

**HOUSING AUTHORITY OF
NEW ORLEANS**

**Basic
Financial Statements and
Supplemental Information**

**Year ended
September 30, 2018**



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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of New Orleans
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of New Orleans (the "Authority"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority's business-type activities and the aggregate discretely presented component units as of September 30, 2018, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's financial statements as a whole. The accompanying financial data schedule, schedule of actual capital fund program costs and advances, and schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for purposes of additional analysis as required by U.S. Department of Housing and Urban Development, and are not a required part of the financial statements of the Authority. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statements of the Authority. The other information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2019 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

March 28, 2019
Melbourne, Florida

Berman Hopkins Wright & Latham
CPAs and Associates, LLP

Housing Authority of New Orleans
Management's Discussion and Analysis

September 30, 2018

This section of the Housing Authority of New Orleans (HANO)'s financial report represents management's discussion and analysis of HANO's financial performance during the fiscal year ended September 30, 2018. Management's discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of HANO's financial activity, identify changes in HANO's financial position and identify individual fund issues or concerns.

Since Management's Discussion and Analysis is designed to focus on the current year activities, resulting changes and currently known facts, we encourage readers to consider the information presented herein in conjunction with HANO's financial statements, which follow this section.

HANO's current major funding streams are: Operating subsidy, Housing Choice Voucher Program (HCVP) funds, Choice Neighborhood Initiative (CNI) funds, FEMA funds, and the Capital Fund Program (CFP) and Replacement Housing Factor Funds (RHFF).

Economic Factors

- 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 therefore tenant rental income;
- Natural disasters which can have a devastating impact on the local economy;
- Locality issues which result from goods and services often being required to be imported; and
- Inflationary pressure on utility rates, supplies and other costs.

Operating Subsidy prorations varied between the months but were averaged at 96.3 percent affecting HANO's ability to cover the full operating costs at its Asset Management Projects (AMPs). Any deficit at the AMPs is covered by accumulated project reserves.

HCVP funding for landlords remained stable. HUD focused on its cash management policy and began reducing the amount of reserves at HANO's level. That means not all appropriated Housing Assistance funds to pay landlords were disbursed to HANO. This does not create an adverse effect on HANO, but HANO has to closely coordinate with HUD when funds are needed to be transferred to cover all necessary HAP costs. All interest earned on those funds go back to the US Treasury and cannot be retained by HANO.

The administrative fee funding was prorated at 80 percent and continues to challenge HANO's ability to cover all its operational costs to administer the HCV program. The reduction in the fee income has significantly affected HANO's ability to cover the routine operational costs requiring HANO to use its unrestricted net assets to cover full costs and right size the program. HANO will continue to carefully monitor the cost of operations and depletion of its unrestricted net assets.

Likewise the CFP and RHFF funding has diminished over the years as HANO had experienced the significant reduction of public housing units as a result of Hurricane Katrina. The reduction of public housing units due to disaster or demolition affects the formula of CFP funds and RHFF funds. HANO carefully examines the receipt of CFP and RHFF funds to ensure all planned projects will have funds available to maintain existing units and create/redevelop units.

Housing Authority of New Orleans
Management's Discussion and Analysis

September 30, 2018

HUD Funds received during FY:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Operating subsidy	\$ 9,320,507	\$ 10,231,298	\$ 9,232,558	\$ 12,194,435	\$ 10,386,034
HCV funding	165,615,187	164,691,922	159,725,140	159,716,680	157,199,991
CFP & RHFF funds	15,654,672	17,751,779	18,908,440	20,682,981	31,048,911

Financial Highlights

- HANO's total net position as of September 30, 2018 was \$489,194,869 as compared to \$514,632,091 at September 30, 2017. This represents a decrease from the prior year of \$25,437,222.
- During 2018, HANO continued its efforts to redevelop its major mixed finance communities. HANO received approximately \$16.5 million in Capital Fund and disaster grants. Redevelopment continues at 7 major communities in various phases. During fiscal year 2018, HANO has undertaken modernization activities at several public housing communities.
- During the year, HANO's operating revenues were \$488,350 greater than the \$198,084,339 expended on housing assistance payments, general and administrative, maintenance, utilities, tenant services, protective services, and depreciation expense. In the prior year, operating revenues were \$245,834 more than operating expenses.
- For the fiscal year ended September 30, 2018, HANO recognized Low Income Housing Subsidies (including Public Housing and Capital Fund Grants) and HCVP operating subsidies of \$24,975,179 and \$165,615,187, respectively. HANO also recognized \$2,920,168 in net dwelling rental revenues for the current fiscal year.

Overview of Financial Statements

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements, and other supplemental information.

The financial statements provide both long-term and short-term information about HANO's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

HANO's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Position. All assets and liabilities associated with the operation of HANO are included in the Statement of Net Position.

The Statement of Net Position reports HANO's net position. Net position, the difference between HANO's assets and liabilities, is one way to measure HANO's financial health or position.

Housing Authority of New Orleans
Management's Discussion and Analysis

September 30, 2018

The Statement of Revenues, Expenses, and Change in Net Position reports the results of activity over the course of the current year. It details the costs associated with operating HANO and how those costs were funded. It also provides an explanation of the change in net position from the previous operating period to the current operating period.

The Statement of Cash Flows reports HANO's cash flows in and out from operating, noncapital financing, capital related financing and investing activities. It details the sources of HANO's cash, what it was used for, and the change in cash over the course of the operating year.

The notes to the financial statements explain some of the information in the financial statements and provide more detailed data.

The statements are followed by required supplementary information that presents HANO's electronic data submitted to HUD's Real Estate Assessment Center.

Net position is categorized as one of three types.

- I. **Net Invested in capital assets** - Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets;
- II. **Restricted** - Net position whose use is subject to constraints imposed by law or agreement; and
- III. **Unrestricted** - Net position that is neither invested in capital assets nor restricted.

Over time, significant changes in HANO's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Housing Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Housing Authority's capital assets.

Financial Analysis of HANO as a Whole

As noted earlier, net position may serve over time as a useful indicator of HANO's financial position. In the case of HANO, assets exceeded liabilities by \$489,194,869 at the close of the most recent fiscal year.

As of September 30, 2018, one of the components of HANO's net position was cash (restricted and unrestricted). This is the result of the Authority's implementation of a fungibility plan whereby unexpended funds from the HCVP program were consolidated to meet anticipated capital needs for housing redevelopment on the big 4 development sites (BW Cooper, Lafitte, C.J. Peete, and St. Bernard).

Housing Authority of New Orleans
Management's Discussion and Analysis

September 30, 2018

	<u>Statement of Net Position</u>		
	2018	2017	Net Change
Current assets	\$ 86,424,542	\$ 92,826,097	\$ (6,401,555)
Capital assets, net	201,215,352	224,759,582	(23,544,230)
Notes receivable	223,084,679	220,490,029	2,594,650
Other noncurrent assets	836,494	1,089,716	(253,222)
Total assets	<u>511,561,067</u>	<u>539,165,424</u>	<u>(27,604,357)</u>
Current liabilities	11,988,188	11,906,154	82,034
Long-term debt	7,000,000	8,230,000	(1,230,000)
Prepaid ground leases	2,770,394	2,808,732	(38,338)
Other noncurrent liabilities	607,616	1,588,447	(980,831)
Total liabilities	<u>22,366,198</u>	<u>24,533,333</u>	<u>(2,167,135)</u>
Net investment in capital assets	201,215,352	224,759,582	(23,544,230)
Restricted	232,922,037	231,823,098	1,098,939
Unrestricted	55,057,480	58,049,411	(2,991,931)
Total net position	<u>\$ 489,194,869</u>	<u>\$ 514,632,091</u>	<u>\$ (25,437,222)</u>

The balance of *unrestricted net position* of \$55,057,480 will be used to meet HANO's ongoing obligations to program participants and creditors and to fund redevelopment activities.

HANO is allowed to funge (mix) funding from various HUD programs per regulatory guidance as published in the Federal Register on July 28, 2006, "Implementation Guidance for Section 901 of the Emergency Supplementary Appropriations to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza Act, 2006." HANO is complying with additional accounting and regulatory reporting requirements under this act to maximize services to residents.

At the end of the current fiscal year, HANO reports a decrease of \$25,437,222 in its net position.

HANO's current assets decreased by \$6,401,555. The main element of this decrease was due to the expenditure of funds provided to the mixed finance properties in the form of notes receivable and capital asset additions.

HANO's capital assets decreased by \$23,544,230, primarily as a result of removing assets that were demolished and replacing with new construction at mixed finance sites.

HANO's notes receivable increased by \$2,594,650 mainly due to on-going construction at various phases of Iberville.

HANO's long-term debt decreased by \$1,230,000 due to bond debt funded by the capital fund program.

HANO's other non-current liabilities decreased by \$980,831 during the current fiscal year primarily due to accrued compensated absences, contingent liabilities, and FSS Escrow activity.

Housing Authority of New Orleans
Management's Discussion and Analysis

September 30, 2018

<u>Statement of Revenues, Expenses, and Changes in Net Position</u>			
	2018	2017	Net Change
Operating revenues			
HUD revenues	\$ 190,295,943	\$ 192,037,923	\$ (1,741,980)
Other revenues	8,276,746	7,499,627	777,119
Total operating revenues	198,572,689	199,537,550	(964,861)
Operating expenses			
Administrative	13,549,389	14,484,432	(935,043)
Tenant services	1,813,533	1,915,685	(102,152)
Utilities	1,480,515	1,510,337	(29,822)
Maintenance	2,592,569	2,997,666	(405,097)
Protective services	2,165,148	2,067,702	97,446
General	12,215,529	17,432,368	(5,216,839)
Depreciation	4,913,533	2,860,779	2,052,754
Housing assistance payments	159,354,123	156,022,747	3,331,376
Total operating expenses	198,084,339	199,291,716	(1,207,377)
Operating income (loss)	488,350	245,834	242,516
Nonoperating revenues (expenses)			
Interest income	296,598	374,913	(78,315)
Bad debt - notes receivable	(5,527,678)	(11,736,195)	6,208,517
Interest expense	(437,948)	(495,869)	57,921
Loss on disposal of capital assets	(22,947,246)	(343,817)	(22,603,429)
Total nonoperating revenues (expenses)	(28,616,274)	(12,200,968)	(16,415,306)
Change in net position before capital contributions	(28,127,924)	(11,955,134)	(16,172,790)
Capital contributions	2,690,702	10,025,243	(7,334,541)
Change in net position	(25,437,222)	(1,929,891)	(23,507,331)
Total net position - beginning	514,632,091	516,561,982	(1,929,891)
Total net position - ending	\$ 489,194,869	\$ 514,632,091	\$ (25,437,222)

Total operating revenues decreased by \$964,861 mainly due to a reduction in operating subsidy.

Housing Authority of New Orleans
Management's Discussion and Analysis

September 30, 2018

Total operating expenses decreased by \$1,207,377 mainly due to decreases in general expense of \$5,216,839 and administrative expense of \$935,043 offset by an increase in depreciation of \$2,052,754 and housing assistance payments of \$3,331,376. General expenses decreased due to a reduction in indirect construction development expenses.

Administrative expenses decreased due to reductions in salaries, benefits, and expenses related to the contingent liabilities.

Depreciation increased due to an increase in fixed assets and housing assistance payments increased due to an increased proration factor.

Total non-operating expenses increased by a net \$16,415,306, mainly due to a loss on disposal of \$22,947,246 offset by a decrease in notes receivable written off and amortized in 2017 of \$11,736,195, but only \$5,527,678 in 2018.

Capital contributions decreased by \$7,334,541 primarily as a result of decreased expenditures related to Capital Grants and FEMA funding.

Capital Asset and Debt Administration

Capital assets

HANO's investment in capital assets as of September 30, 2018 and 2017 are as follows:

	2018	2017
Land	\$ 53,805,965	\$ 49,807,043
Buildings and improvements	89,774,111	123,670,356
Furniture and equipment	7,482,084	9,666,593
Construction in progress	8,412,933	8,497,026
Infrastructure	67,363,204	67,353,977
Less: accumulated depreciation	(25,622,945)	(34,235,413)
	\$ 201,215,352	\$ 224,759,582

HANO's capital assets decreased by \$23,544,230, primarily as a result of removing assets that were demolished and replacing with new construction at mixed finance sites.

Additional information on HANO's capital assets can be found in Note B-3 of this report.

Housing Authority of New Orleans
Management's Discussion and Analysis

September 30, 2018

Long-term debt

At the end of the current year, HANO had total debt outstanding of HANO's Capital Fund Program Revenue Bonds - Series A of 2003. The bonds are secured by pledges of Replacement Housing Factor Funds and Capital Fund Grants and are payable in monthly installments through December 1, 2023. HANO's total debt decreased by \$1,175,000. This was due to the scheduled pay down of principal.

Capital Fund Program Revenue Bonds Series A of 2003	<u>2018</u>	<u>2017</u>
	<u>\$ 8,230,000</u>	<u>\$ 9,405,000</u>

Highlights of Redevelopment

Columbia Parc at the Bayou District (formerly St. Bernard) Phases I, II, III

The overall revitalization strategy provides for the development and construction of 1,320 units consisting of 300 single-family, 900 multi-family and 120 elderly housing units in phases. The unit mix includes Annual Contributions Contract (ACC), Low Income Housing Tax Credit (LIHTC), project based voucher (PBV) and market rate rental units as well as affordable and market-rate homeownership units. To date, 683 rental housing units at St. Bernard were received from the general contractor and turned over to the owner's property management company for occupancy.

The final portion of the site along St. Bernard Avenue, will house a K-8 charter school, health clinic, and grocery store. HANO has funded the infrastructure work for the commercial/community use property, having completed the school and health clinic infrastructure. The grocery store infrastructure is expected in the next fiscal year.

Lafitte

Phase I of the Lafitte Redevelopment includes the development of 812 new residential rental units, 510 of which will be located on the existing site and 302 will be located in the Tremé, Tulane, Gravier and other surrounding neighborhoods (collectively, "Phase I"). Phase I will include ACC, LIHTC and HCVP rental units, affordable and market rate homeownership units. The construction completion of 465 units onsite, as well as 230 units offsite, has led to steady occupancy for the Lafitte Development.

There are 45 units of mixed affordable and market homeownership in the predevelopment phase as well as the conversion of the third of three historic buildings on site to residential units and leasing office space. The offsite component has 72 units in development.

Marrero Commons (formerly BW Cooper)

Marrero Commons, the first phase of the BW Cooper redevelopment, includes the construction of 410 rental-housing units, a management office with a business center, and a day care facility. All units were completed by 2014, and include ACC, LIHTC and market rate rental units. Demolition of the remaining units that date to the 1950's along with foundation removal and soil remediation was completed in 2018.

Housing Authority of New Orleans
Management's Discussion and Analysis

September 30, 2018

Iberville

The Iberville redevelopment contemplates a one-for-one replacement of 821 public housing units between onsite and offsite phases. The onsite project will incorporate ACC, LIHTC, HCVP, and market rate units. Infrastructure is complete and the first six phases (626 units—247 replacement units) are fully leased. An additional 56 new and rehabilitated rental housing units are underway in the final phase VII. 505 units (332 replacement units) offsite units are complete while another 143 units (121 replacement units) were in predevelopment status, including the Winn Dixie property, adjacent to the main Iberville site. The demolition of the old grocery store is complete and planning for infrastructure and vertical construction is underway.

Guste Phase III

The Guste III site plan includes a four-story building north of the senior high rise that houses 49 units while the rest of the site integrates the remaining 106 apartments in duplex and four-plex units. The unit mix includes ACC, HCVP, and LIHTC units. Litigation with the original contractor has delayed delivery of the units. However, the phased construction is nearly complete with 103 units available for occupancy, with the remaining 42 expected to be available by September 2019.

Bywater

HANO continues to work with its third-party developer in predevelopment activities, including a change in zoning, for the redevelopment of its properties in the Bywater and Marigny.

Scattered Sites

HANO entered into contracts for the redevelopment of its properties in the Uptown neighborhoods in FY 2017 and continues with predevelopment activities. HANO is issuing contracts for development of all remaining properties in summer of 2018 and will work through award of the development contracts in the next fiscal year.

Highlights of Modernization Activities

Guste Highrise

Modernization work continued at the Guste Highrise with the replacement and repair of HVAC components including an extensive upgrade to the components in the main mechanical room during 2018. Roofing and an upgrade to the security camera system are the next planned capital improvements.

Guste I

Roofing repairs were completed in 2018 with exterior painting and HVAC replacements scheduled for the next fiscal year.

Scattered Sites

Modernization activities at the occupied scattered sites continues to focus on the Westbank properties with new windows, floors, and paint.

Requests for Information

The financial report is designed to provide a general overview of HANO's finances for all those with an interest in the Housing Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Housing Authority of New Orleans, 4100 Touro Street, New Orleans, Louisiana, 70122.

Housing Authority of New Orleans

STATEMENTS OF NET POSITION

September 30, 2018

	Primary Government	Discrete Component Units
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents - unrestricted	\$ 55,085,628	\$ 2,460,342
Cash and cash equivalents - restricted	12,141,956	1,272,133
Investments - unrestricted	519,634	-
Investments - restricted	2,016,242	-
Receivables, net	15,740,352	441,357
Prepaid expenses	920,730	419,558
Total current assets	86,424,542	4,593,390
NONCURRENT ASSETS		
Cash and cash equivalents - restricted	101,314	-
Notes receivable - unrestricted	450,000	-
Notes receivable - restricted	222,634,679	-
Accrued interest receivable	83,838	-
Other noncurrent assets	651,342	99,666
Capital assets, net	201,215,352	86,278,181
Total noncurrent assets	425,136,525	86,377,847
Total assets	511,561,067	90,971,237
LIABILITIES		
CURRENT LIABILITIES		
Current portion of long-term debt	1,230,000	-
Accounts payable	1,451,464	75,621
Settlements, judgments and contingencies	357,580	-
Due to related parties	1,474,367	-
Tenant security deposits	558,404	51,499
Deferred developer fees	3,593,342	-
Unearned revenue	303,596	387
Accrued liabilities - other	3,019,435	6,265,418
Total current liabilities	11,988,188	6,392,925
NONCURRENT LIABILITIES		
Accrued compensated absences	276,302	-
Settlements, judgments and contingencies	230,000	-
Family self-sufficiency escrow	101,314	-
Long-term debt	7,000,000	86,159,766
Developer fees payable	-	3,456,223
Prepaid ground lease	2,770,394	-
Other noncurrent liabilities	-	11,424,510
Total noncurrent liabilities	10,378,010	101,040,499
Total liabilities	22,366,198	107,433,424
NET POSITION		
Net investment in capital assets	201,215,352	118,415
Restricted	232,922,037	1,208,225
Unrestricted	55,057,480	(17,788,827)
Total net position	\$ 489,194,869	\$ (16,462,187)

The accompanying notes are an integral part of these financial statements.

Housing Authority of New Orleans

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year ended September 30, 2018

	Primary Government	Discrete Component Units
OPERATING REVENUES		
HUD grants and subsidies	\$ 190,295,943	\$ -
Tenant revenue, net	2,920,168	1,190,560
Other grant revenue	-	634,971
Developer fees earned	513,221	-
Other revenues	4,843,357	789,283
Total operating revenues	198,572,689	2,614,814
OPERATING EXPENSES		
Administrative	13,549,389	188,183
Tenant services	1,813,533	131,303
Utilities	1,480,515	317,403
Ordinary maintenance	2,592,569	551,748
Protective services	2,165,148	210,647
General	12,215,529	962,097
Depreciation	4,913,533	1,823,725
Housing assistance payments	159,354,123	-
Total operating expenses	198,084,339	4,185,106
OPERATING INCOME (LOSS)	488,350	(1,570,292)
NONOPERATING REVENUES (EXPENSES)		
Bad debt - notes receivable	(5,527,678)	-
Interest income	296,598	3,589
Interest expense	(437,948)	(948,675)
Loss on disposal of capital assets	(22,947,246)	-
Total nonoperating revenues (expenses)	(28,616,274)	(945,086)
Change in net position before capital contributions	(28,127,924)	(2,515,378)
CAPITAL CONTRIBUTIONS		
HUD Capital grants	1,599,180	-
FEMA Capital grants	1,091,522	-
Total capital contributions	2,690,702	-
Change in net position	(25,437,222)	(2,515,378)
Total net position - beginning	514,632,091	(13,946,809)
Total net position - ending	\$ 489,194,869	\$ (16,462,187)

The accompanying notes are an integral part of these financial statements.

Housing Authority of New Orleans

STATEMENT OF CASH FLOWS

Year ended September 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

HUD operating grants received	\$ 190,512,208
Collections from tenants	2,963,669
Collections from other sources	4,991,676
Payments to employees	(14,402,974)
Payments to suppliers	(21,627,923)
Housing assistance payments	(159,354,123)
Net cash provided by operating activities	<u>3,082,533</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

HUD capital grants received	1,544,180
Other government grants received	955,958
Payments on long-term debt	(1,175,000)
Payments of interest	(600,889)
Investments in notes receivable	(7,371,145)
Collection of notes receivable	187,367
Purchase of property and equipment	(4,423,017)
Proceeds from sale of property and equipment	106,468
Net cash used in capital and related financing activities	<u>(10,776,078)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	<u>275,284</u>
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NET DECREASE IN CASH AND CASH EQUIVALENTS

Cash and cash equivalents at beginning of year	<u>74,747,159</u>
Cash and cash equivalents at end of year	<u>\$ 67,328,898</u>

AS PRESENTED IN THE ACCOMPANYING STATEMENT OF NET POSITION:

Cash and cash equivalents - unrestricted current	\$ 55,085,628
Cash and cash equivalents - restricted current	12,141,956
Cash and cash equivalents - restricted noncurrent	101,314
	<u>\$ 67,328,898</u>

The accompanying notes are an integral part of these financial statements.

Housing Authority of New Orleans

STATEMENT OF CASH FLOWS (continued)

Year ended September 30, 2018

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 488,350
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	4,913,533
Provision for bad debt, net of recoveries	93,373
(Increase) decrease in assets:	
Receivables, net	(1,241,248)
Prepaid expenses	(397,281)
Increase (decrease) in liabilities:	
Accounts payable	(112,671)
Accrued salaries and benefits	(17,073)
Accrued compensated absences	(103,998)
Tenant security deposits	18,296
Deferred developer fees	1,164,681
Unearned revenue	(150,905)
Accrued liabilities	(973,931)
Settlements, judgments and contingencies	(650,096)
Family self-sufficiency escrow	(3,497)
Net cash provided by operating activities	<u>\$ 3,027,533</u>

The accompanying notes are an integral part of these financial statements.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting entity

The Housing Authority of New Orleans (“HANO” or the “Authority”) is a political subdivision of the State of Louisiana established on September 29, 1936, pursuant to the laws of the State of Louisiana, to provide low-rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development (“HUD”) and other Federal Agencies. The primary purpose of HANO is to provide safe, decent, sanitary, and affordable housing to low-income, elderly, and disabled families in New Orleans, Louisiana.

