	\$0	\$0	\$1,051,481	\$1,051,481
70600 HUD PHA Operating Grants	\$1,319,924		\$85,795	\$1,405,719	\$1,405,719
70610 Capital Grants	\$862,276			\$862,276	\$862,276
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants		\$5,500,838		\$5,500,838	\$5,500,838
71100 Investment Income - Unrestricted	\$143			\$143	\$143
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	\$40,138			\$40,138	\$40,138
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$3,273,962	\$5,500,838	\$85,795	\$8,860,595	\$8,860,595
91100 Administrative Salaries	\$247,307		\$80,500	\$327,807	\$327,807

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
WESTWEGO, LA  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
91200 Auditing Fees	\$23,650			\$23,650	\$23,650
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing	\$520			\$520	\$520
91500 Employee Benefit contributions - Administrative	\$70,621			\$70,621	\$70,621
91600 Office Expenses	\$60,247		\$1,086	\$61,333	\$61,333
91700 Legal Expense	\$1,596,390			\$1,596,390	\$1,596,390
91800 Travel	\$20,812		\$1,889	\$22,701	\$22,701
91810 Allocated Overhead					
91900 Other	\$183,803		\$2,320	\$186,123	\$186,123
91000 Total Operating - Administrative	\$2,203,350	\$0	\$85,795	\$2,289,145	\$2,289,145
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$177,860			\$177,860	\$177,860
92500 Total Tenant Services	\$177,860	\$0	\$0	\$177,860	\$177,860
93100 Water	\$116,560			\$116,560	\$116,560
93200 Electricity	\$80,230			\$80,230	\$80,230
93300 Gas	\$155,291			\$155,291	\$155,291
93400 Fuel					
93500 Labor					
93600 Sewer	\$138,508			\$138,508	\$138,508

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
WESTWEGO, LA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense	\$72,756			\$72,756	\$72,756
93000 Total Utilities	\$563,345	\$0	\$0	\$563,345	\$563,345
94100 Ordinary Maintenance and Operations - Labor	\$207,256			\$207,256	\$207,256
94200 Ordinary Maintenance and Operations - Materials and Other	\$137,951			\$137,951	\$137,951
94300 Ordinary Maintenance and Operations Contracts	\$459,400			\$459,400	\$459,400
94500 Employee Benefit Contributions - Ordinary Maintenance	\$46,056			\$46,056	\$46,056
94000 Total Maintenance	\$850,663	\$0	\$0	\$850,663	\$850,663
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$295,116			\$295,116	\$295,116
96120 Liability Insurance	\$6,959			\$6,959	\$6,959
96130 Workmen's Compensation	\$17,128			\$17,128	\$17,128
96140 All Other Insurance					
96100 Total insurance Premiums	\$319,203	\$0	\$0	\$319,203	\$319,203
96200 Other General Expenses					
96210 Compensated Absences	\$12,761			\$12,761	\$12,761
96300 Payments in Lieu of Taxes	\$48,991			\$48,991	\$48,991

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
WESTWEGO, LA  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
96400 Bad debt - Tenant Rents	\$2,864			\$2,864	\$2,864
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$64,616	\$0	\$0	\$64,616	\$64,616
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$4,179,037	\$0	\$85,795	\$4,264,832	\$4,264,832
97000 Excess of Operating Revenue over Operating Expenses	-\$905,075	\$5,500,838	\$0	\$4,595,763	\$4,595,763
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$658,236			\$658,236	\$658,236
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$4,837,273	\$0	\$85,795	\$4,923,068	\$4,923,068