The Authority is not a component unit of the City, as defined in Governmental Accounting Standards Board’s (“GASB”) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100, *Defining the Financial Reporting Entity*, and 2600, *Reporting Entity and Component Unit Presentation and Disclosure*, as the Board independently oversees the Authority’s operations.

The definition of the reporting entity as described by GASB Codification Sections 2100 and 2600 is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. The Authority’s reporting entity is comprised of an enterprise fund which includes the activities of several housing programs and blended component units.

HANO is a related organization of the City of New Orleans since Commissioners are appointed by the Mayor of the City of New Orleans. The City of New Orleans is not financially accountable for HANO as it cannot impose its will on HANO and there is no potential for HANO to provide financial benefit to, or impose financial burdens on, the City of New Orleans. Accordingly, HANO is not a component unit of the City of New Orleans.

Blended component units

Some component units, despite being legally separate from the primary government, are so integrated with the primary government that they are in substance part of the primary government. These component units are blended with the primary government. The purpose of the LLCs is to redevelop or construct mixed income housing. Crescent Affordable Housing Corporation (“CAHC”) and HANO served as co-developers with respect to those affordable housing projects.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. Reporting entity (continued)

Blended component units (continued)

Crescent Affordable Housing Corporation (“CAHC”) was formed in December 2003 as a non-profit membership corporation, in which HANO serves as the sole member, for the purpose of coordinating the development of safe, decent and affordable housing to low and moderate-income citizens of New Orleans. CAHC is tax-exempt under Section 501(c)(3) of the Internal Revenue Code (the “Code”) as a supporting organization under Section 509(a)(3) of the Code, the sole purpose of which is to carry out the affordable housing mission of HANO.

Lune d'Or Enterprises, LLC (“Lune d'Or”), a Louisiana Limited Liability Company, whose sole member is CAHC, was formed in March 2004, as a for-profit entity. Lune d'Or currently serves as the managing member of several Louisiana limited liability companies, of which three of these entities each own a single affordable housing project qualified for low-income housing tax credits.

Place d'Genesis, LLC, a Louisiana Limited Liability Company, whose sole member is CAHC, was formed in January of 2007. The purpose of the Limited Liability Company is to acquire, finance, construct, redevelop and rehabilitate affordable and/or market rate housing as a for-profit subsidiary and on behalf of CAHC.

HANO Resident Loan Corporation, Inc. and New Orleans Works had little to no activity during the year ended September 30, 2018.

Discrete component units

The discrete component units have a fiscal year end of December 31, which differs from the Authority's year end. For consolidation purposes, the discrete information identified in these accompanying financial statements is presented as of and for the year ended December 31, 2017. The discrete component units are not considered governmental entities. Therefore they follow all applicable FASB standards and do not follow government accounting standards similar to the Authority. However, for presentation purposes in order to conform to the presentation of the Authority, certain transactions may be reflected differently in these financial statements than in separately issued information. Separately issued financial information for the discrete component units can be obtained from the Authority.

Fischer I, LLC, whose sole managing member is Lune d'Or, was formed in March 2004. The Fischer I project was financed using tax credit equity investments.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. Reporting entity (continued)

Discrete component units (continued)

Fischer III, LLC, and ***Guste I, LLC***, whose sole managing member is Lune d'Or, were formed in December 2003. The Fischer III and Guste I projects were funded with mixed-financing which included funds borrowed pursuant to the Trust Indenture between HANO, JP Morgan Trust Company, NA and the Industrial Development Board of the City of New Orleans, Louisiana, Inc. (the Bond Issuer), from the proceeds of the Capital Fund Program Revenue Bonds, Series A of 2003 (the Bonds), tax credit equity investment funds, construction loans from a conventional lender, and Affordable Housing Program grant funds from the Federal Home Loan Bank.

Guste Homes III, LLC whose sole managing member is CAHC, was formed in 2012. The project is funded with 4% tax exempt bonds, RHF/CFP funds, FEMA, and program income.

Related parties

The Authority has relationships with the for-profit limited partnerships listed below which were formed to develop and operate mixed finance housing properties. The Authority has no direct ownership interest in these entities but holds notes receivable as detailed in Note B-4 and provides program support on behalf of these entities.

- Harmony Neighborhood Development, Inc.;
- New Savoy Place Apartments, LP;
- New Savoy Place Phase II, LP;
- St. Bernard I, LLC;
- St. Bernard II, LLC;
- Abundance Square Associates, LP;
- C.J. Peete I, LLC;
- ON Iberville Phase I, LLC;
- ON Iberville Phase II, LLC;
- ON Iberville Phase III, LLC;
- ON Iberville Phase IV, LLC;
- ON Iberville Phase V, LLC;
- ON Iberville Phase VI, LLC;
- Lafitte Redevelopment Blocks 1-3, LLC;
- Lafitte Redevelopment Blocks 5-7, LLC;
- LGD Rental I, LLC;
- LGD Rental II, LLC;
- Magnolia Market Place, LLC; and
- Treasure Village Associates, LP.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. Reporting entity (continued)

These limited partnerships are not considered to be component units of the Authority and, therefore, are not a part of the reporting entity. As disclosed in Note A-4, the Authority has already entered into, or plans to enter into, Mixed-Finance Annual Contributions Contracts ("ACC") with these entities.

2. Government-wide and fund financial statements

The government-wide financial statements report information about the reporting government as a whole excluding fiduciary activities. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities rely to a significant extent on user fees and charges for support.

Governments use fund accounting whereby funds are organized into three major categories: governmental, proprietary and fiduciary. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenditures/expenses.

For financial reporting purposes, the Authority reports all of its operations as a single business activity in a single enterprise fund. Therefore, the government-wide and the fund financial statements are the same.

Enterprise funds are proprietary funds. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating activities generally arise from providing services in connection with a proprietary fund's principal activity. The operating revenues of the Authority consist primarily of rental charges to tenants, management fees, development fees and operating grants from the U.S. Department of Housing and Urban Development ("HUD") as well as the City and include, to a lesser extent, certain operating amounts of capital grants that offset operating expenses.

Operating expenses for the Authority include the cost of tenant services, general, administrative, maintenance, utilities, protective services, depreciation and housing assistance payments. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, except for capital contributions, which are presented separately.

When restricted resources meet the criteria to be available for use and unrestricted resources are also available for use, it is the Authority's policy to use restricted resources first, and then unrestricted resources, as needed.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Measurement focus and basis of accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied. The basis of accounting used is similar to businesses in the private sector, thus, these funds are maintained on the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

For financial reporting purposes, the Authority considers its HUD grants and pass through grants from the City associated with operations as operating revenue because these funds more closely represent revenues generated from operating activities rather than nonoperating activities. HUD grants and pass through grants from the City associated with capital acquisition and improvements are considered capital contributions and are presented after nonoperating activity on the accompanying statement of revenues, expenses and changes in net position.

As provided by GASB Codification Section 2200.140, *Comprehensive Annual Financial Report: General Revenues*, and related guidance, tenant revenue is reported net of \$50,998 in accounts written off.

4. Summary of programs

The accompanying basic financial statements include the activities of several housing programs of the Authority. A summary of each significant program is provided below.

Low Rent Public Housing Programs

The Low Rent Public Housing Programs include asset management projects (“AMPs”), which collect both operating and capital fund subsidy and various other related HUD grants.

The purpose of these programs is to provide decent and affordable housing to low-income families at reduced rents. The properties are owned, maintained and managed by the Authority. The properties are acquired, developed and modernized under HUD’s Development and Capital Fund programs. Funding of operations and development is provided by federal annual contributions, operating subsidies and tenant rentals (determined as a percentage of family income, adjusted for family composition and other allowances).

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Summary of programs (continued)

Housing Assistance Payments Programs

The Housing Assistance Payments Programs utilize existing privately owned family rental housing units to provide decent and affordable housing to low-income families. The Section 8 Housing Choice Voucher ("HCV"), Section 8 Moderate Rehabilitation and Single Room Occupancy, and Section 8 New Construction programs are funded through federal housing assistance contributions from HUD for the difference between the approved landlord contract rent and the rent paid by the tenants.

Revitalization of Severely Distressed Public Housing Program ("HOPE VI") and Choice Neighborhoods Implementation Grant ("CNI")

Revitalization grants enable the Authority to improve the living environment for public housing residents of severely distressed public housing projects through the demolition, substantial rehabilitation, reconfiguration, and/or replacement of severely distressed units. This helps to build sustainable mixed-income communities and provide well-coordinated, results-based supportive services that directly complement housing redevelopment and that help residents to achieve self-sufficiency. Funding for this program is provided by grants from HUD.

Community Development Block Grant ("CDBG")

The activities of this program include redevelopment activities of the affected areas of the City undergoing revitalization of distressed public housing communities under the control of the Authority. This program is designed to acquire, construct and manage property within the City, as well as to perform contractual service in the field of housing management, and to assist in providing housing for low and moderate-income individuals.

Mixed Financing

The Authority has entered into, or plans to enter into, Mixed-Finance Annual Contributions Contracts approved by HUD to provide public housing funding for the ACC units at the developments owned by the limited partnerships listed as related parties in Note A-1. HUD, through the Authority, has provided funds through various grants for a number of the developments. As disclosed in Note B-4, a portion of the funds received by the Authority from HUD have been loaned to the respective related parties and are presented as mortgage notes receivable.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Assets, liabilities and net position

a. *Cash and cash equivalents*

For financial statement purposes cash and cash equivalents are considered to be amounts in demand deposits, interest-bearing demand deposits, and time deposits and other investments with original maturities of three months or less. Under state law, HANO may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

b. *Investments*

As required by GASB Codification Section 150, Investments, investments are measured at fair value, the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For financial statement purposes, investments typically consist of U.S. Treasuries and certificates of deposit with an original maturity of three months or greater. Investment instruments consist only of items specifically approved for public housing agencies by HUD. Investments are either insured or collateralized using the dedicated method. Under the dedicated method of collateralization, all deposits and investments over the federal depository insurance coverage are collateralized with securities held by HANO's agent in HANO's name. It is HANO's policy that all funds on deposit are collateralized in accordance with both HUD requirements and requirements of the State of Louisiana.

The Authority categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quotes prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. The Authority does not have any investments that are measured using Level 2 or 3 inputs.

c. *Receivables*

Receivables, net consist of revenues earned at year-end and not yet collected. Amounts presented as due from HUD principally result from grant revenue being accrued for allowable program expenses not yet funded. Other receivables consist of tenant receivables, fraud recovery receivables for the housing assistance payments programs and reimbursement receivables from various parties in the normal course of business. An allowance for uncollectible amounts is estimated by management based on historical collection experience and a review of the current status of the tenant accounts receivable (see Note B-2).

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Assets, liabilities and net position (continued)

d. *Due from other governments*

Due from other governments consists of revenue earned for related costs incurred from government grants that have not yet been collected.

e. *Notes receivable*

A significant portion of the mortgage notes receivable represent loans to related parties (see Note A-1). The Authority subordinated mortgage loans to the related parties in conjunction with financing arrangements related to the development of mixed-income, multifamily rental communities, in most cases, on land owned by the Authority. Such loans are generally interest-bearing and are payable from cash flow from the property owned by each respective related party. Such loans are typically funded from FEMA, HOPE VI, CNI, and Capital fund grants and Section 901 Fungibility programs, representing a significant portion of the construction costs associated with the Authority-assisted component of the mixed income rental property. Because interest and principal on these loans are subordinated and are contingent on cash flow from the property, interest income recognition does not occur until payments are received or are reasonably expected to be received.

The Authority also earns developer and other fees associated with the development project. Developer fees are recorded at the time of the financial closing for the public and private funds for a particular phase of the development.

For those mortgage notes receivable where HANO or affiliates do not have an ownership interest, or a controlling interest in the project, HANO retains the legal rights as the lender, and will pursue collection, in accordance with the original terms of the notes, which provides for extended due dates of loan payments, usually 40 years or more. HANO has concluded that the primary value of these transactions to HANO are the rights received, whereby the owner/developer provides a set number of public housing units over the contract period, usually 40 years or more. Therefore, HANO amortizes these rights (loan balance) and previously recorded accrued interest on a straight line basis over the remaining life of the agreements.

The Authority reviews Mortgage Notes Receivable and Contract Rights for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the asset are less than the carrying amount, management compares the carrying amount of the asset to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. There were no impairment losses recognized during the year ended September 30, 2018.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Assets, liabilities and net position (continued)

e. *Notes receivable (continued)*

Mortgage notes receivable - principal

HANO is required to fund a portion of capital in the form of loans usually in a third or fourth security position. HANO has agreed to annual subsidy support from the HUD Annual Contributions Contract (ACC), and has received a commitment from the owner/developer to maintain a set number of public housing units over the term of the agreement, generally 40 years or more. With respect to all of these projects, HANO owns the land and has executed a ground lease with the owner/developer. Additionally, after completion of the tax credit compliance period, HANO has a right of first refusal and/or a purchase option at fair value.

Mortgage notes receivable - interest

Due to the uncertainty created by the extended time period to repayment and the provisions on certain notes that limits payment to defined surplus cash or net cash flows, HANO has ceased accruing interest on all mortgage notes receivable, except pre-development loans of short maturity. HANO will recognize interest income when cash payments are received.

Notes receivable with discrete component units

HANO has notes receivable with component units. The component units have a December 31st year end. Due to the difference in fiscal year end, there may also be a difference in amounts reflected as a receivable by HANO as compared to the corresponding payable reflected by the component unit.

For those projects where HANO or affiliates have an ownership interest in the project, HANO amortizes the loan balances on the straight-line basis over the remaining life of the loans and removes amounts past due as they are deemed uncollectible.

f. *Investments in joint ventures*

The Authority's blended component unit, CAHC, accounts for its ownership in Partnerships using the equity method. Under the equity method, the initial investment is recorded at cost, and then increased or decreased by the Authority's share of income or losses and decreased by distributions. These entities are considered to be related parties of the Authority (see Note A-1).

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Assets, liabilities and net position (continued)

g. Capital assets

The Authority's policy is to capitalize assets with a value in excess of \$5,000 and a useful life in excess of two years. The Authority capitalizes the costs of site acquisition and improvement, structures, infrastructure, equipment and direct development costs meeting the capitalization policy. Assets are valued at historical cost, or estimated historical cost if actual historical cost is not available, and contributed assets are valued at fair value on the date contributed. Depreciation commences on modernization and development additions in the year following completion, or in the fifth year if the program is 90% complete. HANO treats all computers as fixed assets regardless of value and depreciates over 3 years. When land, buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

Depreciation has been provided using the straight-line method over the estimated useful lives, which range as follows:

Asset Category	Useful Life
Furniture	5 years
Vehicles	5 years
Equipment	10 years
Land improvements	40 years
Buildings and improvements	27.5 years

h. Prepaid items

Payments over \$5,000 made to vendors for services that will benefit periods beyond the fiscal year end are recorded as prepaid items. The Authority's prepaid items consist of insurance, software, and other prepaid expenses in the amount of \$920,730.

i. Tenant security deposits

Tenant security deposits are deposits held by the Authority that are required of tenants before they are allowed to move into an Authority owned site. The Authority records this cash as restricted, with an offsetting liability, as these funds may be reimbursable to the tenant when they move out.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Assets, liabilities and net position (continued)

j. Accrued compensated absences

Compensated absences are those absences for which employees will be paid, such as annual vacation and sick leave. A liability for compensated absences for annual/vacation leave that is attributable to services already rendered and that is not contingent on a specific event, outside the control of HANO and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of HANO and its employees are accounted for in the period in which such services are rendered or in which such events take place.

k. Unearned revenues

Unearned revenues include amounts collected before revenue recognition criteria are met. The unearned items consist of prepaid rents of \$13,279, current portion of prepaid ground leases of \$38,337 and other development related unearned revenue of \$251,980.

l. Eliminations

For financial reporting purposes, certain amounts are internal and are therefore eliminated in the accompanying financial statements. The following have been eliminated from the financial statements:

i.) Interprogram due to/from

In the normal course of operations, certain programs may pay for common costs or advance funds for operations that create interprogram receivables or payables. The interprogram receivables and payables net to zero and as of September 30, 2018, \$22,345,947 are eliminated for the presentation of the Authority as a whole.

ii.) Fee for service

The Authority's COCC internally charges fees to the AMPs and programs of the Authority. These charges may include management fees, bookkeeping fees, and asset management fees. For financial reporting purposes \$9,200,603 of fee for service charges have been eliminated for the year ended September 30, 2018.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Assets, liabilities and net position (continued)

m. Net position

In accordance with GASB Codification Section 1800.155, *Reporting Net Position in Government-Wide Financial Statements*, total equity as of September 30, 2018, is classified into three components of net position:

i.) *Net investment in capital assets*

This category consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, and improvements of those assets.

ii.) *Restricted component of net position*

This category consists of components of net position restricted in their use by (1) external groups such as grantors, creditors or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The statement of net position of the Authority reports \$232,922,037 of restricted net position which consists of the following:

- \$222,634,679 of mortgage notes receivable that were loaned using HUD funds and therefore are restricted upon repayment by HUD guidelines (see Note B-4);
- \$81,631 of accrued interest related to the notes receivable;
- \$8,495,661 of restricted escrows and reserves; and
- \$1,710,066 of unspent housing assistance payments.

iii.) *Unrestricted component of net position*

This category includes all of the remaining net position that does not meet the definition of the other two components. Certain amounts of unrestricted net position, even though categorized as unrestricted in accordance with generally accepted accounting standards, are still programmatically restricted based on the funding streams provided by HUD.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Budgets

Budgets are prepared on an annual basis for each major program and are used as a management tool throughout the accounting cycle. The capital fund budgets are adopted on a "project length" basis. Budgets are not, however, legally adopted nor required in the basic financial statement presentation.

7. Income taxes

The Authority is a governmental entity and is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been made in the financial statements. The Authority's component units are subject to the income tax provisions of Louisiana Statutes and the Internal Revenue Code.

The Authority's component units account for income taxes in accordance with Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 740, *Income Taxes*, which clarifies the accounting and disclosure requirements for uncertainty in tax positions. It requires a two-step approach to evaluate tax positions and determine if they should be recognized in the financial statements. The two-step approach involves recognizing any tax positions that are "more likely than not" to occur and then measuring those positions to determine if they are recognizable in the financial statements. Management regularly reviews and analyzes all tax positions and has determined no aggressive tax positions have been taken.

For the year ended September 30, 2018, the Authority's component units made no provision or liability for federal income taxes. The Authority's component units income tax filings are subject to audit by various taxing authorities. The open audit periods for these entities are 2014 through 2018.

8. Leasing activities

The Authority is the lessor of dwelling units mainly to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time or renewed every year. The Authority may cancel the lease only for cause. In addition, a significant majority of the capital assets are used in these leasing activities. Revenues associated with these leases are recorded in the accompanying basic financial statements and related schedules within tenant revenue.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

9. 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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

10. Impairment of long-lived assets

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that impairment is other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. Impaired capital assets that will no longer be used are reported at the lower of carrying value or fair value. Impairment of capital assets with physical damage generally are measured using the restoration cost approach, which uses the estimated cost to restore the capital asset to identify the portion of the historical cost of the capital asset that should be written-off. Management has determined that long-lived assets were not impaired at September 30, 2018.

11. Annual contribution contracts

Annual Contribution Contracts (ACC) provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of HANO's financing and contribution status for the Annual Contribution Contracts is determined by HUD based upon financial reports submitted by HANO.

12. Impact of recently issued accounting principles

In June 2017, the GASB issued Statement No. 87, *Leases*, which establishes a single model for lease accounting. This statement is effective for the Authority's September 30, 2021 fiscal year end. Management is currently evaluating the impact of the adoption of this statement on the Authority's financial statements.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES

1. Deposits and investments

As of September 30, 2018, the Authority's cash and cash equivalents consist of demand deposits of \$67,328,898. As of September 30, 2018, the Authority's investments consist of U.S. Treasuries with a fair value of \$2,016,242 and certificates of deposit in the amount of \$519,634.

In accordance with GASB Codification Sections C20, *Cash Deposits with Financial Institutions*, and I50, *Investments*, the Authority's exposure to risk is disclosed as follows:

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority's deposit policy for custodial credit risk requires collateral to be held in the Authority's name by its agent or by the bank's trust department. The Authority's deposits are insured by the Federal Depository Insurance Corporation up to \$250,000, per financial institution, per depositor. As of September 30, 2018, none of the Authority's bank balance was exposed to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that the relative value of a security will decline due to a change in interest rates. The Authority's policy does not address interest rate risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will fail to meet its obligations in accordance with agreed terms. It is the Authority's policy to follow the HUD regulations by only having direct investments and investments through mutual funds to direct obligations, guaranteed obligations, or obligations of the agencies in the United States of America. As of September 30, 2018, the Authority mitigated their exposure to credit risk by primarily investing in certificates of deposit and following HUD regulations. The U.S. Treasuries held by the Authority are rated Aaa.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

1. Deposits and investments (continued)

Restricted cash, cash equivalents, and investments

Cash and cash equivalents were restricted for the following purposes at September 30, 2018:

Current:	
HCV HAP reserves	\$ 1,523,778
Other HAP reserves	186,288
Modernization and development	2,571,458
Tenant security deposits	558,404
Family self-sufficiency escrow	623,673
AMP prepaid ground leases	2,808,731
AMP reserves	3,869,624
Subtotal current	12,141,956
Noncurrent:	
Family self-sufficiency escrow	101,314
Total restricted cash and cash equivalents	\$ 12,243,270

At September 30, 2018, restricted investments of \$2,016,242 consist of funding from the Community Development Block Grant program.

2. Receivables, net

As of September 30, 2018, receivables, net consist of:

Due from HUD	\$ 1,834,234
Fraud recovery	71,683
Tenant receivables	174,593
Due from other governments	4,334,167
Due from related parties	4,113,732
Developer fee receivable from related parties	3,456,223
Other receivables	2,780,558
Due from other public housing authorities	73,749
Total receivables	16,838,939
Allowance for doubtful accounts - tenants	(45,380)
Allowance for doubtful accounts - other	(1,053,207)
Total receivables, net	\$ 15,740,352

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2018

NOTE B - DETAILED NOTES (continued)

3. Capital assets

A summary of changes in capital assets is as follows:

	Balance at October 1, 2017	Transfers in/ Additions	Transfers out/ Reductions	Balance at September 30, 2018
Non-depreciable:				
Land	\$ 49,807,043	\$ 3,998,922	\$ -	\$ 53,805,965
Construction in progress	8,497,026	-	(84,093)	8,412,933
Total non-depreciable	<u>58,304,069</u>	<u>3,998,922</u>	<u>(84,093)</u>	<u>62,218,898</u>
Depreciated:				
Buildings and improvements	103,864,330	414,868	(26,507,164)	77,772,034
Equipment - administrative	7,691,966	-	(370,651)	7,321,315
Equipment - dwelling	1,974,627	-	(1,813,858)	160,769
Land improvements	19,806,026	-	(7,803,949)	12,002,077
Infrastructure	67,353,977	9,227	-	67,363,204
Total depreciated	<u>200,690,926</u>	<u>424,095</u>	<u>(36,495,622)</u>	<u>164,619,399</u>
Total capital assets	258,994,995	4,423,017	(36,579,715)	226,838,297
Less accumulated depreciation				
Buildings and improvements	(26,132,822)	(3,744,047)	12,123,715	(17,753,154)
Equipment - administrative	(6,583,518)	(342,020)	128,324	(6,797,214)
Equipment - dwelling	(418,653)	(332,315)	688,316	(62,652)
Land improvements	(1,100,420)	(495,151)	585,646	(1,009,925)
Total accumulated depreciation	<u>(34,235,413)</u>	<u>(4,913,533)</u>	<u>13,526,001</u>	<u>(25,622,945)</u>
Capital assets, net	<u>\$ 224,759,582</u>	<u>\$ (490,516)</u>	<u>\$ (23,053,714)</u>	<u>\$ 201,215,352</u>

The reductions above mainly consist of demolition and removal of costs to the B.W. Cooper and Iberville Asset Management Projects. The additions to land consist of related demolition costs.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2018

NOTE B - DETAILED NOTES (continued)

3. Capital assets (continued)

Discretely Presented Component Units

A summary of changes in capital assets for the Authority's discretely presented component units is as follows, for the fiscal year ending December 31, 2017:

	Balance at January 1, 2017	Transfers in/ Additions	Transfers out/ Reductions	Balance at December 31, 2017
Non-depreciable:				
Construction in progress	\$ 39,888,507	\$ 3,340,070	\$ -	\$ 43,228,577
Depreciated:				
Buildings and improvements	36,789,315	14,846,019	-	51,635,334
Equipment - dwelling	880,539	-	-	880,539
Leasehold improvements	4,860,619	-	-	4,860,619
Total depreciated	42,530,473	14,846,019	-	57,376,492
Total capital assets				
Less accumulated depreciation	-	-	-	-
Buildings and improvements	(8,640,608)	(1,484,267)	-	(10,124,875)
Equipment - dwelling	(786,537)	(54,689)	-	(841,226)
Leasehold improvements	(3,076,018)	(284,769)	-	(3,360,787)
Total accumulated depreciation	(12,503,163)	(1,823,725)	-	(14,326,888)
Capital assets, net	\$ 69,915,817	\$ 16,362,364	\$ -	\$ 86,278,181

The additions above consist of construction costs related to Guste Homes III, LLC.

Housing Authority of New Orleans

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

4. Notes, loans, and mortgages receivable

Notes Receivable:	Beginning Balance October 1, 2017, restated	Advances	Receipts	Gross Notes Receivable	Accrued Interest Receivable	Allowance for Doubtful Accounts	Net Receivable Balance September 30, 2018
BW Cooper IA (Marrero Commons - 1A)	\$ 31,671,911	\$ -	\$ -	\$ 31,671,911	\$ 15,358,276	\$ (38,678,039)	\$ 8,352,148
BW Cooper IB (Marrero Commons - 1B)	14,923,149	-	-	14,923,149	4,237,570	(5,642,368)	13,518,351
COCC Advances (Fischer I and Fischer III)	450,000	-	-	450,000	-	-	450,000
Fischer I	1,750,359	-	-	1,750,359	1,222,387	(1,613,705)	1,359,041
Fischer III	19,813,954	-	-	19,813,954	6,202,471	(21,662,718)	4,353,707
Guste I	13,650,748	-	-	13,650,748	2,888,432	(5,496,610)	11,042,570
Guste III	30,482,165	196,748	-	30,678,913	-	-	30,678,913
FEMA Guste III	10,750,652	896,244	-	11,646,896	-	-	11,646,896
Homeownership (HOPE IV)	1,896,591	-	-	1,896,591	-	-	1,896,591
New Savoy Place Apartments	8,900,000	-	-	8,900,000	-	(4,473,485)	4,426,515
New Savoy Place Apartments II	4,890,000	-	-	4,890,000	3,806,695	(5,784,042)	2,912,653
St. Bernard I	26,978,475	-	(116,380)	26,862,095	6,403,597	(12,026,859)	21,238,833
St. Bernard IIA	4,873,715	-	(25,000)	4,848,715	-	(736,514)	4,112,201
St. Bernard IIB	4,801,567	-	(45,987)	4,755,580	-	(634,192)	4,121,388
St. Bernard III	316,087	-	-	316,087	-	(316,087)	-
Abundance Square	2,223,643	-	-	2,223,643	-	(993,614)	1,230,029
CJ Peete I	40,931,712	10,304	-	40,942,016	1,158,000	(14,895,818)	27,204,198
Iberville Phase I	8,843,948	-	-	8,843,948	1,622,366	(2,873,014)	7,593,300
Iberville Phase II	6,448,874	-	-	6,448,874	1,106,618	(1,960,188)	5,595,304
Iberville Phase III	8,866,073	-	-	8,866,073	1,796,513	(2,946,262)	7,716,324
Iberville Phase IV	16,321,339	73,413	-	16,394,752	1,026,153	(2,358,736)	15,062,169
Iberville Phase V	7,087,216	31,188	-	7,118,404	78,360	(421,279)	6,775,485
Iberville Phase VI	2,703,832	-	-	2,703,832	33,044	(169,469)	2,567,407
Iberville Phase VII	-	6,163,248	-	6,163,248	1,039	(4,205)	6,160,082
Lafitte I Redevelopment Blocks 1-3, LLC	6,727,905	-	-	6,727,905	1,026,958	(3,095,876)	4,658,987
Lafitte II Redevelopment Blocks 5-7, LLC	6,653,226	-	-	6,653,226	1,130,545	(3,549,097)	4,234,674
LGD	20,602,535	-	-	20,602,535	3,582,663	(12,526,237)	11,658,961
LGD II	1,408,574	-	-	1,408,574	133,437	(575,676)	966,335
Magnolia Marketplace	892,920	-	-	892,920	133,961	(275,443)	751,438
Treasure Village	1,124,091	-	-	1,124,091	1,261,691	(1,585,603)	800,179
	<u>\$ 306,985,261</u>	<u>\$ 7,371,145</u>	<u>\$ (187,367)</u>	<u>\$ 314,169,039</u>	<u>\$ 54,210,776</u>	<u>\$ (145,295,136)</u>	<u>\$ 223,084,679</u>

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

4. Notes, loans, and mortgages receivable (continued)

HUD has provided funding to the Authority for the development of the mixed finance properties owned by related parties of the Authority. As funds were received by the Authority from HUD, they were loaned to the respective related parties and Authority's affiliates. When the notes, which originated through HUD grants, are paid back they will be considered restricted program income to be used for similar project developments in the future. As of September 30, 2018, \$222,634,679 of the notes, loans, and mortgages receivable is classified as restricted. Recording additional interest receivable ceased on October 1, 2008 for related party notes.

BW Cooper IA (BW Cooper Phase I HANO, LLC)

On June 16, 2011, HANO advanced funds of \$37,700,000 for the BW Cooper development project. On August 29, 2013, the maximum principal amount was reduced to \$19,911,678. The loan maturity is May 1, 2061 and the interest rate is 5% per annum.

BW Cooper IB (BW Cooper Phase I HANO, LLC)

On August 29, 2013, HANO advanced funds of \$15,318,480 for the BW Cooper development project. The loan maturity is September 1, 2068 and the interest rate is 5% per annum.

COCC Development Advances (Fischer I and Fischer III)

HANO has advanced funds related to Fischer I and Fischer III development project. As of September 30, 2016, the balance outstanding was \$100,000 and \$350,000 for Fischer I and Fischer III, respectively.

CJ Peete Homeownership (Harmony Neighborhood Development)

On June 15, 2009, HANO entered into a \$4,703,598 Construction Mortgage Note with Harmony Neighborhood Development, formerly N.O.N.D.C, LLC, for the construction of 22 homeownership units at C.J. Peete. On September 25, 2013 the Construction Mortgage note was amended and restated to \$4,786,375. This note bears no interest and matures on various dates when the units are sold.

Fischer I, LLC

On January 20, 2005, HANO entered into a program income loan construction mortgage note with Fischer I, LLC, a discrete component unit, in the original amount of \$196,300. The loan bears interest at the applicable federal rate. The note accrues interest at 4.76% per annum. All outstanding principal and accrued interest are due January 1, 2060.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

4. Notes, loans, and mortgages receivable (continued)

Fischer I, LLC (continued)

On February 1, 2007, HANO made a term mortgage note of \$1,424,059 using Capital Funds with Fischer I, LLC. The loan bears interest at the applicable federal rate. All unpaid principal and interest is due on January 1, 2060. The note accrues interest at 4.72% per annum. Payments on the loan are paid from surplus cash.

On November 1, 2006, HANO made a Supplementary loan agreement with Fischer I, LLC in the maximum original amount of \$130,000. The note was issued for the purpose of paying construction cost overruns incurred due to Hurricane Katrina. No interest will be charged on this note. Principal shall be payable in monthly installments from surplus cash. Full repayment of any outstanding principal will be due at maturity on November 1, 2061.

Fischer III, LLC

On January 20, 2005, HANO entered into a construction mortgage note receivable with Fischer III, LLC, a discrete component unit, in the original amount of \$14,710,628. On February 1, 2007, the original maturity date, the promissory note became a Term Mortgage note with a maturity date of January 31, 2060 and is secured by a Multiple Indebtedness Mortgage when the remaining equity is received. The current interest rate is 3% per annum.

On January 20, 2005, HANO entered into a program income loan construction mortgage note with Fischer III, LLC in the original amount of \$344,314. The note accrues interest at 0.5% per annum. All outstanding principal and accrued interest are due January 1, 2060.

On November 1, 2006, HANO made a Supplementary loan agreement with Fischer III, LLC in the maximum original amount of \$3,064,919. The note was issued for the purpose of paying construction cost overruns incurred due to Hurricane Katrina. No interest will be charged on this note. Principal shall be payable in monthly installments from surplus cash. Full repayment of any outstanding principal will be due at maturity on November 1, 2061.

Guste I, LLC

On January 20, 2005, HANO entered into a construction mortgage note with Guste I, LLC, a discrete component unit, in the original amount of \$10,634,312. On February 1, 2007, the original maturity date, the promissory note became a Term Mortgage note of \$8,698,042. The note accrues interest at 3% per annum. All outstanding principal and accrued interest are due at January 31, 2060.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

4. Notes, loans, and mortgages receivable (continued)

Guste I, LLC (continued)

On January 20, 2005, HANO entered into a program income loan construction mortgage note with Guste I, LLC in the original amount of \$248,999. The note accrues interest at 3% per annum. All outstanding principal and accrued interest are due at January 31, 2060.

On November 1, 2006, HANO has a Supplementary loan agreement with Guste I, LLC in the maximum original amount of \$2,939,498. The note was issued for the purpose of paying cost overruns incurred due to Hurricane Katrina. No interest will be charged on this note. Principal shall be payable in monthly installments from surplus cash. Full repayment of any outstanding principal will be due at maturity on November 1, 2061.

Guste Homes III, LLC

On November 14, 2013, HANO advanced funds related to the Guste Homes III development project in the original amount of \$38,628,000. The interest rate is zero percent. All outstanding principal was due at June 1, 2016.

In addition, HANO has advanced funds awarded under the FEMA grant related to the Guste Homes III development project.

Homeownership Loans

HANO has advanced funds related to the Homeownership program. During the year ended September 30, 2016, these amounts were transferred to the HOPE VI program.

New Savoy Place Apartments

On June 5, 2008, HANO entered into a mortgage note with New Savoy Place Apartments, LP, for \$17,356,600. The interest rate is zero percent. All outstanding principal is due June 1, 2048.

On February 1, 2010, HANO entered into a mortgage note with New Savoy Place Phase II, LP for \$9,156,128. The note accrues interest at 4.44% per annum. All outstanding principal and accrued interest are due at February 1, 2050.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

4. Notes, loans, and mortgages receivable (continued)

New Savoy Place Apartments (continued)

New Savoy Place Partnership, LP was dissolved due to Hurricane Katrina. The new partnership is in two phases, Savoy Phase I, LLC and Savoy Phase II, LLC. In a prior year the note receivable from New Savoy Place Apartments, LP was written-off as HANO had made a determination at that time that it would not be able to recover the funds. As new funds were advanced to New Savoy Place Apartments, LP, HANO has determined that it is appropriate to record the original amount that was previously determined uncollectible. However, in accordance with generally accepted accounting principles prior loan balances that have been written off cannot be reversed until collection of that receivable has been realized.

St. Bernard I, LLC (St. Bernard Rental I, LLC)

On December 8, 2008, HANO has a Development Loan Mortgage Note in the amount of \$15,478,475 for the construction of mixed income housing at St. Bernard Phase I. The construction mortgage loan matures on January 1, 2056 and has an interest rate of 3.50% per annum.

On December 1, 2008, HANO advanced funds in the amount of \$11,500,000 related to the St. Bernard I development project. The loan maturity is January 1, 2056 and the interest rate is zero percent.

New St. Bernard II

On June 1, 2010, HANO entered into a Development Loan Mortgage Note in the amount of \$4,930,147 for Phase IIA of the St. Bernard Redevelopment. The loan maturity date is June 1, 2065 and the interest rate is zero percent. Principal payments may be made from operating cash flow as defined in the Amended and Restated Operating Agreement. All unpaid principal is due at maturity.

On September 1, 2011, HANO entered into a Development Loan Mortgage Note in the amount of \$4,950,000 for Phase IIB of the St. Bernard Redevelopment. The loan maturity date is September 1, 2066 and the interest rate is zero percent. Principal payments may be made from operating cash flow as defined in the Amended and Restated Operating Agreement. All unpaid principal is due at maturity.

St. Bernard III (Solar Panels)

On August 1, 2012, HANO advanced funds in the amount of \$400,000 related to the St. Bernard III solar project. The loan maturity is August 1, 2019 and the interest rate is zero percent.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

4. Notes, loans, and mortgages receivable (continued)

Abundance Square Associates

On October 28, 2002, HANO entered into a note with Abundance Square Associates, Limited Partnership in the maximum original amount of \$2,577,025. The note was issued to partially finance the construction of public housing, which will be owned and operated by the borrower. The promissory note is secured by a Multiple Indebtedness Leasehold Mortgage and Security Agreement and Assignment of Leases and Rents. The loan bears interest at the applicable federal rate. The interest rate on the note is 4.78%. All outstanding principal and accrued interest is due at December 31, 2043.

C.J. Peete I, LLC - (CJP Rental I, LLC)

On December 30, 2008, HANO entered into a Development Loan Mortgage Note (C.J. Peete I) in the amount of \$41,423,000 for the partial construction of a mixed income redevelopment at C.J. Peete. The development loan mortgage note accrues interest at the rate of 8.0% during construction. The interest is capped at \$1,158,000 during construction and will be paid in full and will fund the ACC Subsidy Reserve. At construction completion, the interest rate is 0% thereafter until the maturity of the note on December 31, 2053. Any payments due under this note shall be payable from permitted distributions from Net Cash Flow as stated in the Amended and Restated Operating Agreement as per the Maker.

Iberville Phase I

On December 20, 2013, HANO advanced funds totaling \$13,917,508 for the Iberville Phase I development project. The loan maturity is January 1, 2069 and the interest rate 1% per annum.

Iberville Phase II

On December 20, 2013, HANO advanced funds totaling \$10,023,544 for the Iberville Phase II development project. The loan maturity is January 1, 2069 and the interest rate is 1% per annum.

Iberville Phase III

On December 18, 2014, HANO entered into an agreement to advance funds up to the total amount of \$13,671,241 for the Iberville Phase III development project. The loan maturity is January 1, 2070 and the interest rate is 2.5% per annum.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

4. Notes, loans, and mortgages receivable (continued)

Iberville Phase IV

On November 19, 2015, HANO entered into an agreement to advance funds up to the total amount of \$20,116,687 for the Iberville Phase IV development project. The loan maturity is January 1, 2071 and the interest rate is 1% per annum.

Iberville Phase V

On December 9, 2016, HANO entered into an agreement to advance funds up to the total amount of \$8,216,730 for the Iberville Phase V development project. The loan maturity is January 1, 2072 and the interest rate is 1% per annum.

Iberville Phase VI

On December 9, 2016, HANO entered into an agreement to advance funds up to the total amount of \$4,802,158 for the Iberville Phase VI development project. The loan maturity is January 1, 2072 and the interest rate is 1% per annum.

Iberville Phase VII

On December 14, 2017, HANO entered into an agreement to advance funds up to the total amount of \$9,232,257 for the Iberville Phase VII development project. The loan maturity is January 1, 2073 and the interest rate is 1% per annum.

Lafitte I Redevelopment Blocks 1-3, LLC

On August 26, 2009, HANO advanced funds totaling \$6,659,251 related to the Lafitte I development project. The loan maturity is March 31, 2059 and the interest rate is 1% per annum.

Lafitte II Redevelopment Blocks 5-7, LLC

On August 26, 2009, HANO advanced funds totaling \$6,896,395 related to the Lafitte II development project. The loan maturity is March 31, 2061 and the interest rate is 1% per annum.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

4. Notes, loans, and mortgages receivable (continued)

St. Thomas HOPE VI - (LGD)

On October 1, 2003, HANO entered into a note with LGD Rental I, LLC (LGD) in the original amount of \$13,360,800. The note was issued to partially finance the rehabilitation and revitalization of HOPE VI apartment complexes. The Promissory Note is secured by a Third Leasehold Mortgage and Security Agreement. The note accrues interest at 1% per annum. Principal and accrued interest are payable from cash flow, as defined. All outstanding principal and accrued interest are due at October 1, 2043.

On October 1, 2003, HANO entered into a note with LGD Rental I, LLC in the original amount of \$10,519,620. The note was issued to partially finance the rehabilitation and revitalization of HOPE VI apartment complexes. The Promissory Note is secured by a Fourth Leasehold Mortgage and Security Agreement. The note accrues interest at 1% per annum. Principal and interest are payable from cash flow, as defined. All outstanding principal and accrued interest are due at October 1, 2043.

St. Thomas HOPE VI - (LGD II)

On December 12, 2007, HANO entered into a note with LGD Rental II, LLC (LGD II) in the original amount of \$1,881,000. The note was issued to partially finance the rehabilitation and revitalization of HOPE VI apartment complexes. The Promissory Note is secured by a HOPE VI Mortgage and Security Agreement. The note accrues interest at 1% per annum. Principal and interest are payable from cash flow, as defined. All outstanding principal and accrued interest is due at January 1, 2064.

Magnolia Marketplace

On December 23, 2013, HANO entered into a loan agreement in the amount of \$892,920 related to the Magnolia Marketplace. The loan maturity is December 31, 2043 and the interest rate is 1% per annum.

Treasure Village Associates

On August 27, 2003, HANO entered into a note with Treasure Village Associates, Limited Partnership in the maximum original amount of \$1,100,000. The note was issued to partially finance the construction of public housing, which will be owned and operated by the borrower. The Promissory Note is secured by Multiple Indebtedness Leasehold Mortgage and Security Agreement and Assignment of Leases and Rents. The interest rate on the note is 5%. All outstanding principal and accrued interest is due at December 31, 2053.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

5. Ground leases

HANO entered into a number of long term ground leases with entities not controlled by HANO. For three of these leases, a portion of the lease was prepaid at inception. The revenue from this transaction was deferred when collected and is being amortized over the life of the lease. During the year ended September 30, 2018, \$38,337 was recognized as other income. As of September 30, 2018, \$2,808,731 is the total remaining balance of prepaid ground leases, of which \$2,770,394 is included as a noncurrent liability on the accompanying statement of net position.

6. Other accrued liabilities

As of September 30, 2018, other accrued liabilities consist of:

Accrued salaries and benefits	\$	8,012
Accrued compensated absences		1,029,520
Contract retention		461,354
Accrued interest payable		45,569
Family self-sufficiency escrow		623,673
Accrued liabilities		738,299
Other current liabilities		<u>113,008</u>
Total other accrued liabilities	\$	<u><u>3,019,435</u></u>

7. Noncurrent liabilities

A summary of changes in noncurrent liabilities is as follows:

	Payable at October 1, 2017	Additions	Reductions	Payable at September 30, 2018	Due within one year
Capital Fund Program Revenue					
Bonds - Series A of 2003	\$ 9,405,000	\$ -	\$ (1,175,000)	\$ 8,230,000	\$ 1,230,000
FSS Escrow	728,484	232,254	(235,751)	724,987	623,673
Compensated absences	1,409,820	1,357,463	(1,461,461)	1,305,822	1,029,520
Settlements, judgments, and contingencies	1,237,676	-	(650,096)	587,580	357,580
Prepaid ground leases	<u>2,847,068</u>	<u>-</u>	<u>(38,337)</u>	<u>2,808,731</u>	<u>38,337</u>
Total	<u><u>\$ 15,628,048</u></u>	<u><u>\$ 1,589,717</u></u>	<u><u>\$ (3,560,645)</u></u>	<u><u>\$ 13,657,120</u></u>	<u><u>\$ 3,279,110</u></u>

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

7. Noncurrent liabilities (continued)

Capital Fund Program Revenue Bonds - Series A of 2003

Pursuant to a Trust Indenture between HANO, the Industrial Development Board of the City of New Orleans, Louisiana, Inc. and J.P. Morgan Trust Company, NA dated December 1, 2003, bonds in the amount of \$49,250,000 titled "Capital Fund Program Revenue Bonds Series A of 2003" have been issued. The proceeds of the bonds were used to finance loans to fund a portion of the construction and development costs of three affiliated entities: Guste I, LLC, Florida II-a, LLC and Fischer III, LLC. The portion of the bonds related to Florida II-a, LLC were redeemed during 2007 in the amount of \$21,700,000. The managing member of each of these affiliates is Lune d'or Enterprises, LLC, whose sole member is Crescent Affordable Housing Corporation. As discussed in Note A-1, HANO is the sole member of Crescent Affordable Housing Corporation.

The bonds bear interest at a rate of 4.45% and require interest payable each June 1st and December 1st. Principal payments of varying amounts are due annually beginning December 1, 2004, with a final maturity date of December 1, 2023.

HANO, with the approval of HUD, has pledged a portion of its Replacement Housing Factor funds (a component of its annual Capital Fund grants from HUD) as security for payment of principal and interest on the bonds.