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
WESTWEGO, LA  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$1,563,311	\$5,500,838	\$0	\$3,937,527	\$3,937,527
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$0	\$0	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$24,567,106	-\$5,500,838		\$19,066,268	\$19,066,268
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)  
WESTWEGO, LA  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	97.036 Disaster Grants - Presidentially Declared Disasters	14.870 Resident Opportunity and Supportive Services	Subtotal	Total
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	3600			3600	3600
11210 Number of Unit Months Leased	3128			3128	3128
11270 Excess Cash	\$3,797,726			\$3,797,726	\$3,797,726
11610 Land Purchases	\$0			\$0	\$0
11620 Building Purchases	\$1,580,395			\$1,580,395	\$1,580,395
11630 Furniture & Equipment - Dwelling Purchases	\$404,839			\$404,839	\$404,839
11640 Furniture & Equipment - Administrative Purchases	\$0			\$0	\$0
11650 Leasehold Improvements Purchases	\$0			\$0	\$0
11660 Infrastructure Purchases	\$0			\$0	\$0
13510 CFFP Debt Service Payments	\$0			\$0	\$0
13901 Replacement Housing Factor Funds	\$0			\$0	\$0

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

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

To the Board of Commissioners  
The Housing Authority of the  
City of Westwego, Louisiana  
Westwego, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Westwego, Louisiana (the "Housing Authority"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated March 25, 2026.

**Report on Internal Control over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a material weakness.

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

To the Board of Commissioners  
The Housing Authority of the  
City of Westwego, Louisiana  
Westwego, Louisiana

governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2025-002 to be a significant deficiency.

### **Report on Compliance and Other Matters**

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

### **Housing Authority's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Housing Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Housing Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

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



Metairie, Louisiana  
March 25, 2026

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

To the Board of Commissioners  
The Housing Authority of the  
City of Westwego, Louisiana  
Westwego, Louisiana

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

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

We have audited the Housing Authority of the City of Westwego, Louisiana's (the "Housing Authority") 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 each of the Housing Authority's major federal programs for the year ended June 30, 2025. The Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Housing 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 each major federal program. Our audit does not provide a legal determination of the Housing 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 Housing Authority's federal programs.

To the Board of Commissioners  
The Housing Authority of the  
City of Westwego, Louisiana  
Westwego, Louisiana

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Housing 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 Housing Authority's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Housing 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 Housing 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 Housing 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**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

*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

To the Board of Commissioners  
The Housing Authority of the  
City of Westwego, Louisiana  
Westwego, Louisiana

functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-003 to be a material weaknesses.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Housing Authority's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Housing Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



Metairie, Louisiana  
March 25, 2026

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2025

<u>FEDERAL GRANTOR</u> <u>PROGRAM NAME</u>	<u>Assistance Listing</u> <u>Number</u>	<u>Federal</u> <u>Expenditures</u>
U. S. Department of Housing and Urban Development		
Public Housing Operating Fund	14.850	\$1,319,924
Resident Opportunity and Supportive Services - Service Coordinators	14.870	85,795
Public Housing Capital Fund	14.872	<u>862,276</u>
Total U. S. Department of Housing and Urban Development		<u>2,267,995</u>
Department of Homeland Security / FEMA		
Passed through the State of Louisiana		
Governor's Office of Homeland Security		
And Emergency Preparedness (GOHSEP)		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	<u>774,477</u>
Total Department of Homeland Security		<u>774,477</u>
Total Federal Awards Expended		<u>\$3,042,472</u>

See accompanying notes to schedule of expenditures of federal awards.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2025

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of the Housing Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the net position, changes in net position or cash flows of the Housing Authority.

NOTE B - 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 allowable or are limited as to reimbursement.

NOTE C - INDIRECT COST

The Housing Authority has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

THE HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2025

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**SECTION I – SUMMARY OF AUDITOR’S REPORTS**

**Financial Statement**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None Reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?  Yes  None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?  Yes  No

**Major Programs**

<u>Federal Assistance Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.872	Department of Housing and Urban Development – Public Housing Capital Fund
97.036	Department of Homeland Security – Disaster Grants – Public Assistance (Presidentially Declared Disasters)

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

Auditee qualified as low-risk auditee?  Yes  No

THE HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2025

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**SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**Finding: 2025-001 — Material Weakness: Controls Over Grant Accounting, Year-End Closing, and Financial Reporting**

**Condition:** Controls over grant accounting and year-end closing were not designed or operating effectively, resulting in delayed reconciliations, and a prior-period error correction.