Future principal payments as of September 30, are as follows:

	Principal	Interest
2019	\$ 1,230,000	\$ 338,868
2020	1,280,000	283,020
2021	1,340,000	224,725
2022	1,400,000	163,760
2023	1,460,000	100,125
2024	1,520,000	33,820
	\$ 8,230,000	\$ 1,144,318

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

7. Noncurrent liabilities (continued)

Discretely Presented Component Units

A summary of changes in noncurrent liabilities for the Authority's discretely presented component units is as follows, for the fiscal year ending December 31, 2017:

	Payable at January 1, 2017	Additions	Reductions	Payable at December 31, 2017	Current Portion
Fischer I:					
Capital funds note	\$ 1,424,059	\$ -	\$ -	\$ 1,424,059	\$ -
Program income note	196,300	-	-	196,300	-
Supplemental loan	130,000	-	-	130,000	-
Affordable Housing loan	100,000	-	-	100,000	-
Fischer III:					
Mortgage note	14,710,628	-	-	14,710,628	-
Supplemental loan	3,064,919	-	-	3,064,919	-
Affordable Housing loan	350,000	-	-	350,000	-
Program income loan	344,314	-	-	344,314	-
Deferred financing fees, net	(266,126)	-	37,690	(228,436)	-
Guste I:					
Mortgage note	12,672,614	-	-	12,672,614	-
Supplemental loan	2,039,988	-	-	2,039,988	-
Construction loan	140,511	-	-	140,511	-
Debt issuance costs	(429,431)	-	69,660	(359,771)	-
Guste III:					
Construction loan	25,600,000	-	(25,600,000)	-	-
Mortgage note payable	33,389,901	18,184,739	-	51,574,640	-
Total	\$ 93,467,677	\$ 18,184,739	\$ (25,492,650)	\$ 86,159,766	\$ -

Fischer I

Capital Funds Note

During 2005, Fischer I, LLC entered into a Capital Funds Note with HANO to provide financing for the development of the Project. During 2007, there was an addition to the balance of this loan when HANO reimbursed JPMorgan Chase Bank for an outstanding construction loan on behalf of Fischer I, LLC. The loan bears interest at the long term applicable federal rate, which was 4.68% at the time the loan was funded, and is collateralized by the Project. All unpaid principal and interest is due on January 31, 2060, and payments on the loan are to be made from surplus cash.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

7. Noncurrent liabilities (continued)

Fischer I (continued)

Capital Funds Note (continued)

As of December 31, 2017, the balance of the HANO Capital Funds Note of \$1,424,059 is included in notes payable - related party in the accompanying consolidated statement of financial position. Interest incurred during the year ending December 31, 2017 was \$104,897. Accrued interest payable on the note for December 31, 2017 was \$922,204.

Program Income Note

On January 20, 2005, Fischer I, LLC entered into a Program Income Construction Mortgage Note with HANO in the amount of \$196,300. The loan was obtained in connection with the financing of the acquisition, development, and construction of the Projects and bears interest annually at the long term applicable federal rate, which was 4.76% at the time the loan was funded. The loan is collateralized by the Project, and the entire amount of unpaid principal and interest is due and payable on January 31, 2060. Interest incurred during the year ending December 31, 2017 was \$14,838. Accrued interest payable on the note for December 31, 2017 was \$161,403.

Supplemental Loan

On November 1, 2006, Fischer I, LLC entered into a Supplemental Loan with HANO in the amount of \$130,000. The loan bears no interest and is collateralized by the Project. All unpaid principal is due on November 1, 2061, and payments on the loan are to be made from surplus cash. The current balance on the loan for December 31, 2017 was \$130,000.

Affordable Housing Program Loan

On November 16, 2005, Fischer I, LLC entered into an Affordable Housing Program Loan with HANO in the amount of \$100,000 to assist Fischer I, LLC in financing the Project. The loan bears no interest, and is collateralized by the Project. The loan matures fifteen years from completion of the Project, which occurred on May 27, 2006. The Affordable Housing Program Loan is payable from remaining mortgage proceeds, capital contributions, and available cash flow from the Project. The current loan balance for December 31, 2017 was \$100,000.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

7. Noncurrent liabilities (continued)

Fischer III

Mortgage Note Payable

In December 2003, Fischer III, LLC entered into a financing agreement with HANO to use the proceeds from the issuance of Capital Fund Program Revenue Bonds for the construction and development of the project and payment of bond redemption. The principal amount of the note was \$13,634,195. In January 2005, Fischer III, LLC entered into a new financing agreement in the amount of \$14,710,628 with HANO. The loan bears interest at 3% with both the unpaid principal and interest due and payable on February 1, 2007. The due date was extended to December 31, 2011. Outstanding principal as of December 31, 2017 was \$14,710,628. Total interest expense for 2017 was \$481,505. Accrued interest payable on the note for December 31, 2017 was \$9,568,759.

Debt issuance costs, net of accumulated amortization, totaling \$228,436 as of December 31, 2017 is related to the construction mortgage note and is being amortized using an imputed interest rate of 3.09%. Amortization of debt issuance costs of \$37,691 was charged to operations for the year ended December 31, 2017 and is included in interest expense - mortgage notes payable on the consolidated statement of activities.

The construction mortgage note will become permanent when the final equity payment is received from the Investor Member. HANO does not hold Fischer III, LLC in default.

Supplemental Loan

On November 1, 2006, a Supplemental Loan was obtained with HANO in the amount of \$3,064,919. The loan bears no interest and is collateralized by the project. All unpaid principal is due on November 1, 2061, and payments on the loan are to be made from surplus cash.

Affordable Housing Program Loan

On November 16, 2005, an Affordable Housing Program Loan was obtained from HANO, in the amount of \$350,000, to assist the Fischer III, LLC in financing the project. The loan bears no interest, is collateralized by the project, and is payable from remaining mortgage proceeds, capital contributions, and available cash flows from the project. The loan will be maintained for 15 years from the date of project completion.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

7. Noncurrent liabilities (continued)

Fischer III (continued)

Program Income Loan

In January 2005, a Program Income Loan was obtained from HANO in the amount of \$344,314. The loan was obtained in connection with the financing of the acquisition, development, and construction of the project, is collateralized by the project, and accrues interest at 0.5%. The loan is due January 1, 2060 and payments are to be made from cash flow as defined by the Operating Agreement. Interest incurred during the year ended December 31, 2017 was \$1,721. Accrued interest payable as of December 31, 2017 was \$22,286.

Guste I

Mortgage Note Payable

In December 2003, Guste I, LLC entered into a financing agreement with HANO to use the proceeds from the issuance of Capital Fund Program Revenue Bonds for the construction and development of the Project and payment of bond redemption. The principal amount of the note was \$13,189,372. In January 2005, Guste I, LLC entered into a new financing agreement in the amount of \$10,643,312 with HANO. The loan bears interest at 3% with both the unpaid principal and interest due and payable on February 1, 2007. During 2014, Guste I, LLC converted the construction mortgage note into the permanent loan of \$8,698,042 plus capitalized interest of \$3,974,572. The new mortgage is for \$12,672,614 and accrues interest at 3%. Any principal and interest payments are subject to available cash flow. The entire amount of unpaid principal and interest is due January 31, 2060. Accrued interest at December 31, 2017 was \$1,330,624 and interest expense was \$449,898 for the year ended December 31, 2017.

Debt issuance costs, net of accumulated amortization, totaled \$359,771 as of December 31, 2017 and are related to the mortgage note payable. Amortization of debt issuance costs on the above loan is being amortized using an imputed interest rate of 3.272%.

Supplemental Loan

In November 2006, a supplemental loan in the amount of \$2,939,498 was obtained from HANO. The supplemental loan does not bear interest. The entire amount of unpaid principal is due and payable on November 1, 2061. As of December 31, 2017, the balance of the loan is \$2,039,988.

Construction Loan

In January 2005, a construction loan in the amount of \$248,999 was obtained from HANO. The construction loan accrues interest at 3% with both the unpaid principal and interest due on January 31, 2060. For the year ended December 31, 2017, interest incurred was \$4,215. Accrued interest payable as of December 31, 2017 was \$85,388.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

7. Noncurrent liabilities (continued)

Guste III

Construction Loan

In November 2013, Guste Homes III, LLC entered into a financing agreement with the Louisiana Housing Corporation to use the proceeds from the issuance of a Multifamily Housing Revenue Bond for the construction and development of the Project. The principal amount of the note is \$25,600,000. During 2016, Guste Homes III, LLC prepaid one year of interest on the note for a period of forbearance of one year. During the current fiscal year, the note was fully paid off using the construction escrow (see Note B).

Mortgage Note

In November 2013, Guste Homes III, LLC obtained a non-interest bearing construction loan in the amount of \$38,628,000 from HANO. However, as of December 31, 2017, in addition to the full principal amount of \$33,389,901, Guste Homes III, LLC borrowed an additional \$18,184,739, which is included in mortgage loan due to subsidiaries on the consolidated statement of financial position, to continue construction. The loan will convert to permanent financing upon completion of construction. The permanent loan will bear interest at a rate of .95% payable from cash flow. All outstanding principal and interest shall be due at maturity on May 31, 2066.

8. Pension plan

HANO provides retirement benefits for all its full-time employees through a defined contribution plan entitled "Housing Authority of New Orleans Pension Plan". The plan is administered by the Pension Plan Committee and was revised in November 2004. The Pension Plan Committee consists of employees of HANO. As a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investments earnings. The Board of Commissioners for HANO is authorized to establish and amend plan benefits. Employees are eligible to participate after one year of service.

HANO contributes 5% of the employee's base salary each month, while the employee contributes a mandatory ½ of 1% of his or her gross wages. HANO's contributions for each employee, and interest allocated to the employee's account, are fully vested after 3 years of service. Interest forfeited, either as a result of death or employees who leave employment prior to being vested, is returned to the related federal program for use toward eligible program activities.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

8. Pension plan (continued)

During the year ending September 30, 2018, the Authority and the employees contributed \$462,466 and \$87,678, respectively, to the plan. The Authority's Board may amend provisions of the plan. The plan is held in a trust for the exclusive benefit of the participants and their beneficiaries, consequently, the Authority has no fiduciary responsibility, and therefore, the net assets of the plan are not included in the Authority's financial statements. For the year ended September 30, 2018, the Authority recognized pension expense of \$462,466, which reflects no forfeitures.

9. Risk management

The Authority is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As part of the Authority's risk management program, HANO carries commercial insurance, for risks of loss regarding workers' compensation, employee health and general liability.

10. Commitments and contingencies

a. Legal

At September 30, 2018, HANO was a defendant to various lawsuits. Although HANO will vigorously defend itself in any legal and administrative proceeding, the outcome of any proceeding arising out of the conduct of HANO's business, including litigation with tenants, employment related lawsuits, contractual disputes, class actions, purported class actions and actions brought by governmental authorities, cannot be predicted with certainty. HANO has a contingency accrual of \$587,580 at September 30, 2018 for claims that have been settled but not yet paid.

b. Grants and contracts

The Authority participates in various federally-assisted grant programs that are subject to review and audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. As of the date of this report, management is not aware of any such examinations.

In accordance with HUD regulations, the amount of current year program subsidy received in excess of associated qualifying expenses of the Housing Choice Voucher program is presented as net program income or loss with the cumulative excess funding being reflected in restricted net position in the basic financial statements. As of September 30, 2018, the Authority had unspent cumulative excess funding of \$1,523,778 which is presented as restricted net position.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

10. Commitments and contingencies (continued)

c. Funds awarded

The Authority receives funding from HUD through Capital Fund programs to help subsidize the cost of project repairs, improvements, other operating costs and certain debt service. Unspent funded awards as of September 30, 2018 amounted to \$34,489,272 for the Capital Fund Program.

11. Concentrations

For the year ended September 30, 2018, approximately 95% of revenues and 12% of receivables reflected in the Authority's basic financial statements are from HUD.

The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes. In addition, any excess reserves may reduce future funding levels and possibly be subject to recapture.

12. Financial data schedule

As required by HUD, the Authority prepares its financial data schedule in accordance with HUD requirements in a prescribed format which differs from the presentation of the basic financial statements. The schedule's format presents certain operating items as non-operating such as depreciation expense, housing assistance payments and extraordinary maintenance expense. In addition, the schedule's format includes non-operating items as operating such as investment revenue, HUD capital grants revenue, gains and losses on the disposal of capital assets and interest expense. Furthermore, the schedule reflects tenant revenue and bad debt expense separately.

13. Subsequent events

Management has evaluated events through March 28, 2019, the date the financial statements were available to be issued, and has determined that no additional material events have occurred that would require disclosure.

14. Condensed blended component unit information

Condensed component unit information for the Authority's blended component units as listed in Note A-1 is presented below.

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2018

NOTE B - DETAILED NOTES (continued)

14. Condensed blended component unit information (continued)

Condensed Statement of Net Position

As of December 31, 2017

	CAHC	Lune d'Or	Place d' Genesis, LLC	Resident Loan Corp	New Orleans Works	Total Blended Component Units included in Primary Government
ASSETS						
CURRENT ASSETS	\$ 3,613,414	\$ 100	\$ 25,353	\$ 31,239	\$ 110,149	\$ 3,780,255
CAPITAL ASSETS, NET	-	-	-	-	92,200	92,200
OTHER NONCURRENT ASSETS	651,342	-	-	-	-	651,342
Total assets	<u>4,264,756</u>	<u>100</u>	<u>25,353</u>	<u>31,239</u>	<u>202,349</u>	<u>4,523,797</u>
LIABILITIES						
CURRENT LIABILITIES	488,635	4,110	6,734	-	-	499,479
NET POSITION						
NET INVESTMENT IN CAPITAL ASSETS	-	-	-	-	92,200	92,200
UNRESTRICTED	3,776,121	(4,010)	18,619	31,239	110,149	3,932,118
Total net position	<u>\$ 3,776,121</u>	<u>\$ (4,010)</u>	<u>\$ 18,619</u>	<u>\$ 31,239</u>	<u>\$ 202,349</u>	<u>\$ 4,024,318</u>

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2018

NOTE B - DETAILED NOTES (continued)

14. Condensed blended component unit information (continued)

Condensed Statement of Revenues, Expenses and Changes in Net Position

	As of December 31, 2017					
	CAHC	Lune d'Or	Place d' Genesis, LLC	Resident Loan Corp	New Orleans Works	Total Blended Component Units included in Primary Government
OPERATING REVENUES						
Operating revenues	\$ 325,572	\$ -	\$ -	\$ -	\$ -	\$ 325,572
OPERATING EXPENSES						
Other operating expenses	518,531	-	-	-	-	518,531
Depreciation	3,364	-	-	-	-	3,364
Total operating expenses	521,895	-	-	-	-	521,895
OPERATING INCOME (LOSS)	(196,323)	-	-	-	-	(196,323)
NONOPERATING REVENUES (EXPENSES)						
Interest income - unrestricted	2,579	-	-	-	-	2,579
Change in net position	(193,744)	-	-	-	-	(193,744)
Total net position - beginning	3,969,865	(4,010)	18,619	31,239	202,349	4,218,062
Total net position - ending	\$ 3,776,121	\$ (4,010)	\$ 18,619	\$ 31,239	\$ 202,349	\$ 4,024,318

Housing Authority of New Orleans
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2018

NOTE B - DETAILED NOTES (continued)

14. Condensed blended component unit information (continued)

Condensed Statement of Cash Flows

	As of December 31, 2017					
	CAHC	Lune d'Or	Place d' Genesis, LLC	Resident Loan Corp	New Orleans Works	Total Blended Component Units included in Primary Government
NET CASH PROVIDED BY (USED IN):						
Operating activities	\$ (114,609)	\$ -	\$ -	\$ -	\$ -	\$ (114,609)
Investing activities	2,579	-	-	-	-	2,579
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(112,030)	-	-	-	-	(112,030)
Cash and cash equivalents at beginning of year	1,128,346	-	-	1,784	-	1,130,130
Cash and cash equivalents at end of year	\$ 1,016,316	\$ -	\$ -	\$ 1,784	\$ -	\$ 1,018,100

Housing Authority of New Orleans

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

14. Condensed discrete component unit information

Condensed component unit information for the Authority's discrete component units as listed in Note A-1 is presented below.

Condensed Statement of Net Position

	As of December 31, 2017				
	Fischer I, LLC	Fischer III, LLC	Guste I, LLC	Guste III Homes, LLC	Total Discrete Component Units included in Primary Government
ASSETS					
CURRENT ASSETS	\$ 425,444	\$ 1,705,376	\$ 1,775,053	\$ 687,517	\$ 4,593,390
CAPITAL ASSETS, NET	2,563,633	14,268,842	9,846,401	59,599,305	86,278,181
OTHER NONCURRENT ASSETS	459	3,090	-	96,117	99,666
Total assets	<u>2,989,536</u>	<u>15,977,308</u>	<u>11,621,454</u>	<u>60,382,939</u>	<u>90,971,237</u>
LIABILITIES					
CURRENT LIABILITIES	536,603	2,171,590	2,213,727	1,471,005	6,392,925
NONCURRENT LIABILITIES	2,946,163	29,094,184	15,823,966	53,176,186	101,040,499
Total liabilities	<u>3,482,766</u>	<u>31,265,774</u>	<u>18,037,693</u>	<u>54,647,191</u>	<u>107,433,424</u>
NET POSITION					
NET INVESTMENT IN CAPITAL ASSETS	713,274	(3,972,583)	(4,646,941)	8,024,665	118,415
RESTRICTED	64,023	297,926	632,174	214,102	1,208,225
UNRESTRICTED	(1,270,527)	(11,613,809)	(2,401,472)	(2,503,019)	(17,788,827)
Total net position	<u>\$ (493,230)</u>	<u>\$ (15,288,466)</u>	<u>\$ (6,416,239)</u>	<u>\$ 5,735,748</u>	<u>\$ (16,462,187)</u>
Total liabilities and net assets	<u>\$ 2,989,536</u>	<u>\$ 15,977,308</u>	<u>\$ 11,621,454</u>	<u>\$ 60,382,939</u>	<u>\$ 90,971,237</u>

Housing Authority of New Orleans

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2018

NOTE B - DETAILED NOTES (continued)

14. Condensed discrete component unit information (continued)

Condensed Statement of Revenues, Expenses and Changes in Net Position

	As of December 31, 2017				Total Discrete Component Units included in Primary Government
	Fischer I, LLC	Fischer III, LLC	Guste I, LLC	Guste III Homes, LLC	
OPERATING REVENUES					
Other government operating grants	\$ 58,520	\$ 322,627	\$ 253,824	\$ -	\$ 634,971
Tenant revenue, net	115,587	494,218	433,772	146,983	1,190,560
Other operating revenue	754,071	12,804	13,739	8,669	789,283
Total operating revenues	<u>928,178</u>	<u>829,649</u>	<u>701,335</u>	<u>155,652</u>	<u>2,614,814</u>
OPERATING EXPENSES					
Other operating expenses	181,379	773,823	868,173	429,743	2,253,118
Depreciation	179,101	543,238	482,537	618,849	1,823,725
Amortization	133	38,464	69,666	-	108,263
Total operating expenses	<u>360,613</u>	<u>1,355,525</u>	<u>1,420,376</u>	<u>1,048,592</u>	<u>4,185,106</u>
OPERATING INCOME (LOSS)	<u>567,565</u>	<u>(525,876)</u>	<u>(719,041)</u>	<u>(892,940)</u>	<u>(1,570,292)</u>
NONOPERATING REVENUES (EXPENSES)					
Interest income - unrestricted	473	2,155	626	335	3,589
Interest expense	(121,181)	(443,040)	(384,454)	-	(948,675)
Total nonoperating revenues (expenses)	<u>(120,708)</u>	<u>(440,885)</u>	<u>(383,828)</u>	<u>335</u>	<u>(945,086)</u>
Change in net position	446,857	(966,761)	(1,102,869)	(892,605)	(2,515,378)
Total net position - beginning	<u>(940,087)</u>	<u>(14,321,705)</u>	<u>(5,313,370)</u>	<u>6,628,353</u>	<u>(13,946,809)</u>
Total net position - ending	<u>\$ (493,230)</u>	<u>\$ (15,288,466)</u>	<u>\$ (6,416,239)</u>	<u>\$ 5,735,748</u>	<u>\$ (16,462,187)</u>

SUPPLEMENTAL INFORMATION

Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA LA001 FYE 09/30/2018																					
Line Item No	Account Description	AMP 001806 Operating St Thomas	AMP 002709 Operating Harmony Oaks	AMP 002802 Operating C J Peete	AMP 003102 Operating Iberville	AMP 003103 Operating Bienville Basin 1	AMP 003104 Operating Bienville Basin 2	AMP 003105 Operating Bienville Basin 3	AMP 003105 Capital Bienville Basin 3	AMP 003106 Operating Bienville Basin 4	AMP 003106 Capital Bienville Basin 4	AMP 003107 Operating Bienville Basin 4	AMP 003107 Capital Bienville Basin 4	AMP 003108 Operating Bienville Basin 5	AMP 003108 Capital Bienville Basin 5	AMP 004107 Operating Florida Extension	AMP 005106 Operating Lafitte Temp	AMP 005705 Operating Lafitte I	AMP 005706 Operating Lafitte II	AMP 005711 Operating Faubourg Lafitte Senior	AMP 005711 Capital Faubourg Lafitte Senior
111	Cash - Unrestricted	1,013,285	3,574	50,111	2,190,799	400,339	184,661	439,066	-	418,664	-	-	-	-	-	181,013	91,611	104,903	179,367	1,595,402	-
112	Cash - Restricted - Modernization and Development	-	-	-	459,959	316,164	125,263	278,470	-	249,151	-	-	-	-	-	-	-	-	-	-	-
113	Cash - other restricted	-	840,553	1,069,149	-	-	-	-	-	-	-	-	-	-	-	-	-	-	913,065	642,711	-
114	Cash - Tenant Security Deposits	10,875	-	10,174	17,992	-	-	-	-	-	-	-	-	-	-	6,449	-	-	-	20,200	-
115	Cash - Restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Total Cash	1,024,160	844,127	1,129,434	2,668,750	716,503	309,924	717,536	-	667,815	-	-	-	-	-	187,462	91,611	104,903	1,092,432	2,258,313	-
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	-	705	-	378	146	76	1,035	-	-	-	206,949	-	-	-	54	-	324	309	69	-
124	Accounts Receivable - other government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	-	344,581	-	46,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,724	-
126	Accounts Receivable - Tenants - Dwelling Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,024	-
126 1	Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(197)	-
126 2	Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(307)	-
128	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total Receivables, net of allowances for doubtful accounts	-	345,286	-	46,378	146	76	1,035	-	-	-	206,949	-	-	-	54	-	324	309	5,313	-
131	Investments - Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	-	-	-	2,786	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48,482	-
144	Interprogram due from	-	5,048	-	-	205,483	100,612	-	-	333,340	-	158,194	-	98,515	-	1,221	-	-	-	-	-
150	Total Current Assets	1,024,160	1,194,461	1,129,434	2,717,914	922,132	410,612	718,571	-	1,001,155	-	365,143	-	98,515	-	188,737	91,611	105,227	1,092,741	2,312,108	-
161	Land	-	4,553,846	-	5,982,980	-	-	-	-	-	-	-	-	-	-	1,345,770	3,206,204	-	-	-	-
162	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	162,156	-	-	18,176,142	-
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,959	-	-	-	-
165	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,947,749	-	-	-	-
166	Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,878,578)	-	-	(660,788)	-
167	Construction In Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
168	Infrastructure	-	10,590,237	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,333,950	-
160	Total Fixed Assets, Net of Accumulated Depreciation	-	15,144,083	-	5,982,980	-	-	-	-	-	-	-	-	-	-	1,345,770	12,451,490	8,333,950	-	17,515,354	-
171	Notes, loans, and mortgages receivable - Noncurrent	11,658,961	27,204,198	751,438	-	7,593,300	5,595,304	7,716,324	-	15,062,169	-	6,775,485	-	2,567,407	-	-	-	-	4,658,987	4,234,674	-
174	Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Total Non-Current Assets	11,658,961	42,348,281	751,438	5,982,980	7,593,300	5,595,304	7,716,324	-	15,062,169	-	6,775,485	-	2,567,407	-	1,345,770	12,451,490	12,992,937	4,234,674	17,515,354	-
190	Total Assets	12,683,121	43,542,742	1,880,872	8,700,894	8,515,432	6,005,916	8,434,895	-	16,063,324	-	7,140,628	-	2,665,922	-	1,534,507	12,543,101	13,098,164	5,327,415	19,827,462	-
200	Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
290	Total Assets and Deferred Outflow of Resources	12,683,121	43,542,742	1,880,872	8,700,894	8,515,432	6,005,916	8,434,895	-	16,063,324	-	7,140,628	-	2,665,922	-	1,534,507	12,543,101	13,098,164	5,327,415	19,827,462	-
312	Accounts Payable <= 90 Days	-	-	-	22,464	-	-	-	-	-	-	252,336	-	-	-	-	-	-	-	5,935	-
321	Accrued Wage/Payroll Taxes Payable	-	-	-	219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
322	Accrued Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
341	Tenant Security Deposits	10,875	-	10,174	17,992	-	-	-	-	-	-	-	-	-	-	6,449	-	-	-	20,200	-
342	Unearned Revenues	-	-	16,115	1,940,680	338,227	145,782	-	-	588,812	-	47,444	-	29,653	-	-	-	-	-	-	110,009
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
346	Accrued Liabilities - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
347	Interprogram due to	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
310	Total Current Liabilities	10,875	-	26,289	1,981,355	338,227	145,782	-	-	588,812	-	299,780	-	29,653	-	6,449	-	-	-	136,144	-
351	Long-term debt, net of current - capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
352	Long-Term debt, net of current - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
353	Noncurrent Liabilities - Other	-	-	988,574	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
354	Accrued compensated Absences - Non Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
350	Total Noncurrent Liabilities	-	-	988,574	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
300	Total Liabilities	10,875	-	1,014,863	1,981,355	338,227	145,782	-	-	588,812	-	299,780	-	29,653	-	6,449	-	-	-	136,144	-
400	Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
490	Total Liability and Deferred Inflow of Resources	10,875	-	1,014,863	1,981,355	338,227	145,782	-	-	588,812	-	299,780	-	29,653	-	6,449	-	-	-	136,144	-
508 4	Net Investment in Capital Assets	-	15,144,083	-	5,982,980	-	-	-	-	-	-	-	-	-	-	1,345,770	12,451,490	8,333,950	-	17,515,354	-
511 4	Restricted Net Position	11,658,961	28,044,751	832,013	459,959	7,909,464	5,720,567	7,994,794	-	15,311,320	-	6,775,485	-	2,567,407	-	-	-	-	4,658,987	5,147,739	642,711
512 4	Unrestricted Net Position	1,013,285	353,908	33,996	276,600	267,741	139,567	440,101	-	163,192	-	65,363</									

Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA LA001 FYE 09/30/2018																						
Line Item No	Account Description	AMP 001806 Operating St Thomas	AMP 002709 Operating Harmony Oaks	AMP 002802 Operating C J Peete	AMP 003102 Operating Iberville	AMP 003103 Operating Bienville Basin 1	AMP 003104 Operating Bienville Basin 2	AMP 003105 Operating Bienville Basin 3	AMP 003105 Capital Bienville Basin 3	AMP 003106 Operating Bienville Basin 4	AMP 003106 Capital Bienville Basin 4	AMP 003107 Operating Bienville Basin 4	AMP 003107 Capital Bienville Basin 4	AMP 003108 Operating Bienville Basin 5	AMP 003108 Capital Bienville Basin 5	AMP 004107 Operating Florida Extension	AMP 005106 Operating Lafitte Temp	AMP 005705 Operating Lafitte I	AMP 005706 Operating Lafitte II	AMP 005711 Operating Faubourg Lafitte Senior	AMP 005711 Capital Faubourg Lafitte Senior	
70300	Net Tenant Rental Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	527,429	-
70400	Tenant Revenue - Other	-	-	-	235	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,275	-
70500	Total Tenant Revenue	-	-	-	235	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	533,704	-
70600	HUD PHA Grants	-	698,512	-	96,531	155,480	74,674	95,434	5,701	70,056	73,413	-	32,011	-	1,958	13,881	-	284,165	265,221	127,376	1,778	
70610	HUD PHA Capital Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70730	Book-Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71100	Investment Income - Unrestricted	968	2,313	8,929	3,407	473	187	416	-	151	-	-	-	-	-	-	-	-	-	-	8,791	-
71400	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71500	Other revenue	-	-	16,115	-	-	-	-	-	249,000	-	-	-	-	-	-	-	-	-	-	738,948	-
71600	Gain/Loss on Sale of Fixed Assets	-	-	-	(6,446,175)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70000	Total Revenue	968	700,825	25,044	(6,346,002)	155,953	74,861	95,850	5,701	319,207	73,413	-	32,011	-	1,958	13,881	-	284,165	265,221	1,408,819	1,778	
91100	Administrative salaries	-	-	-	-	-	-	-	-	-	-	-	204	-	818	-	-	-	-	-	60,474	562
91200	Auditing fees	-	12,297	-	-	3,568	3,887	-	-	-	-	-	-	-	-	-	-	4,568	4,416	1,911	-	
91300	Management Fee	-	-	-	-	-	-	-	-	-	-	-	563	-	936	-	-	-	7,060	-	1,100	
91310	Book-Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
91400	Advertising and Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	646	
91500	Employee benefit contributions - administrative	-	-	-	-	-	-	-	-	-	-	-	28	-	118	-	-	-	-	-	8,656	74
91600	Office Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,124	
91700	Legal Expense	86,922	-	80,762	49,390	-	-	-	5,331	-	-	-	-	-	-	13,470	-	-	-	-	2,736	
91800	Travel	-	-	-	2,433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42	
91900	Other	-	-	-	304	-	-	-	-	-	-	-	20	-	74	-	-	-	-	-	9,602	33
92000	Asset Management Fee	-	23,160	-	-	6,720	3,070	4,320	-	4,140	-	370	-	330	-	-	-	8,880	8,040	3,600	-	
92100	Tenant services - salaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
92200	Relocation Costs	-	-	-	-	-	-	-	-	370	-	-	-	-	-	-	-	-	-	-	-	
92300	Employee benefit contributions - tenant services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
92400	Tenant Services - Other	-	-	-	189,644	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,085	
93100	Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,082	
93200	Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,373	
93300	Gas	-	-	-	117	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	633	
93800	Other utilities expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,024	

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Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA: LA001 FYE: 09/30/2018																						
Line Item No.	Account Description	AMP 001806 Operating St. Thomas	AMP 002709 Operating Harmony Oaks	AMP 002802 Operating C.J. Peete	AMP 003102 Operating Iberville	AMP 003103 Operating Bienville Basin 1	AMP 003104 Operating Bienville Basin 2	AMP 003105 Operating Bienville Basin 3	AMP 003105 Capital Bienville Basin 3	AMP 003106 Operating Bienville Basin 4	AMP 003106 Capital Bienville Basin 4	AMP 003107 Operating Bienville Basin 4	AMP 003107 Capital Bienville Basin 4	AMP 003108 Operating Bienville Basin 5	AMP 003108 Capital Bienville Basin 5	AMP 004107 Operating Florida Extension	AMP 005106 Operating Lafitte Temp	AMP 005705 Operating Lafitte I	AMP 005706 Operating Lafitte II	AMP 005711 Operating Faubourg Lafitte Senior	AMP 005711 Capital Faubourg Lafitte Senior	
94100	Ordinary Maintenance and Operations - Labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,979	-
94200	OMO - Materials and Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,157	-
94300	Ordinary Maintenance and Operations - Contract Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,036	-
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,756	-
95100	Protective Services - labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
95200	Protective Services - Other Contract Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54,674	-
95300	Protective Services - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,854	-	-	-	-	31,225	-
95500	Employee benefit contributions - protective services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96110	Property Insurance	-	-	-	4,960	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116,357	-
96120	Liability Insurance	-	-	-	56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,580	-
96130	Workmen's Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,637	4
96140	All other Insurance	-	-	-	5,571	-	-	-	-	-	-	-	-	-	-	7	-	-	-	-	-	5
96200	Other General Expenses	35,326	648,153	-	838,998	139,562	67,029	85,790	-	-	-	-	-	-	115,715	-	-	269,274	251,314	459,220	-	-
96210	Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96400	Bad Debt - Tenant Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96600	Bad Debt - Other	597,002	917,517	29,765	-	219,043	149,498	244,129	-	359,224	-	320,289	-	121,770	-	-	-	228,144	322,886	4,184	-	-
96710	Interest on Mortgage (or Bonds) Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total Operating Expenses	719,250	1,601,127	110,527	1,091,473	368,893	223,484	334,239	5,701	363,364	-	320,659	823	122,100	117,673	36,324	-	510,866	593,716	973,793	1,778	
97000	Excess Operating Revenue over Operating Expenses	(718,282)	(900,302)	(85,483)	(7,437,475)	(212,940)	(148,623)	(238,389)	-	(44,157)	73,413	(320,659)	31,188	(122,100)	(115,715)	(22,443)	-	(226,701)	(328,495)	435,026	-	
97300	Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97350	HAP Portability - In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97400	Depreciation Expense	-	-	-	807,051	-	-	-	-	-	-	-	-	-	-	-	307,382	-	-	660,788	-	
90000	Total Expenses	719,250	1,601,127	110,527	1,898,524	368,893	223,484	334,239	5,701	363,364	-	320,659	823	122,100	117,673	36,324	307,382	510,866	593,716	1,634,581	1,778	
10010	Operating transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10020	Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10091	Inter-project excess cash transfer in	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10092	Inter-project excess cash transfer out	(90,000)	-	-	(400,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10100	Total other financing sources (Uses)	(90,000)	-	-	(400,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10000	Excess (deficiency) of total revenue over (under) total expenses	(808,282)	(900,302)	(85,483)	(8,644,526)	(212,940)	(148,623)	(238,389)	-	(44,157)	73,413	(320,659)	31,188	(122,100)	(115,715)	(22,443)	(307,382)	(226,701)	(328,495)	(225,762)	-	
11020	Debt Principal Payments - Enterprise Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11030	Beginning Equity	13,480,528	44,443,044	951,492	15,364,065	8,390,145	6,008,757	8,673,284	-	15,445,256	-	-	-	-	-	1,550,501	12,850,483	13,324,865	5,655,910	19,917,080	-	
11040.1	CFP Hard Cost Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11040.2	Equity Transfer from Other to Iberville V, Iberville VI, and Guste III	-	-	-	-	-	-	-	-	-	-	7,130,319	-	2,874,084	-	-	-	-	-	-	-	-
11040	Total Prior Period Adjustments and Equity transfers	-	-	-	-	-	-	-	-	-	-	7,130,319	-	2,874,084	-	-	-	-	-	-	-	-
11170	Administrative Fee Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11180	Housing Assistance Payments Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit Months Available	-	2,316	-	-	672	307	432	-	414	-	37	-	33	-	-	-	888	804	360	-	
11210	Number of Unit Months Leased	-	2,283	-	-	653	299	422	-	411	-	37	-	33	-	-	-	832	780	353	-	
11270	Excess Cash	953,348	220,481	24,785	182,858	237,000	120,943	412,248	-	132,912	-	38,641	-	58,687	-	179,261	91,611	62,655	130,200	1,403,622	-	
11620	Building Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13510	CFPP Debt Service Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13901	Replacement Housing Factor Funds	-	-	-	-	-	-	-	1,594	-	73,413	-	31,188	-	-	-	-	-	-	-	-	-

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Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA LA001 FYE 09/30/2018		AMP 005804	AMP 007303	AMP 007303	AMP 007501	AMP 007501	AMP 007502	AMP 007801	AMP 008707	AMP 008707	AMP 008708	AMP 008709	AMP 008710	AMP 008808	AMP 014713	AMP 014713	AMP 014716	AMP 014809	AMP 015301	AMP 015301	AMP 015302
Line Item No	Account Description	Operating	Operating	Capital	Operating	Capital	Operating	Operating	Operating	Capital	Operating	Operating	Operating	Operating	Operating	Capital	Operating	Operating	Operating	Capital	Operating
		Lafitte Demo	B W Cooper	B W Cooper	Marrero Commons	Marrero Commons	Marrero Commons 1B	B W Cooper Extension	Columbia Parc	Columbia Parc	Columbia Parc IIA	Columbia Parc IIB (St Bernard IIB)	Heritage at Columbia Parc (SB III)	Saint Bernard Extension	Savoy	Savoy	Savoy II	Desire	Guste Homes High Rise	Guste Homes High Rise	Guste Homes Low Rise
111	Cash - Unrestricted	528,586	47,628	-	318,035	-	517,674	182,690	828,411	-	234,544	400,474	680,591	8,593	243,864	-	256,172	487,780	2,005,692	-	67,165
112	Cash - Restricted - Modernization and Development	-	-	-	749,914	-	392,537	-	-	-	-	-	-	-	-	-	-	-	-	-	-
113	Cash - other restricted	-	904,546	-	-	-	-	-	988,385	-	-	-	1,319,946	-	-	-	-	-	-	-	-
114	Cash - Tenant Security Deposits	61,109	3,592	-	-	-	-	66,322	-	-	-	-	23,200	66,655	-	-	-	12,883	92,059	-	-
115	Cash - Restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Total Cash	589,695	955,766	-	1,067,949	-	910,211	249,012	1,816,796	-	234,544	400,474	2,023,737	75,248	243,864	-	256,172	500,663	2,097,751	-	67,165
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	-	172,515	-	2,129	-	225	-	124,672	-	64	61	1,112	-	496	-	505	-	3,645	-	-
124	Accounts Receivable - other government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	-	-	-	154,410	-	185,668	-	-	-	-	-	-	-	-	-	-	-	453,533	-	-
126	Accounts Receivable - Tenants - Dwelling Rents	-	-	-	-	-	-	-	-	-	-	-	1,814	-	-	-	-	-	108,193	-	-
126 1	Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-	-	-	-	-	-	-	-	(2,185)	-	-	-	-	-	-	-	-
126 2	Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	81,631	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total Receivables, net of allowances for doubtful accounts	-	172,515	-	238,170	-	185,893	-	124,672	-	64	61	741	-	496	-	505	-	565,371	-	-
131	Investments - Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	-	3,499	-	5,286	-	-	-	52	-	-	-	-	-	-	-	-	-	64,009	-	-
144	Interprogram due from	-	-	-	10,485,147	-	206,819	9,610	-	-	51,225	83,994	-	-	-	-	21,060	319,996	-	-	-
150	Total Current Assets	589,695	1,131,780	-	11,796,552	-	1,302,923	258,622	1,941,520	-	285,833	484,529	2,024,478	75,248	244,360	-	277,737	820,659	2,727,131	-	67,165
161	Land	-	4,875,024	-	-	-	-	3,308,418	4,145,440	-	-	-	-	200,000	200,000	-	200,000	-	171,585	-	5,000
162	Buildings	-	-	-	-	-	-	-	-	-	-	-	3,078,770	-	-	-	-	-	10,489,789	-	-
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	373,898	-	-
165	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
166	Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	(313,085)	-	-	-	-	-	(3,400,402)	-	-
167	Construction In Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
168	Infrastructure	-	21,000,347	-	-	-	-	-	18,005,274	-	1,987,180	1,478,849	-	-	-	-	-	-	5,200	-	-
160	Total Fixed Assets, Net of Accumulated Depreciation	-	25,875,371	-	-	-	-	3,308,418	22,150,714	-	1,987,180	1,478,849	2,765,685	200,000	200,000	-	200,000	-	7,640,070	-	5,000
171	Notes, loans, and mortgages receivable - Noncurrent	-	-	-	8,352,148	-	13,518,351	-	21,238,833	-	4,112,201	4,121,388	-	-	4,426,515	-	2,912,653	-	-	-	-
174	Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Total Non-Current Assets	-	25,875,371	-	8,352,148	-	13,518,351	3,308,418	43,389,547	-	6,099,381	5,600,237	2,765,685	200,000	4,626,515	-	3,112,653	-	7,640,070	-	5,000
190	Total Assets	589,695	27,007,151	-	20,148,700	-	14,821,274	3,567,040	45,331,067	-	6,385,214	6,084,766	4,790,163	275,248	4,870,875	-	3,390,390	820,659	10,367,201	-	72,165
200	Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
290	Total Assets and Deferred Outflow of Resources	589,695	27,007,151	-	20,148,700	-	14,821,274	3,567,040	45,331,067	-	6,385,214	6,084,766	4,790,163	275,248	4,870,875	-	3,390,390	820,659	10,367,201	-	72,165
312	Accounts Payable <= 90 Days	-	456,848	-	1,778	-	-	-	-	-	-	-	4,156	-	-	-	-	-	156,242	-	-
321	Accrued Wage/Payroll Taxes Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,087	-	-
322	Accrued Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
324	Accrued contingency liability	127,580	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	230,000	-	-	-
325	Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
341	Tenant Security Deposits	61,109	3,592	-	-	-	-	66,322	-	-	-	-	23,200	66,655	-	-	-	12,883	92,059	-	-
342	Unearned Revenues	-	14,973	-	472,968	-	-	-	11,616	-	-	-	21,252	-	-	-	-	-	-	-	-
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	-	96,326	-	-	-	-	-	47,094	-	-	-	89,012	-	-	-	-	-	888,742	-	-
346	Accrued Liabilities - Other	-	31	-	-	-	-	-	76,985	-	-	-	19,639	-	-	-	-	-	-	-	-
347	Interprogram due to	-	2,859,156	-	-	-	-	-	-	-	-	-	54,193	-	-	-	-	-	-	-	-
310	Total Current Liabilities	188,689	3,430,926	-	474,746	-	-	66,322	135,695	-	-	-	157,259	120,848	-	-	-	242,883	1,144,130	-	-
351	Long-term debt, net of current - capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
352	Long-Term debt, net of current - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
353	Noncurrent Liabilities - Other	-	851,515	-	-	-	-	-	930,305	-	-	-	-	-	-	-	-	-	-	-	-
354	Accrued compensated Absences - Non Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	230,000	-	-
350	Total Noncurrent Liabilities	-	851,515	-	-	-	-	-	930,305	-	-	-	-	-	-	-	-	-	230,000	-	-
300	Total Liabilities	188,689	4,282,441	-	474,746	-	-	66,322	1,066,000	-	-	-	157,259	120,848	-	-	-	472,883	1,144,130	-	-
400	Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
490	Total Liability and Deferred Inflow of Resources	188,689	4,282,441	-	474,746	-	-	66,322	1,066,000	-	-	-	157,259	120,848	-	-	-	472,883	1,144,130	-	-
508 4	Net Investment in Capital Assets	-	25,875,371	-	-	-	-	3,308,418	22,150,714	-	1,987,180	1,478,849	2,765,685	200,000	200,000	-	200,000	-	7,640,070	-	5,000
511 4	Restricted Net Position	-	53,031	-	9,183,693	-	13,910,888	-	21,296,913	-	4,112,201	4,121,388	1,319,946	4,426,515	-	2,912,653	-	-	-	-	-
512 4	Unrestricted Net Position	401,006	(3,203,692)	-	10,490,261	-	910,386	192,300	817,440	-	285,833	484,529	547,273	(45,600)	244,360	-	277,737	347,776	1,583,001	-	67,165
513	Total Equity	401,006	22,724,710	-	19,673,954	-	14,821,274	3,500,718	44,265,067	-	6,385,214	6,084,766	4,632,904	154,400	4,870,875	-	3,390,390	347,776	9,223,071	-	72,165
600	Total Liabilities and Equity	589,695	27,007,151	-	20,148,700	-	14,821,274	3,567,040	45,331,067	-	6,385,214	6,084,766	4,790,163	275,248	4,870,875	-	3,390,390	820,659	10,367,201	-	72,165