**Repeat finding:** No.

**Criteria:** Under *Government Auditing Standards*, entities must maintain effective internal control over financial reporting to prevent or detect material misstatements in a timely manner.

**Cause:** Lack of a formal close process and delayed reconciliations of grant activity.

**Effect:** Material misclassification required a prior-period error correction and caused audit delays.

**Perspective / Context:** The deficiencies occurred across the entire year-end process and were observed in multiple reconciliations, indicating a systemic weakness rather than isolated exceptions.

**Cross-Reference to Federal Award Findings:** This financial-statement material weakness directly affects internal control over compliance for major federal programs and forms the basis of **Finding 2025-003**.

**Recommendation:** Implement a documented closing calendar and perform timely reconciliations.

**Management Response:** Management concurs and will implement improvements for FY 2026.

**Finding 2025-002 — Significant Deficiency: Unique Entity Identifier (UEI) Discrepancy**

**Condition:** The UEI does not match the legal entity name.

**Repeat finding:** Yes.

**Criteria:** UEI information must match the legal name as registered in SAM.gov/GSA to ensure valid federal reporting and award administration.

**Cause:** The discrepancy remains unresolved despite outreach to federal agencies.

**Effect:** There is an increased risk of delays or rejections in federal submissions (including drawdowns, reporting, and award modifications).

**Perspective / Context:** The UEI/legal-name mismatch has persisted across reporting periods, making it a repeat issue and exposing the entity to continued administrative risk.

**Recommendation:** Continue working with SAM.gov/GSA and implement periodic UEI verification.

**Management Response:** Management acknowledges the issue and is pursuing resolution.

THE HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2025

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**SECTION III – MAJOR FEDERAL AWARD PROGRAM FINDINGS AND QUESTIONED COSTS**

**Finding 2025-003 — Material Weakness (Internal Control Over Compliance): Grant Accounting and Close Process Affecting Major Programs**

**Condition:** The deficiencies noted in **Finding 2025-001** also affect internal control over compliance for major programs.

**Programs Affected:** 1) ALN **14.872** – Public Housing Capital Fund and 2) ALN **97.036** – Disaster Grants – Public Assistance.

**Repeat finding:** No.

**Criteria:** 2 CFR 200.303 and 200.516(a) require effective internal control over compliance.

**Cause:** Lack of a structured, documented month-end and year-end close process and delayed reconciliations of grant-related activity.

**Effect:** Increased risk of misclassification or reporting in the wrong period for federal awards.

**Questioned Costs:** 1) Known questioned costs were \$0 and 2) likely questioned costs were \$0.

**Perspective / Context:** The control deficiencies were observed across all grant-related closing cycles reviewed for FY 2025, demonstrating a systemic process issue rather than isolated instances.

**Recommendation:** Apply the corrective actions in **Finding 2025-001**, including: 1) establishing a documented monthly and year-end closing calendar, 2) performing timely reconciliations of grant activity, 3) strengthening supervisory review points prior to SEFA preparation and reporting.

**Management Response:** Management concurs and will implement the recommended improvements beginning FY 2026.

THE HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2025

---

This Summary Schedule of Prior Audit Findings presents the status of all findings reported in the prior year's audit in accordance with **2 CFR 200.511(b)**. Findings are listed in the same order and numbering as previously reported.

**Prior-Year Finding 2024-001 — Untimely Federal Clearinghouse Submission Due to UEI Discrepancy**

**Status:** Not Corrected (Repeat).

**Summary:** The UEI does not match the auditee's legal name, causing delays in prior-year submission to the Federal Audit Clearinghouse.

**Planned Corrective Action:** Management is working with SAM.gov/GSA and has implemented a periodic verification control.

**Responsible Party:** Executive Director.

**Expected Completion Date:** To be determined.