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PHA LA001 FYE 09/30/2018		AMP 005804	AMP 007303	AMP 007303	AMP 007501	AMP 007501	AMP 007502	AMP 007801	AMP 008707	AMP 008707	AMP 008708	AMP 008709	AMP 008710	AMP 008808	AMP 014713	AMP 014713	AMP 014716	AMP 014809	AMP 015301	AMP 015301	AMP 015302
Line Item No	Account Description	Operating	Operating	Capital	Operating	Capital	Operating	Operating	Operating	Capital	Operating	Operating	Operating	Operating	Operating	Capital	Operating	Operating	Operating	Capital	Operating
		Lafitte Demo	B W Cooper	B W Cooper	Marrero Commons	Marrero Commons	Marrero Commons 1B	B W Cooper Extension	Columbia Parc	Columbia Parc	Columbia Parc IIA	Columbia Parc IIB (St Bernard IIB)	Heritage at Columbia Parc (SB III)	Saint Bernard Extension	Savoy	Savoy	Savoy II	Desire	Guste Homes High Rise	Guste Homes High Rise	Guste Homes Low Rise
70300	Net Tenant Rental Revenue	-	-	-	-	-	-	-	-	-	-	-	268,632	-	-	-	-	-	1,058,871	-	-
70400	Tenant Revenue - Other	-	-	-	-	-	-	-	-	-	-	-	19,023	40	-	-	-	-	11,206	-	-
70500	Total Tenant Revenue	-	-	-	-	-	-	-	-	-	-	-	287,655	40	-	-	-	-	1,070,077	-	-
70600	HUD PHA Grants	-	120,977	89,325	351,805	16,115	222,730	-	468,380	1,122,604	51,507	50,958	645,116	-	463,245	58	462,227	-	1,354,156	166,627	-
70610	HUD PHA Capital Grants	-	-	505,134	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	305,882
70710	Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70730	Book-Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71100	Investment Income - Unrestricted	-	-	-	1,108	-	334	-	-	-	-	-	12,704	-	-	-	-	-	132,209	-	-
71400	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71500	Other revenue	62,500	140,306	-	-	-	-	-	1,185,118	-	-	-	176,211	-	-	-	-	-	67,866	-	-
71600	Gain/Loss on Sale of Fixed Assets	-	(16,522,386)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70000	Total Revenue	62,500	(16,261,103)	594,459	352,913	16,115	223,064	-	1,653,498	1,122,604	51,507	50,958	1,121,686	40	463,245	58	462,227	-	2,624,308	472,509	-
91100	Administrative salaries	-	-	21,723	-	-	-	-	-	1,687	-	-	-	-	-	51	-	-	334,170	12,121	-
91200	Auditing fees	-	-	-	5,734	-	3,377	-	10,004	-	1,019	1,211	9,815	-	6,690	-	6,818	-	27,563	-	-
91300	Management Fee	-	-	59,146	-	11,793	-	-	-	9,620	-	-	-	-	-	-	-	-	105,002	-	-
91310	Book-Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
91400	Advertising and Marketing	-	-	-	-	-	-	-	-	-	-	-	2,179	-	-	-	-	-	238	-	-
91500	Employee benefit contributions - administrative	-	-	2,573	-	-	-	-	-	176	-	-	-	-	-	3	-	-	5,933	3,234	-
91600	Office Expenses	-	-	-	-	-	-	-	-	-	-	-	44,011	-	-	-	-	-	62,235	38	-
91700	Legal Expense	51,580	39,489	-	-	4,322	-	49,505	-	1,395	-	-	-	92,326	-	-	-	-	44,651	-	26,768
91800	Travel	-	-	-	-	-	-	-	-	-	-	-	4,213	-	-	-	-	-	4,323	-	-
91900	Other	-	(628)	1,904	-	-	-	-	-	140	-	-	78,883	-	-	4	-	-	84,477	1,000	-
92000	Asset Management Fee	-	-	-	10,800	-	6,360	-	18,840	-	1,920	2,280	4,440	-	5,160	-	5,520	-	46,200	-	-
92100	Tenant services - salaries	-	-	-	-	-	-	-	-	-	-	-	92,960	-	-	-	-	-	211,945	-	-
92200	Relocation Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
92300	Employee benefit contributions - tenant services	-	-	-	-	-	-	-	-	-	-	-	13,687	-	-	-	-	-	14,848	-	-
92400	Tenant Services - Other	-	-	-	-	-	-	-	-	-	-	-	60,378	-	-	-	-	-	166,450	-	-
93100	Water	-	3,174	-	-	-	-	-	-	-	-	-	28,952	-	-	-	-	-	245,617	-	-
93200	Electricity	-	491	-	-	-	-	-	-	-	-	-	20,165	-	-	-	-	-	448,350	-	-
93300	Gas	-	1,256	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93800	Other utilities expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Housing Authority of New Orleans

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PHA: LA001 FYE: 09/30/2018		AMP 005804	AMP 007303	AMP 007303	AMP 007501	AMP 007501	AMP 007502	AMP 007801	AMP 008707	AMP 008707	AMP 008708	AMP 008709	AMP 008710	AMP 008808	AMP 014713	AMP 014713	AMP 014716	AMP 014809	AMP 015301	AMP 015301	AMP 015302
Line Item No.	Account Description	Operating	Operating	Capital	Operating	Capital	Operating	Operating	Operating	Capital	Operating	Operating	Operating	Operating	Operating	Capital	Operating	Operating	Operating	Capital	Operating
		Lafitte Demo	B.W. Cooper	B.W. Cooper	Marrero Commons	Marrero Commons	Marrero Commons 1B	B.W. Cooper Extension	Columbia Parc	Columbia Parc	Columbia Parc IIA	Columbia Parc IIB (St. Bernard IIB)	Heritage at Columbia Parc (SB III)	Saint Bernard Extension	Savoy	Savoy	Savoy II	Desire	Guste Homes High Rise	Guste Homes High Rise	Guste Homes Low Rise
94100	Ordinary Maintenance and Operations - Labor	-	-	-	-	-	-	-	-	-	-	-	64,297	-	-	-	-	-	200,726	-	-
94200	OMO - Materials and Other	-	38,539	-	-	-	-	-	-	-	-	-	33,134	-	-	-	-	-	27,393	-	-
94300	Ordinary Maintenance and Operations - Contract Costs	-	-	-	-	-	-	-	-	-	-	-	110,249	-	-	-	-	-	372,593	-	-
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	-	-	-	-	-	17,216	-	-	-	-	-	32,127	-	-
95100	Protective Services - labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	293,313	-	-
95200	Protective Services - Other Contract Costs	-	-	-	-	-	-	-	-	-	-	-	55,841	-	-	-	-	-	106,683	-	-
95300	Protective Services - Other	-	45,708	-	-	-	-	-	-	-	-	-	38,510	-	-	-	-	-	400,712	-	-
95500	Employee benefit contributions - protective services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,277	-	-
96110	Property Insurance	-	7,209	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96120	Liability Insurance	-	93	-	-	-	-	-	-	-	-	-	74,942	-	-	-	-	-	40,458	-	-
96130	Workmen's Compensation	-	-	121	-	-	-	-	-	8	-	-	2,499	-	-	-	-	-	24,834	102	-
96140	All other Insurance	-	7,911	160	-	-	-	-	-	11	-	-	18,498	-	-	-	-	-	45,401	133	-
96200	Other General Expenses	-	3,699	-	333,449	-	164,421	-	443,661	1,109,567	48,766	48,303	696,113	-	439,001	-	438,011	-	274,871	-	-
96210	Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96400	Bad Debt - Tenant Rents	-	270	-	-	-	-	-	-	-	-	-	1,465	-	-	-	-	-	-	-	-
96600	Bad Debt - Other	-	-	-	398,234	-	278,518	-	-	-	89,639	90,000	57,142	-	433,915	-	228,903	-	-	-	-
96710	Interest on Mortgage (or Bonds) Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total Operating Expenses	51,580	147,211	85,627	748,217	16,115	452,676	49,505	472,505	1,122,604	141,344	141,794	1,529,589	92,326	884,766	58	679,252	-	3,643,390	16,628	26,768
97000	Excess Operating Revenue over Operating Expenses	10,920	(16,408,314)	508,832	(395,304)	-	(229,612)	(49,505)	1,180,993	-	(89,837)	(90,836)	(407,903)	(92,286)	(421,521)	-	(217,025)	-	(1,019,082)	455,881	(26,768)
97300	Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97350	HAP Portability - In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97400	Depreciation Expense	-	695,078	-	-	-	-	-	-	-	-	-	111,011	-	-	-	-	-	437,790	-	-
90000	Total Expenses	51,580	842,289	85,627	748,217	16,115	452,676	49,505	472,505	1,122,604	141,344	141,794	1,640,600	92,326	884,766	58	679,252	-	4,081,180	16,628	26,768
10010	Operating transfers in	-	3,699	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150,000	-	-
10020	Operating transfers out	-	-	(3,699)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(150,000)	-
10091	Inter-project excess cash transfer in	-	-	-	-	-	-	-	-	-	-	-	490,000	-	-	-	-	-	1,200,000	-	-
10092	Inter-project excess cash transfer out	-	-	-	(1,365,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10100	Total other financing sources (Uses)	-	3,699	(3,699)	(1,365,000)	-	-	-	-	-	-	-	490,000	-	-	-	-	-	1,350,000	(150,000)	-
10000	Excess (deficiency) of total revenue over (under) total expenses	10,920	(17,099,693)	505,133	(1,760,304)	-	(229,612)	(49,505)	1,180,993	-	(89,837)	(90,836)	(28,914)	(92,286)	(421,521)	-	(217,025)	-	(106,872)	305,881	(26,768)
11020	Debt Principal Payments - Enterprise Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11030	Beginning Equity	390,086	39,319,270	-	21,434,258	-	15,050,886	3,550,223	43,084,074	-	6,475,051	6,175,602	4,661,818	246,686	5,292,396	-	3,607,415	347,776	9,024,062	-	98,933
11040.1	CFP Hard Cost Transfer	-	505,134	(505,134)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	305,881	(305,881)	-
11040.2	Equity Transfer from Other to Iberville V, Iberville VI, and Guste III	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11040	Total Prior Period Adjustments and Equity transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11170	Administrative Fee Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11180	Housing Assistance Payments Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit Months Available	-	-	-	1,080	-	636	-	1,884	-	192	228	444	-	516	-	552	-	4,311	-	-
11210	Number of Unit Months Leased	-	-	-	1,067	-	619	-	1,805	-	182	222	438	-	512	-	539	-	4,054	-	-
11270	Excess Cash	396,708	(3,219,459)	-	10,504,255	-	872,663	188,175	778,013	-	274,054	472,713	419,807	(53,294)	170,630	-	221,133	577,776	1,215,376	-	64,934
11620	Building Purchases	-	-	505,134	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	305,881	-
11660	Infrastructure Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13510	CFPP Debt Service Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13901	Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	323,813	-	-	-	-	-	-	-	-	-	-	-

See independent auditor's report.

Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA LA001 FYE 09/30/2018		AMP 015401	AMP 0015401	AMP 015402	AMP 015402	AMP 015403	AMP 015403	AMP 016603	AMP 016603	AMP 016604	AMP 016604	AMP 022804	AMP 022804	AMP 025805	AMP 058701	AMP 062101	AMP 062101	AMP 067807	AMP 071601	AMP 071601	AMP 072602	AMP 72602
Line Item No	Account Description	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Operating	Operating	Capital	Operating	Operating	Capital	Operating	Capital
		Guste I	Guste I	Guste II	Guste II	Guste III	Guste III	Fischer IV	Fischer IV	Fischer IVA	Fischer IVA	New Florida	New Florida	Scattered Sites Demo	River Gardens Phase I (CS 1)	Fischer Senior Village	Fischer Senior Village	Flonda Phase I	Fischer I	Fischer I	Fischer III	Fischer III
111	Cash - Unrestricted	587,223	-	292,408	-	-	-	2,155,249	-	310,521	-	775,555	-	-	80,775	495,374	-	137,670	99,215	-	1,637,224	-
112	Cash - Restricted - Modernization and Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
113	Cash - other restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
114	Cash - Tenant Security Deposits	-	-	1,850	-	-	-	22,250	-	3,900	-	9,798	-	48,097	-	19,681	-	-	30,927	-	-	-
115	Cash - Restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Total Cash	587,223	-	294,258	-	-	-	2,177,499	-	314,421	-	785,353	-	48,097	80,775	515,055	-	137,670	130,142	-	1,637,224	-
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	1,365	-	243	-	88,809	-	34	-	55	-	27,912	-	2	522	385	-	41	65	-	533	-
124	Accounts Receivable - other government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	-	-	2,047	-	127,125	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
126	Accounts Receivable - Tenants - Dwelling Rents	-	-	-	-	-	-	7,909	-	-	-	5,868	-	-	-	-	-	-	-	-	-	-
126 1	Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-	-	-	(791)	-	-	-	(2,012)	-	-	-	-	-	-	-	-	-	-
126 2	Allowance for Doubtful Accounts - Other	-	-	(415)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total Receivables, net of allowances for doubtful accounts	1,365	-	1,875	-	215,934	-	7,152	-	55	-	31,768	-	2	522	385	-	41	65	-	533	-
131	Investments - Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	278	-	18,957	-	3,589	-	68,824	-	8,467	-	29,527	-	2,153	-	67,951	-	-	-	-	69	-
144	Interprogram due from	309,313	-	-	-	-	-	279,238	-	187,202	-	-	-	-	-	365,215	-	-	2,868	-	-	-
150	Total Current Assets	898,179	-	315,090	-	219,523	-	2,532,713	-	510,145	-	846,648	-	50,252	81,297	948,606	-	137,711	133,075	-	1,637,826	-
161	Land	200,000	-	-	-	-	-	-	-	-	-	200,000	-	-	200,000	2,609,947	-	200,000	200,000	-	200,000	-
162	Buildings	94,735	-	2,917,408	-	-	-	6,489,324	-	172,739	-	12,509,267	-	-	-	6,676,764	-	89,760	9,200	-	6,577	-
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	106,919	-	40,281	-
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	-	-	188,505	-	371	-	-	-	75,646	-	324,241	-	-	185	-	1,553	-
165	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
166	Accumulated Depreciation	(3,340)	-	(684,951)	-	-	-	(1,562,388)	-	(7,610)	-	(466,187)	-	(30,258)	-	(2,799,553)	-	(9,792)	(135,521)	-	(311,084)	-
167	Construction In Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
168	Infrastructure	12,520	-	165,820	-	3,292,263	-	-	-	-	-	96,344	-	-	-	-	-	-	97,190	-	2,298,030	-
160	Total Fixed Assets, Net of Accumulated Depreciation	303,915	-	2,398,277	-	3,292,263	-	5,115,441	-	165,500	-	12,339,424	-	45,388	200,000	6,811,399	-	279,968	277,973	-	2,235,357	-
171	Notes, loans, and mortgages receivable - Noncurrent	11,042,570	-	-	-	30,678,913	-	-	-	-	-	-	-	-	-	-	-	-	1,359,041	-	4,353,707	-
174	Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Total Non-Current Assets	11,346,485	-	2,398,277	-	33,971,176	-	5,115,441	-	165,500	-	12,339,424	-	45,388	200,000	6,811,399	-	279,968	1,637,014	-	6,589,064	-
190	Total Assets	12,244,664	-	2,713,367	-	34,190,699	-	7,648,154	-	675,645	-	13,186,072	-	95,640	281,297	7,760,005	-	417,679	1,770,089	-	8,226,890	-
200	Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
290	Total Assets and Deferred Outflow of Resources	12,244,664	-	2,713,367	-	34,190,699	-	7,648,154	-	675,645	-	13,186,072	-	95,640	281,297	7,760,005	-	417,679	1,770,089	-	8,226,890	-
312	Accounts Payable <= 90 Days	-	-	11,796	-	82,190	-	5,776	-	3,909	-	22,625	-	25,449	-	19,411	-	-	-	-	-	-
321	Accrued Wage/Payroll Taxes Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
322	Accrued Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	9,000	-	20,976	-	-	-	-	-	-
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
325	Accrued interest payable	19,017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,552	-
341	Tenant Security Deposits	-	-	1,850	-	-	-	22,250	-	3,900	-	9,798	-	48,097	-	19,681	-	-	30,927	-	-	-
342	Unearned Revenues	-	-	-	-	-	-	559	-	424	-	1,940	-	-	-	352	-	-	-	-	-	-
344	Current portion of L-T debt - operating borrowings	516,600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	713,400	-
345	Other current liabilities	-	-	118,167	-	-	-	-	-	-	-	9,251	-	-	-	-	-	-	-	-	-	-
346	Accrued Liabilities - Other	14	-	-	-	175	-	-	-	-	-	172	-	31,455	-	735	-	-	-	-	4	-
347	Interprogram due to	-	-	-	-	12,010,273	-	-	-	-	-	1,357,934	-	-	-	-	-	-	-	-	-	-
310	Total Current Liabilities	535,631	-	131,813	-	12,092,638	-	28,585	-	8,233	-	43,786	-	1,471,935	-	61,155	-	-	30,927	-	739,956	-
351	Long-term debt, net of current - capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
352	Long-Term debt, net of current - operating borrowings	3,172,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,827,600	-
353	Noncurrent Liabilities - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
354	Accrued compensated Absences - Non Current	-	-	-	-	-	-	-	-	-	-	-	-	19,696	-	29,325	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
350	Total Noncurrent Liabilities	3,172,400	-	-	-	-	-	-	-	-	-	-	-	19,696	-	29,325	-	-	-	-	3,827,600	-
300	Total Liabilities	3,708,031	-	131,813	-	12,092,638	-	28,585	-	8,233	-	43,786	-	1,491,631	-	90,480	-	-	30,927	-	4,567,556	-
400	Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
490	Total Liability and Deferred Inflow of Resources	3,708,031	-	131,813	-	12,092,638	-	28,585	-	8,233	-	43,786	-	1,491,631	-	90,480	-	-	30,927	-	4,567,556	-
508 4	Net Investment in Capital Assets	303,915	-	2,398,277	-	3,292,263	-	5,115,441	-	165,500	-	12,339,424	-	45,388	200,000	6,811,399	-	279,968	277,973	-	2,235,357	-
511 4	Restricted Net Position	11,042,570	-	-	-	30,678,913	-	-	-	-	-	-	-	-	-	-	-	-	1,359,041	-	4,353,707	-
512 4	Unrestricted Net Position	(2,809,852)	-	183,277	-	(11,873,115)	-	2,504,128	-	501,912	-	802,862	-	(1,441,379)	81,297	858,126	-	137,711	102,148	-	(2,929,730)	-
513	Total Equity	8,536,633	-	2,581,554	-	22,098,061	-	7,619,569	-	667,412	-	13,142,286	-	(1,395,991)	281,297	7,669,525	-	417,679	1,739,162	-	3,659,334	-
600	Total Liabilities and Equity	12,244,664	-	2,713,367	-	34,190,699	-	7,648,154	-	675,645	-	13,186,072	-	95,64								

Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA LA001 FYE 09/30/2018		AMP 015401	AMP 0015401	AMP 015402	AMP 015402	AMP 015403	AMP 015403	AMP 016603	AMP 016603	AMP 016604	AMP 016604	AMP 022804	AMP 022804	AMP 025805	AMP 058701	AMP 062101	AMP 062101	AMP 067807	AMP 071601	AMP 071601	AMP 072602	AMP 72602
Line Item No	Account Description	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Operating	Operating	Capital	Operating	Operating	Capital	Operating	Capital
		Guste I	Guste I	Guste II	Guste II	Guste III	Guste III	Fischer IV	Fischer IV	Fischer IVA	Fischer IVA	New Florida	New Florida	Scattered Sites Demo	River Gardens Phase I (CS 1)	Fischer Senior Village	Fischer Senior Village	Flonda Phase I	Fischer I	Fischer I	Fischer III	Fischer III
70300	Net Tenant Rental Revenue	-	-	65,863	-	-	-	256,854	-	44,711	-	168,625	-	-	-	260,313	-	-	-	-	-	-
70400	Tenant Revenue - Other	-	-	319	-	-	-	14,983	-	6,807	-	10,654	-	-	-	5,802	-	-	-	-	-	-
70500	Total Tenant Revenue	-	-	66,182	-	-	-	271,837	-	51,518	-	179,279	-	-	-	266,115	-	-	-	-	-	-
70600	HUD PHA Grants	318,965	75,321	53,558	279	163,872	1,136,689	354,536	27,744	61,371	36,438	82,881	1,363,166	543	504,065	267,898	1,114,359	10,574	59,912	1,657	360,873	101,074
70610	HUD PHA Capital Grants	-	664,577	-	-	-	-	269,575	-	-	-	-	115,293	-	-	-	-	-	-	-	-	913,719
70710	Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70730	Book-Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71100	Investment Income - Unrestricted	-	-	5,505	-	-	-	4,733	-	5,505	-	-	-	-	-	34,322	-	-	-	-	-	-
71400	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71500	Other revenue	166,389	-	-	-	7,594	-	46,397	-	174,464	-	488	-	71,770	-	1,274	-	-	-	-	104,318	-
71600	Gain/Loss on Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70000	Total Revenue	485,354	739,898	125,245	279	171,466	1,406,264	677,503	27,744	292,858	36,438	262,648	1,478,459	72,313	504,065	569,609	1,114,359	10,574	59,912	1,657	465,191	1,014,793
91100	Administrative salaries	-	5,787	17,567	202	-	50,774	5,282	1,330	8,451	-	36,344	5,282	21,183	-	52,822	808	-	-	266	-	2,975
91200	Auditing fees	-	-	1,469	-	-	-	637	-	1,019	-	3,313	-	-	7,773	6,372	-	-	-	-	-	-
91300	Management Fee	14,771	64,952	4,619	-	8,164	597,777	5,410	10	8,598	-	33,622	235,509	-	31,953	62,733	95,027	-	1,601	-	13,334	90,303
91310	Book-Keeping Fee	-	-	-	-	-	-	750	-	1,193	-	4,665	-	-	-	8,700	-	-	630	-	5,273	-
91400	Advertising and Marketing	-	-	93	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
91500	Employee benefit contributions - administrative	-	1,462	338	55	-	6,128	1,534	527	2,455	-	7,389	3,387	-	-	20,250	210	-	-	73	-	824
91600	Office Expenses	-	24	10,834	1	-	11	5,617	10	7,270	-	6,411	20	-	-	14,547	4	-	-	1	-	8
91700	Legal Expense	-	-	-	-	-	467,744	-	-	-	-	-	665,899	141,792	-	-	-	-	28,782	-	-	-
91800	Travel	-	-	660	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
91900	Other	-	490	4,258	18	-	4,436	1,737	118	835	-	1,857	12,837	-	-	12,976	68	111	-	23	-	254
92000	Asset Management Fee	8,040	-	1,920	-	4,160	-	1,200	-	1,920	-	6,240	-	-	14,640	12,000	-	-	960	-	8,040	-
92100	Tenant services - salaries	-	-	11,090	-	-	-	-	-	-	-	-	-	-	-	28,802	-	-	-	-	-	-
92200	Relocation Costs	-	-	-	-	-	-	-	-	-	-	-	250	-	-	-	-	-	-	-	-	-
92300	Employee benefit contributions - tenant services	-	-	197	-	-	-	-	-	-	-	-	-	-	-	9,374	-	-	-	-	-	-
92400	Tenant Services - Other	28,225	-	6,741	-	-	-	36,651	-	6,741	-	23,613	-	338,422	-	57,155	-	-	-	-	-	-
93100	Water	-	-	20,417	-	33,786	28,600	17,949	-	22,150	-	43,026	-	-	-	37,777	-	-	-	-	-	-
93200	Electricity	-	-	-	-	11,619	34,637	3,493	-	11,323	-	2,687	-	-	-	29,982	-	-	-	-	-	-
93300	Gas	-	-	-	-	1,034	4,918	27	-	132	-	200	-	-	-	158	-	-	-	-	-	-
93800	Other utilities expense	-	-	-	-	4,255	4,671	4,085	-	3,523	-	12,552	-	-	-	400	-	-	-	-	-	-

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Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

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PHA: LA001 FYE: 09/30/2018		AMP 015401	AMP 0015401	AMP 015402	AMP 015402	AMP 015403	AMP 015403	AMP 016603	AMP 016603	AMP 016604	AMP 016604	AMP 022804	AMP 022804	AMP 025805	AMP 058701	AMP 062101	AMP 062101	AMP 067807	AMP 071601	AMP 071601	AMP 072602	AMP 72602
Line Item No.	Account Description	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Operating	Capital	Capital	Operating	Operating	Capital	Operating	Capital
		Guste I	Guste I	Guste II	Guste II	Guste III	Guste III	Fischer IV	Fischer IV	Fischer IVA	Fischer IVA	New Florida	New Florida	Scattered Sites Demo	River Gardens Phase I (CS 1)	Fischer Senior Village	Fischer Senior Village	Florida Phase I	Fischer I	Fischer I	Fischer III	Fischer III
94100	Ordinary Maintenance and Operations - Labor	-	-	10,605	-	-	-	8,534	-	13,655	-	22,869	-	-	-	38,401	-	-	-	-	-	-
94200	OMO - Materials and Other	-	-	1,779	-	2,918	-	22,344	-	4,222	-	38,288	-	-	-	26,811	-	-	-	-	-	-
94300	Ordinary Maintenance and Operations - Contract Costs	-	-	18,585	-	-	-	39,136	-	7,647	-	25,455	-	-	-	98,606	-	-	-	-	-	-
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	1,109	-	-	-	2,023	-	3,236	-	4,542	-	-	-	29,982	-	-	-	-	-	-
95100	Protective Services - labor	-	-	15,434	-	-	-	-	-	-	-	-	-	-	-	229,780	-	-	-	-	-	-
95200	Protective Services - Other Contract Costs	-	-	21,697	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
95300	Protective Services - Other	69,734	-	16,652	-	-	-	90,549	-	16,652	-	52,041	-	137,124	-	114,935	-	22,854	-	-	-	-
95500	Employee benefit contributions - protective services	-	-	297	-	-	-	-	-	-	-	-	-	-	-	41,780	-	-	-	-	-	-
96110	Property Insurance	-	-	13,846	-	-	-	53,451	-	15,201	-	72,521	-	-	-	118,533	-	-	-	-	-	-
96120	Liability Insurance	-	-	237	-	-	-	3,317	-	249	-	8,990	-	-	-	14,836	-	-	-	-	-	-
96130	Workmen's Compensation	-	45	1,307	1	-	315	-	18	-	-	192	129	28,919	-	16,051	6	-	-	2	-	32
96140	All other Insurance	-	48	4,069	2	-	399	71,303	23	859	-	52,116	180	3,696	-	23,532	7	-	-	3	-	42
96200	Other General Expenses	271,913	-	7,086	-	-	-	5,481	-	1,558	-	14,846	-	-	503,003	6,730	-	-	55,078	-	330,543	-
96210	Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	28,696	-	40,211	-	-	-	-	-	-
96400	Bad Debt - Tenant Rents	-	-	-	-	-	-	11,259	-	3,406	-	7,728	-	-	-	11,417	-	-	-	-	-	-
96600	Bad Debt - Other	222,044	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,863	-	61,949	-
96710	Interest on Mortgage (or Bonds) Payable	-	183,816	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	254,132
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total Operating Expenses	614,727	256,624	192,886	279	65,936	1,200,410	391,769	2,036	142,295	-	479,650	928,414	691,486	557,369	1,165,653	96,130	51,747	91,132	368	419,139	348,570
97000	Excess Operating Revenue over Operating Expenses	(129,373)	483,274	(67,641)	-	105,530	205,854	285,734	25,708	150,563	36,438	(217,002)	550,045	(619,173)	(53,304)	(596,044)	1,018,229	(41,173)	(31,220)	1,289	46,052	666,223
97300	Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97350	HAP Portability - In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97400	Depreciation Expense	3,339	-	106,088	-	-	-	237,510	-	6,356	-	465,747	-	15,129	-	254,559	-	3,264	21,607	-	8,593	-
90000	Total Expenses	618,066	256,624	298,974	279	65,936	1,200,410	629,279	2,036	148,651	-	945,397	928,414	706,615	557,369	1,420,212	96,130	55,011	112,739	368	427,732	348,570
10010	Operating transfers in	499,373	-	-	-	9,104	-	25,708	-	36,438	-	434,751	-	-	-	1,018,229	-	-	1,288	-	692,775	-
10020	Operating transfers out	-	(499,373)	-	-	-	(9,104)	-	(25,708)	-	(36,438)	-	(434,751)	-	-	(1,018,229)	-	-	(1,288)	-	(692,775)	-
10091	Inter-project excess cash transfer in	-	-	90,000	-	-	-	-	-	-	-	-	-	-	75,000	-	-	-	-	-	-	-
10092	Inter-project excess cash transfer out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10100	Total other financing sources (Uses)	499,373	(499,373)	90,000	-	9,104	(9,104)	25,708	(25,708)	36,438	(36,438)	434,751	(434,751)	-	75,000	1,018,229	(1,018,229)	-	1,288	(1,288)	692,775	(692,775)
10000	Excess (deficiency) of total revenue over (under) total expenses	366,661	(16,099)	(83,729)	-	114,634	196,750	73,932	-	180,645	-	(247,998)	115,294	(634,302)	21,696	167,626	-	(44,437)	(51,539)	1	730,234	(26,552)
11020	Debt Principal Payments - Enterprise Funds	-	493,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	681,500
11030	Beginning Equity	8,186,071	-	2,665,283	-	-	-	7,545,637	-	486,767	-	13,274,990	-	(761,689)	259,601	7,501,899	-	462,116	1,790,700	-	2,955,652	-
11040.1	CFP Hard Cost Transfer	2,918	(2,918)	-	-	269,575	(269,575)	-	-	-	-	115,293	(115,293)	-	-	-	-	-	-	-	-	-
11040.2	Equity Transfer from Other to Iberville V, Iberville VI, and Guste III	-	-	-	-	21,786,677	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11040	Total Prior Period Adjustments and Equity transfers	-	-	-	-	21,786,677	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11170	Administrative Fee Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11180	Housing Assistance Payments Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit Months Available	804	-	192	-	416	-	120	-	168	-	600	-	-	1,464	1,140	-	-	96	-	792	-
11210	Number of Unit Months Leased	774	-	192	-	416	-	100	-	135	-	598	-	-	1,448	1,100	-	-	84	-	691	-
11270	Excess Cash	311,043	-	148,246	-	(11,882,199)	-	2,402,657	-	481,587	-	733,364	-	(1,481,460)	34,850	722,362	-	133,399	94,554	-	862,873	-
11620	Building Purchases	-	2,918	-	-	-	-	-	-	-	-	-	115,293	-	-	-	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	269,575	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13510	CFPP Debt Service Payments	-	677,316	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	935,632
13901	Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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PHA LA001 FYE 09/30/2018		AMP 077712	AMP 081702	AMP 082703	AMP 099103	AMP 099103	AMP 099104	AMP 099104	AMP 099105	AMP 099105	AMP 099999	AMP Other	AMP Other							
Line Item No	Account Description	River Gardens CS II	Abundance Square	Treasure Village	Downtown Scattered Sites	Downtown Scattered Sites	Uptown Scattered Sites	Uptown Scattered Sites	Westbank Scattered Sites	Westbank Scattered Sites	Scattered Sites			Total AMPs 14 850/14 872	Central Office Cost Center	Section 8 Moderate Rehabilitation Single Room Occupancy 14 249	Mainstream Vouchers 14 879	Disaster Grants 97 036	Community Development Block Grants/State Program 14 228	Shelter Plus Care 14 238
111	Cash - Unrestricted	184,348	55,034	23,437	255,675	-	363,972	-	183,038	-	-	-	-	21,297,412	26,784,419	-	-	-	-	-
112	Cash - Restricted - Modernization and Development	-	-	-	-	-	-	-	-	-	-	-	-	2,571,458	-	-	-	-	-	-
113	Cash - other restricted	-	-	-	-	-	-	-	-	-	-	-	-	6,678,355	-	186,288	-	-	-	-
114	Cash - Tenant Security Deposits	-	-	-	5,304	-	7,350	-	2,100	-	15,637	-	-	558,404	-	-	-	-	-	-
115	Cash - Restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Total Cash	184,348	55,034	23,437	260,979	-	371,322	-	185,138	-	15,637	-	-	31,105,629	26,784,419	186,288	-	-	-	-
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	291	274	124	782	-	833	-	2,201	-	-	1,084,860	-	1,724,800	-	109,279	155	-	-	-
124	Accounts Receivable - other government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,253,355	-	80,812
125	Accounts Receivable - Miscellaneous	-	-	-	-	-	-	-	-	-	-	346,300	-	1,664,388	3,923,462	-	-	-	-	-
126	Accounts Receivable - Tenants - Dwelling Rents	-	-	-	20,340	-	15,814	-	13,631	-	-	-	-	174,593	-	-	-	-	-	-
126 1	Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	(15,960)	-	(11,733)	-	(12,502)	-	-	-	-	(45,380)	-	-	-	-	-	-
126 2	Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-	-	-	-	(722)	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	81,631	2,207	-	-	-	-	-
120	Total Receivables, net of allowances for doubtful accounts	291	274	124	5,162	-	4,914	-	3,330	-	-	1,431,160	-	3,599,310	3,925,669	109,279	155	4,253,355	-	80,812
131	Investments - Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	519,634	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,016,242	-
142	Prepaid Expenses and Other Assets	-	-	-	8,039	-	10,519	-	13,930	-	-	-	-	356,417	322,304	-	-	-	-	-
144	Interprogram due from	77,803	-	-	87,902	-	157,328	-	12,719	-	-	-	-	13,559,852	8,426,707	83,803	125,655	-	144,875	4,334
150	Total Current Assets	262,442	55,308	23,561	362,082	-	544,083	-	215,117	-	15,637	1,431,160	-	48,621,208	39,978,733	379,370	125,810	4,253,355	2,161,117	85,146
161	Land	-	200,000	200,000	1,266,022	-	3,000,667	-	1,945,673	-	1,602,268	5,508,132	-	45,726,976	1,960,165	-	-	-	-	-
162	Buildings	-	-	-	4,688,658	-	3,939,535	-	848,323	-	-	-	-	70,349,147	5,933,679	-	-	-	-	-
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	4,523	-	4,523	-	-	-	-	-	-	160,769	-	-	-	-	-	-
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	-	55,944	-	3,220	-	-	-	-	1,037,522	5,435,099	-	-	295,564	-	-
165	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	11,947,749	-	-	-	-	-	-
166	Accumulated Depreciation	-	-	-	(1,666,172)	-	(1,252,559)	-	(354,374)	-	-	-	-	(16,536,642)	(8,181,785)	-	-	(111,170)	-	-
167	Construction In Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,412,933	-
168	Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	67,363,204	-	-	-	-	-	-
160	Total Fixed Assets, Net of Accumulated Depreciation	-	200,000	200,000	4,293,031	-	5,748,110	-	2,447,365	-	1,602,268	5,508,132	-	180,048,725	5,147,158	-	-	8,597,327	-	-
171	Notes, loans, and mortgages receivable - Noncurrent	966,335	1,230,029	800,179	-	-	-	-	-	-	-	-	-	6,160,082	-	-	-	-	11,646,896	-
174	Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Total Non-Current Assets	966,335	1,430,029	1,000,179	4,293,031	-	5,748,110	-	2,447,365	-	1,602,268	11,668,214	-	389,139,917	5,597,158	-	-	-	20,244,223	-
190	Total Assets	1,228,777	1,485,337	1,023,740	4,655,113	-	6,292,193	-	2,662,482	-	1,617,905	13,099,374	-	437,761,125	45,575,891	379,370	125,810	24,497,578	2,161,117	85,146
200	Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
290	Total Assets and Deferred Outflow of Resources	1,228,777	1,485,337	1,023,740	4,655,113	-	6,292,193	-	2,662,482	-	1,617,905	13,099,374	-	437,761,125	45,575,891	379,370	125,810	24,497,578	2,161,117	85,146
312	Accounts Payable <= 90 Days	-	-	-	5,734	-	6,072	-	1,872	-	57	-	-	1,084,650	274,953	-	-	-	38,593	-
321	Accrued Wage/Payroll Taxes Payable	-	-	-	-	-	-	-	-	-	-	-	-	7,306	391	-	-	-	-	-
322	Accrued Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	29,976	605,030	-	-	-	-	-
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-	-	-	-	357,580	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-	45,569	-	-	-	-	-	-
341	Tenant Security Deposits	-	-	-	5,304	-	7,350	-	2,100	-	15,637	-	-	558,404	-	-	-	-	-	-
342	Unearned Revenues	-	-	-	592	-	3,174	-	1,353	-	-	101,941	-	3,847,866	49,072	-	-	-	-	-
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	1,230,000	-	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	-	308,165	-	-	-	-	-	-
346	Accrued Liabilities - Other	-	-	-	91	-	146	-	61	-	-	-	-	129,508	193,470	-	-	-	-	-
347	Interprogram due to	-	-	-	-	-	-	-	-	-	329,640	989,698	-	17,600,894	-	-	-	3,220,497	-	-
310	Total Current Liabilities	-	-	-	11,721	-	16,742	-	5,386	-	345,334	1,399,804	-	26,448,510	1,122,916	-	-	3,259,090	-	-
351	Long-term debt, net of current - capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
352	Long-Term debt, net of current - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	7,000,000	-	-	-	-	-	-
353	Noncurrent Liabilities - Other	-	-	-	-	-	-	-	-	-	-	-	-	2,770,394	-	-	-	-	-	-
354	Accrued compensated Absences - Non Current	-	-	-	-	-	-	-	-	-	-	-	-	49,021	227,281	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	230,000	-	-	-	-	-	-
350	Total Noncurrent Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	10,049,415	227,281	-	-	-	-	-
300	Total Liabilities	-	-	-	11,721	-	16,742	-	5,386	-	345,334	1,399,804	-	36,497,925	1,360,197	-	-	3,259,090	-	-
400	Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
490	Total Liability and Deferred Inflow of Resources	-	-	-	11,721	-	16,742	-	5,386	-	345,334	1,399,804	-	36,497,925	1,360,197	-	-	3,259,090	-	-
508 4	Net Investment in Capital Assets	-	200,000	200,000	4,293,031	-	5,748,110	-	2,447,365	-	1,602,268	5,508,132	-	180,048,725	5,147,158	-	-	-	8,597,327	-
511 4	Restricted Net Position	966,335	1,230,029	800,179	-	-	-	-	-	-	-	-	-	6,160,082	-	186,288	-	-	11,646,896	2,016,242
512 4	Unrestricted Net Position	262,442	55,308	23,561	350,361	-	527,341	-	209,731	-	(329,697)	31,356	-	5,562,233	39,078,536	193,082	125,810	994,265	144,875	85,146
513	Total Equity	1,228,777																		

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Year ended September 30, 2018

PHA LA001 FYE 09/30/2018		AMP 077712	AMP 081702	AMP 082703	AMP 099103	AMP 099103	AMP 099104	AMP 099104	AMP 099105	AMP 099105	AMP 099999	AMP Other	AMP Other							
Line Item No	Account Description	Operating River Gardens CS II	Operating Abundance Square	Operating Treasure Village	Operating Downtown Scattered Sites	Capital Downtown Scattered Sites	Operating Uptown Scattered Sites	Capital Uptown Scattered Sites	Operating Westbank Scattered Sites	Capital Westbank Scattered Sites	Operating Scattered Sites	Operating	Capital	Total AMPs 14 850/14 872	Central Office Center	Section 8 Moderate Rehabilitation Single Room Occupancy 14 249	Mainstream Vouchers 14 879	Disaster Grants 97 036	Community Development Block Grants/State Program 14 228	Shelter Plus Care 14 238
70300	Net Tenant Rental Revenue	-	-	-	57,438	-	120,283	-	37,227	-	-	-	-	2,866,246	-	-	-	-	-	-
70400	Tenant Revenue - Other	-	-	-	9,405	-	13,640	-	6,531	-	-	-	-	104,920	-	-	-	-	-	-
70500	Total Tenant Revenue	-	-	-	66,843	-	133,923	-	43,758	-	-	-	-	2,971,166	-	-	-	-	-	-
70600	HUD PHA Grants	233,100	251,105	112,891	137,392	157,848	204,733	149,088	69,807	69,004	-	-	7,138,235	22,200,999	-	761,850	193,382	-	-	509,369
70610	HUD PHA Capital Grants	-	-	-	-	-	-	-	-	-	-	-	-	2,774,180	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	4,179,216	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	245,230	-	-	-	-	-
70730	Book-Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	1,662,732	-	-	-	-	-
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	3,113,425	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	9,200,603	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,091,522	-	-
71100	Investment Income - Unrestricted	-	-	-	9,962	-	13,729	-	5,505	-	-	-	-	251,251	18,523	-	-	-	-	-
71400	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71500	Other revenue	-	-	-	2,434	-	1,064	-	904	-	-	5,319	-	3,218,479	943,190	-	-	35,559	-	-
71600	Gain/Loss on Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	(22,968,561)	718	-	-	-	-	20,597
70000	Total Revenue	233,100	251,105	112,891	216,631	157,848	353,449	149,088	119,974	69,004	-	5,319	7,138,235	8,447,514	10,163,034	761,850	193,382	1,127,081	20,597	509,369
91100	Administrative salaries	-	-	-	17,804	4,703	23,080	3,440	12,133	10,848	-	-	153	707,762	3,512,595	30,360	5,128	-	-	-
91200	Auditing fees	3,823	3,058	1,465	1,848	-	2,549	-	1,020	-	-	-	-	137,224	36,983	15,000	40	-	-	-
91300	Management Fee	15,728	-	-	17,184	-	24,125	-	10,379	-	-	-	33,265	1,564,284	-	19,188	3,396	-	-	-
91310	Book-Keeping Fee	-	-	-	2,385	-	3,345	-	1,440	-	-	-	-	28,381	-	12,012	2,123	-	-	-
91400	Advertising and Marketing	-	-	-	-	-	-	-	-	-	-	-	-	3,156	40,983	2	-	-	-	-
91500	Employee benefit contributions - administrative	-	-	-	3,647	1,272	6,805	833	1,635	2,804	-	-	19	82,442	665,260	6,980	1,179	-	-	-
91600	Office Expenses	-	-	-	1,444	18	1,784	13	802	35	-	-	-	176,262	323,200	2,891	488	-	-	-
91700	Legal Expense	-	-	-	-	-	-	-	-	-	182	-	-	1,853,046	189,300	13	2	-	-	-
91800	Travel	-	-	-	-	-	-	-	-	-	-	-	425	12,096	35,457	7	1	-	-	-
91900	Other	-	-	-	-	402	-	286	-	926	-	-	14	217,459	507,959	1,591	2,056	-	-	-
92000	Asset Management Fee	7,200	4,200	360	3,480	-	4,800	-	1,920	-	-	-	-	245,230	-	-	-	-	-	-
92100	Tenant services - salaries	-	-	-	-	-	-	-	-	-	-	-	-	344,797	291,731	1,983	335	-	-	-
92200	Relocation Costs	-	-	-	-	-	-	-	-	-	-	-	-	620	-	-	-	-	-	-
92300	Employee benefit contributions - tenant services	-	-	-	-	-	-	-	-	-	-	-	-	38,106	44,320	257	43	-	-	-
92400	Tenant Services - Other	-	-	-	12,930	-	17,838	-	7,136	-	-	-	-	965,009	40,287	13	2	-	-	-
93100	Water	-	-	-	31,024	-	33,676	-	18,700	-	-	-	-	577,930	30,350	-	-	-	-	-
93200	Electricity	-	-	-	6,061	-	4,251	-	1,003	-	-	-	-	611,435	182,070	-	-	-	-	-
93300	Gas	-	-	-	221	-	54	-	-	-	-	-	-	8,750	9,696	-	-	-	-	-
93800	Other utilities expense	-	-	-	7,744	-	7,966	-	3,864	-	-	-	-	60,084	200	-	-	-	-	-

See independent auditor's report.

Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA: LA001 FYE: 09/30/2018		AMP 077712 Operating	AMP 081702 Operating	AMP 082703 Operating	AMP 099103 Operating	AMP 099103 Capital	AMP 099104 Operating	AMP 099104 Capital	AMP 099105 Operating	AMP 099105 Capital	AMP 099999 Operating	AMP Other Operating	AMP Other Capital	Total AMPs 14,850/14,872	Central Office Cost Center	Section 8 Moderate Rehabilitation Single Room Occupancy 14,249	Mainstream Vouchers 14,879	Disaster Grants 97,036	Community Development Block Grants/State Program 14,228	Shelter Plus Care 14,238
Line Item No.	Account Description	River Gardens CS II	Abundance Square	Treasure Village	Downtown Scattered Sites	Downtown Scattered Sites	Uptown Scattered Sites	Uptown Scattered Sites	Westbank Scattered Sites	Westbank Scattered Sites	Scattered Sites									
94100	Ordinary Maintenance and Operations - Labor	-	-	-	44,577	-	52,755	-	13,841	-	-	-	-	514,239	391,855	-	-	-	-	-
94200	OMO - Materials and Other	-	-	-	36,355	-	25,704	-	14,894	-	93,594	-	-	372,132	45,513	99	17	-	-	-
94300	Ordinary Maintenance and Operations - Contract Costs	-	-	-	17,410	-	26,335	-	12,610	-	-	-	-	772,642	212,934	-	-	-	-	-
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	10,773	-	12,199	-	3,284	-	-	-	-	126,247	145,063	-	-	-	-	-
95100	Protective Services - labor	-	-	-	-	-	-	-	-	-	-	-	-	538,527	909,815	1,081	183	-	-	-
95200	Protective Services - Other Contract Costs	-	-	-	-	-	-	-	-	-	-	-	-	238,895	-	-	-	-	-	-
95300	Protective Services - Other	-	-	-	30,190	-	41,633	-	16,652	-	91,416	-	-	1,239,441	54,819	-	-	-	-	-
95500	Employee benefit contributions - protective services	-	-	-	-	-	-	-	-	-	-	-	-	64,354	195,344	269	46	-	-	-
96110	Property Insurance	-	-	-	6,744	-	11,974	-	18,695	-	-	444	-	439,935	17,919	-	-	-	-	-
96120	Liability Insurance	-	-	-	105	-	142	-	210	-	-	-	-	159,215	81	-	-	-	-	-
96130	Workmen's Compensation	-	-	-	72	34	522	20	78	87	-	-	2	80,045	206,416	418	71	-	-	-
96140	All other Insurance	-	-	-	6,708	36	10,775	28	8,175	113	-	-	1	259,817	181,088	943	159	-	-	-
96200	Other General Expenses	220,893	237,931	106,978	-	-	4,980	-	-	-	-	8,435	1,036,570	9,722,268	640,220	3,043	626	1,900	-	-
96210	Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	68,907	770,856	-	-	-	-	-
96400	Bad Debt - Tenant Rents	-	-	-	3,251	-	9,380	-	2,822	-	-	-	-	50,998	-	-	-	-	-	-
96600	Bad Debt - Other	33,000	62,854	22,000	-	-	-	-	-	-	-	3,166	-	5,527,678	-	-	-	-	-	-
96710	Interest on Mortgage (or Bonds) Payable	-	-	-	-	-	-	-	-	-	-	-	-	437,948	-	-	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total Operating Expenses	280,644	308,043	130,803	261,957	6,465	326,672	4,620	151,293	14,813	185,192	12,045	1,070,449	28,247,361	9,682,314	96,150	15,895	1,900	-	-
97000	Excess Operating Revenue over Operating Expenses	(47,544)	(56,938)	(17,912)	(45,326)	151,383	26,777	144,468	(31,319)	54,191	(185,192)	(6,726)	6,067,786	(19,799,847)	480,720	665,700	177,487	1,125,181	20,597	509,369
97300	Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	622,366	177,630	-	-	509,369
97350	HAP Portability - In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97400	Depreciation Expense	-	-	-	141,461	-	152,415	-	23,791	-	-	-	-	4,458,959	318,412	-	-	61,136	-	-
90000	Total Expenses	280,644	308,043	130,803	403,418	6,465	479,087	4,620	175,084	14,813	185,192	12,045	1,070,449	32,706,320	10,000,726	718,516	193,525	63,036	-	509,369
10010	Operating transfers in	-	-	-	151,383	-	144,468	-	54,191	-	-	8,427	-	3,229,834	-	-	-	-	-	-
10020	Operating transfers out	-	-	-	-	(151,383)	-	(144,468)	-	(54,191)	-	-	(8,427)	(3,229,834)	-	-	-	-	-	-
10091	Inter-project excess cash transfer in	-	-	-	-	-	-	-	-	-	-	-	-	1,855,000	-	-	-	-	-	-
10092	Inter-project excess cash transfer out	-	-	-	-	-	-	-	-	-	-	-	-	(1,855,000)	-	-	-	-	-	-
10100	Total other financing sources (Uses)	-	-	-	151,383	(151,383)	144,468	(144,468)	54,191	(54,191)	-	8,427	(8,427)	-	-	-	-	-	-	-
10000	Excess (deficiency) of total revenue over (under) total expenses	(47,544)	(56,938)	(17,912)	(35,404)	-	18,830	-	(919)	-	(185,192)	1,701	6,059,359	(24,258,806)	162,308	43,334	(143)	1,064,045	20,597	-
11020	Debt Principal Payments - Enterprise Funds	-	-	-	-	-	-	-	-	-	-	-	-	1,175,000	-	-	-	-	-	-
11030	Beginning Equity	1,276,321	1,542,275	1,041,652	4,678,796	-	6,256,621	-	2,658,015	-	1,457,763	37,429,590	-	425,522,006	44,063,386	336,036	125,953	20,174,443	2,140,520	85,146
11040.1	CFP Hard Cost Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11040.2	Equity Transfer from Other to Iberville V, Iberville VI, and Guste III	-	-	-	-	-	-	-	-	-	-	(31,791,080)	-	-	-	-	-	-	-	-
11040	Total Prior Period Adjustments and Equity transfers	-	-	-	-	-	-	-	-	-	-	(31,791,080)	-	-	-	-	-	-	-	-
11170	Administrative Fee Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11180	Housing Assistance Payments Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit Months Available	720	420	36	348	-	468	-	154	-	-	-	-	24,044	-	1,776	300	-	-	646
11210	Number of Unit Months Leased	713	418	34	318	-	434	-	154	-	-	-	-	23,150	-	1,600	294	-	-	646
11270	Excess Cash	239,055	29,638	12,661	320,492	-	489,599	-	183,193	-	(345,130)	30,352	-	10,653,870	-	-	-	-	-	-
11620	Building Purchases	-	-	-	-	-	-	-	-	-	-	-	-	929,226	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	-	-	-	-	-	-	-	269,575	-	-	-	-	-	-
13510	CFPP Debt Service Payments	-	-	-	-	-	-	-	-	-	-	-	-	1,612,948	-	-	-	-	-	-
13901	Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	-	-	-	5,941,614	6,371,622	-	-	-	-	-	-

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Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA LA001 FYE 09/30/2018																				
Line Item No	Account Description	Section 8 Housing Choice Voucher Program 14 871	Revitalization of Severely Distressed Public Housing 14 866	Other Federal Program 2 9	ROSS Other Federal Program 3 91	Total Before Component Units	CAHC	NOW	Resident	Place D Genesis	Luna D Or	Total Blended Component Units	Elimination	Total Primary Government	Fischer I	Fischer III	Guste I	Guste III	Total Discretely Presented Component Units	Total
111	Cash - Unrestricted	5,985,697	-	-	-	54,067,528	1,016,316	-	1,784	-	-	1,018,100	-	55,085,628	347,367	1,327,256	689,987	95,732	2,460,342	57,545,970
112	Cash - Restricted - Modernization and Development	-	-	-	-	2,571,458	-	-	-	-	-	-	-	2,571,458	-	-	397,000	226,511	623,511	3,194,969
113	Cash - other restricted	1,625,092	-	-	-	8,489,735	-	-	-	-	-	-	-	8,489,735	64,023	297,926	235,174	-	597,123	9,086,858
114	Cash - Tenant Security Deposits	-	-	-	-	558,404	-	-	-	-	-	-	-	558,404	4,850	20,549	19,300	6,800	51,499	609,903
115	Cash - Restricted for payment of current liability	623,673	-	-	-	623,673	-	-	-	-	-	-	-	623,673	-	-	-	-	-	623,673
100	Total Cash	8,234,462	-	-	-	66,310,798	1,016,316	-	1,784	-	-	1,018,100	-	67,328,898	416,240	1,645,731	1,341,461	329,043	3,732,475	71,061,373
121	Accounts Receivable - PHA Projects	73,749	-	-	-	73,749	-	-	-	-	-	-	-	73,749	-	-	-	-	-	73,749
122	Accounts Receivable - HUD Other Projects	-	-	-	-	1,834,234	-	-	-	-	-	-	-	1,834,234	-	-	-	-	-	1,834,234
124	Accounts Receivable - other government	-	-	-	-	4,334,167	-	-	-	-	-	-	-	4,334,167	-	-	-	-	-	4,334,167
125	Accounts Receivable - Miscellaneous	2,000,508	-	-	-	7,588,358	2,597,098	110,149	29,455	25,353	100	2,762,155	-	10,350,513	-	-	377,600	49,214	426,814	10,777,327
126	Accounts Receivable - Tenants - Dwelling Rents	-	-	-	-	174,593	-	-	-	-	-	-	-	174,593	175	3,719	11,039	-	14,933	189,526
126 1	Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-	(45,380)	-	-	-	-	-	-	-	(45,380)	(18)	(372)	-	-	(390)	(45,770)
126 2	Allowance for Doubtful Accounts - Other	(1,052,485)	-	-	-	(1,053,207)	-	-	-	-	-	-	-	(1,053,207)	-	-	-	-	-	(1,053,207)
128	Fraud recovery	71,683	-	-	-	71,683	-	-	-	-	-	-	-	71,683	-	-	-	-	-	71,683
129	Accrued interest receivable	-	-	-	-	83,838	-	-	-	-	-	-	-	83,838	-	-	-	-	-	83,838
120	Total Receivables, net of allowances for doubtful accounts	1,093,455	-	-	-	13,062,035	2,597,098	110,149	29,455	25,353	100	2,762,155	-	15,824,190	157	3,347	388,639	49,214	441,357	16,265,547
131	Investments - Unrestricted	-	-	-	-	519,634	-	-	-	-	-	-	-	519,634	-	-	-	-	-	519,634
132	Investments - Restricted	-	-	-	-	2,016,242	-	-	-	-	-	-	-	2,016,242	-	-	-	-	-	2,016,242
142	Prepaid Expenses and Other Assets	242,009	-	-	-	920,730	-	-	-	-	-	-	-	920,730	9,047	56,298	44,953	309,260	419,558	1,340,288
144	Interprogram due from	-	721	-	-	22,345,947	-	-	-	-	-	-	(22,345,947)	-	-	-	-	-	-	-
150	Total Current Assets	9,569,926	721	-	-	105,175,386	3,613,414	110,149	31,239	25,353	100	3,780,255	(22,345,947)	86,609,694	425,444	1,705,376	1,775,053	687,517	4,593,390	91,203,084
161	Land	-	6,026,624	-	-	53,713,765	-	92,200	-	-	-	92,200	-	53,805,965	-	-	-	-	-	53,805,965
162	Buildings	-	1,489,208	-	-	77,772,034	-	-	-	-	-	-	-	77,772,034	3,654,063	18,646,270	12,316,642	17,018,359	51,635,334	129,407,368
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	-	160,769	-	-	-	-	-	-	-	160,769	66,625	532,114	281,800	-	880,539	1,041,308
164	Furniture, Equipment & Machinery - Administration	484,212	14,865	-	-	7,267,262	54,053	-	-	-	-	54,053	-	7,321,315	-	-	-	-	-	7,321,315
165	Leasehold Improvements	-	54,328	-	-	12,002,077	-	-	-	-	-	-	-	12,002,077	261,845	2,197,496	2,401,278	-	4,860,619	16,862,696
166	Accumulated Depreciation	(455,773)	(283,522)	-	-	(25,568,892)	(54,053)	-	-	-	-	(54,053)	-	(25,622,945)	(1,418,900)	(7,107,038)	(5,153,319)	(647,631)	(14,326,888)	(39,949,833)
167	Construction In Progress	-	-	-	-	8,412,933	-	-	-	-	-	-	-	8,412,933	-	-	-	-	43,228,577	51,641,510
168	Infrastructure	-	-	-	-	67,363,204	-	-	-	-	-	-	-	67,363,204	-	-	-	-	67,363,204	
160	Total Fixed Assets, Net of Accumulated Depreciation	28,439	7,301,503	-	-	201,123,152	-	92,200	-	-	-	92,200	-	201,215,352	2,563,633	14,268,842	9,846,401	59,599,305	86,278,181	287,493,533
171	Notes, loans, and mortgages receivable - Noncurrent	-	1,896,591	-	-	223,084,679	-	-	-	-	-	-	-	223,084,679	-	-	-	-	-	223,084,679
174	Other Assets	-	-	-	-	651,342	-	-	-	-	-	651,342	-	651,342	459	3,090	-	96,117	99,666	751,008
180	Total Non-Current Assets	28,439	9,198,094	-	-	424,207,831	651,342	92,200	-	-	-	743,542	-	424,951,373	2,564,092	14,271,932	9,846,401	59,695,422	86,377,847	511,329,220
190	Total Assets	9,598,365	9,198,815	-	-	529,383,217	4,264,756	202,349	31,239	25,353	100	4,523,797	(22,345,947)	511,561,067	2,989,536	15,977,308	11,621,454	60,382,939	90,971,237	602,532,304
200	Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
290	Total Assets and Deferred Outflow of Resources	9,598,365	9,198,815	-	-	529,383,217	4,264,756	202,349	31,239	25,353	100	4,523,797	(22,345,947)	511,561,067	2,989,536	15,977,308	11,621,454	60,382,939	90,971,237	602,532,304
312	Accounts Payable <= 90 Days	45,761	-	-	-	1,443,957	773	-	-	6,734	-	7,507	-	1,451,464	3,091	17,857	32,222	22,651	75,621	1,527,085
321	Accrued Wage/Payroll Taxes Payable	315	-	-	-	8,012	-	-	-	-	-	-	-	8,012	-	-	-	-	-	8,012
322	Accrued Compensated Absences	394,514	-	-	-	1,029,520	-	-	-	-	-	-	-	1,029,520	-	-	-	-	-	1,029,520
324	Accrued contingency liability	-	-	-	-	357,580	-	-	-	-	-	-	-	357,580	-	-	-	-	-	357,580
325	Accrued interest payable	-	-	-	-	45,569	-	-	-	-	-	-	-	45,569	161,403	22,286	85,388	-	269,077	314,646
341	Tenant Security Deposits	-	-	-	-	558,404	-	-	-	-	-	-	-	558,404	4,850	20,549	19,300	6,800	51,499	609,903
342	Unearned Revenues	-	-	-	-	3,896,938	-	-	-	-	-	-	-	3,896,938	11	376	-	-	387	3,897,325
344	Current portion of L-T debt - operating borrowings	-	-	-	-	1,230,000	-	-	-	-	-	-	-	1,230,000	-	-	-	-	-	1,230,000
345	Other current liabilities	623,673	-	-	-	2,180,430	487,862	-	-	-	4,110	491,972	-	2,672,402	259,467	959,106	1,639,904	1,342,388	4,200,865	6,873,267
346	Accrued Liabilities - Other	415,321	-	-	-	738,299	-	-	-	-	-	-	-	738,299	107,781	1,151,616	436,913	99,166	1,795,476	2,533,775
347	Interprogram due to	-	-	1,524,556	-	22,345,947	-	-	-	-	-	-	(22,345,947)	-	-	-	-	-	-	-
310	Total Current Liabilities	1,479,584	-	1,524,556	-	33,834,656	488,635	-	-	6,734	4,110	499,479	(22,345,947)	11,988,188	536,603	2,171,590	2,213,727	1,471,005	6,392,925	18,381,113
351	Long-term debt, net of current - capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	1,850,359	18,241,425	14,493,342	51,574,640	86,159,766	86,159,766
352	Long-Term debt, net of current - operating borrowings	-	-	-	-	7,000,000	-	-	-	-	-	-	-	7,000,000	-	-	-	-	-	7,000,000
353	Noncurrent Liabilities - Other	101,314	-	-	-	2,871,708	-	-	-	-	-	-	-	2,871,708	1,095,804	10,852,759	1,330,624	1,601,546	14,880,733	17,752,441
354	Accrued compensated Absences - Non Current	-	-	-	-	276,302	-	-	-	-	-	-	-	276,302	-	-	-	-	-	276,302
356	FASB 5 Liabilities	-	-	-	-	230,000	-	-	-	-	-	-	-	230,000	-	-	-	-	-	230,000
350	Total Noncurrent Liabilities	101,314	-	-	-	10,378,010	-	-	-	-	-	-	-	10,378,010	2,946,163	29,094,184	15,823,966	53,176,186	101,040,499	111,418,509
300	Total Liabilities	1,580,898	-	1,524,556	-	44,212,666	488,635	-	-	6,734	4,110	499,479	(22,345,947)	22,366,198	3,482,766	31,265,774	18,037,693	54,647,191	107,433,424	129,799,622
400	Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
490	Total Liability and Deferred Inflow of Resources	1,580,898	-	1,524,556	-	44,212,666	488,635	-	-	6,734	4,110	499,479	(22,345,947)	22,366,198	3,482,766	31,265,774	18,037,693	54,647,191	107,433,424	129,799,622
508 4	Net Investment in Capital Assets	28,439	7,301,503	-	-	201,123,152	-	92,200	-	-	-	92,200	-	201,215,352	713,274	(3,972,583)	(4,646,941)	8,024,665		

Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA LA001 FYE 09/30/2018																				
Line Item No	Account Description	Section 8 Housing Choice Voucher Program 14 871	Revitalization of Severely Distressed Public Housing 14 866	Other Federal Program 2 9	ROSS Other Federal Program 3 91	Total Before Component Units	CAHC	NOW	Resident	Place D Genesis	Luna D Or	Total Blended Component Units	Elimination	Total Primary Government	Fischer I	Fischer III	Guste I	Guste III	Total Discretely Presented Component Units	Total
70300	Net Tenant Rental Revenue	-	-	-	-	2,866,246	-	-	-	-	-	-	-	2,866,246	114,736	488,387	426,198	143,624	1,172,945	4,039,191
70400	Tenant Revenue - Other	-	-	-	-	104,920	-	-	-	-	-	-	-	104,920	851	5,831	7,574	3,359	17,615	122,535
70500	Total Tenant Revenue	-	-	-	-	2,971,166	-	-	-	-	-	-	-	2,971,166	115,587	494,218	433,772	146,983	1,190,560	4,161,726
70600	HUD PHA Grants	165,421,805	-	-	33,538	189,120,943	-	-	-	-	-	-	-	189,120,943	-	-	-	-	-	189,120,943
70610	HUD PHA Capital Grants	-	-	-	-	2,774,180	-	-	-	-	-	-	-	2,774,180	-	-	-	-	-	2,774,180
70710	Management Fee	-	-	-	-	4,179,216	-	-	-	-	-	-	(4,179,216)	-	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	245,230	-	-	-	-	-	-	(245,230)	-	-	-	-	-	-	-
70730	Book-Keeping Fee	-	-	-	-	1,662,732	-	-	-	-	-	-	(1,662,732)	-	-	-	-	-	-	-
70740	Front Line Service Fee	-	-	-	-	3,113,425	-	-	-	-	-	-	(3,113,425)	-	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	9,200,603	-	-	-	-	-	-	(9,200,603)	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	1,091,522	-	-	-	-	-	-	-	1,091,522	58,520	322,627	253,824	-	634,971	1,726,493
71100	Investment Income - Unrestricted	24,245	-	-	-	294,019	2,579	-	-	-	-	2,579	-	296,598	473	2,155	626	335	3,589	300,187
71400	Fraud recovery	20,406	-	-	-	20,406	-	-	-	-	-	-	-	20,406	-	-	-	-	-	20,406
71500	Other revenue	813,342	30	-	-	5,010,600	325,572	-	-	-	-	325,572	-	5,336,172	754,071	12,804	13,739	8,669	789,283	6,125,455
71600	Gain/Loss on Sale of Fixed Assets	-	-	-	-	(22,947,246)	-	-	-	-	-	-	-	(22,947,246)	-	-	-	-	-	(22,947,246)
70000	Total Revenue	166,279,798	30	-	33,538	187,536,193	328,151	-	-	-	-	328,151	(9,200,603)	178,663,741	928,651	831,804	701,961	155,987	2,618,403	181,282,144
91100	Administrative salaries	3,033,996	-	-	-	7,289,841	-	-	-	-	-	-	-	7,289,841	4,530	37,936	19,660	-	62,126	7,351,967
91200	Auditing fees	31,497	-	-	-	220,744	14,200	-	-	-	-	14,200	-	234,944	9,246	7,562	8,422	7,657	32,887	267,831
91300	Management Fee	2,592,348	-	-	-	4,179,216	-	-	-	-	-	-	(4,179,216)	-	-	-	-	-	-	-
91310	Book-Keeping Fee	1,620,216	-	-	-	1,662,732	-	-	-	-	-	-	(1,662,732)	-	-	-	-	-	-	-
91400	Advertising and Marketing	268	-	-	-	44,409	-	-	-	-	-	-	-	44,409	-	-	-	53	53	44,462
91500	Employee benefit contributions - administrative	839,779	-	-	-	1,595,640	-	-	-	-	-	-	-	1,595,640	1,427	12,135	-	-	13,562	1,609,202
91600	Office Expenses	341,947	-	-	-	844,788	-	-	-	-	-	-	-	844,788	1,137	6,129	30,150	18,791	56,207	900,995
91700	Legal Expense	1,544	-	-	33,538	2,077,443	-	-	-	-	-	-	-	2,077,443	960	2,820	175	1,489	5,444	2,082,887
91800	Travel	3,114	-	-	-	50,675	-	-	-	-	-	-	-	50,675	-	-	-	-	-	50,675
91900	Other	493,195	-	-	-	1,222,260	256,739	-	-	-	-	256,739	(67,350)	1,411,649	4,230	3,436	4,257	5,981	17,904	1,429,553
92000	Asset Management Fee	-	-	-	-	245,230	-	-	-	-	-	-	(245,230)	-	-	-	-	-	-	-
92100	Tenant services - salaries	237,829	-	-	-	876,675	-	-	-	-	-	-	-	876,675	-	-	41,028	39,153	80,181	956,856
92200	Relocation Costs	-	-	-	-	620	-	-	-	-	-	-	-	620	-	-	-	-	-	620
92300	Employee benefit contributions - tenant services	30,720	-	-	-	113,446	-	-	-	-	-	-	-	113,446	-	-	-	-	-	113,446
92400	Tenant Services - Other	1,611	-	-	-	1,006,922	190,157	-	-	-	-	190,157	(374,287)	822,792	8,146	42,019	957	-	51,122	873,914
93100	Water	-	-	-	-	608,280	-	-	-	-	-	-	-	608,280	27,849	122,897	80,206	1,306	232,258	840,538
93200	Electricity	-	-	-	-	793,505	-	-	-	-	-	-	-	793,505	1,492	2,889	18,549	233	23,163	816,668
93300	Gas	-	-	-	-	18,446	-	-	-	-	-	-	-	18,446	-	-	-	-	-	18,446
93800	Other utilities expense	-	-	-	-	60,284	-	-	-	-	-	-	-	60,284	460	1,854	54,148	5,520	61,982	122,266

See independent auditor's report.

Housing Authority of New Orleans

FINANCIAL DATA SCHEDULE

Year ended September 30, 2018

PHA: LA001 FYE: 09/30/2018																				
Line Item No.	Account Description	Section 8 Housing Choice Voucher Program 14.871	Revitalization of Severely Distressed Public Housing 14.866	Other Federal Program 2: 9	ROSS Other Federal Program 3: 91	Total Before Component Units	CAHC	NOW	Resident	Place D Genesis	Luna D Or	Total Blended Component Units	Elimination	Total Primary Government	Fischer I	Fischer III	Guste I	Guste III	Total Discretely Presented Component Units	Total
94100	Ordinary Maintenance and Operations - Labor	-	-	-	-	906,094	-	-	-	-	-	-	-	906,094	6,956	58,259	33,965	-	99,180	1,005,274
94200	OMO - Materials and Other	11,828	-	-	-	429,589	-	-	-	-	-	-	-	429,589	2,773	27,809	48,054	478	79,114	508,703
94300	Ordinary Maintenance and Operations - Contract Costs	-	-	-	-	985,576	-	-	-	-	-	-	-	985,576	10,367	60,741	237,506	44,332	352,946	1,338,522
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	271,310	-	-	-	-	-	-	-	271,310	1,901	15,924	2,683	-	20,508	291,818
95100	Protective Services - labor	129,539	-	-	-	1,579,145	-	-	-	-	-	-	-	1,579,145	-	-	54,642	23,162	77,804	1,656,949
95200	Protective Services - Other Contract Costs	-	-	-	-	238,895	-	-	-	-	-	-	-	238,895	-	-	-	-	-	238,895
95300	Protective Services - Other	-	-	-	-	1,294,260	-	-	-	-	-	-	(1,239,441)	54,819	21,601	111,242	-	-	132,843	187,662
95500	Employee benefit contributions - protective services	32,276	-	-	-	292,289	-	-	-	-	-	-	-	292,289	-	-	-	-	-	292,289
96110	Property Insurance	-	-	-	-	457,854	-	-	-	-	-	-	-	457,854	25,778	134,045	172,584	139,954	472,361	930,215
96120	Liability Insurance	-	-	-	-	159,296	-	-	-	-	-	-	-	159,296	275	1,430	935	6,854	9,494	168,790
96130	Workmen's Compensation	48,068	-	-	-	335,018	-	-	-	-	-	-	-	335,018	-	-	5,016	-	5,016	340,034
96140	All other Insurance	106,730	-	-	-	548,737	-	-	-	-	-	-	-	548,737	6,929	39,015	-	-	45,944	594,681
96200	Other General Expenses	364,016	-	-	-	10,732,073	57,435	-	-	-	-	57,435	(1,432,347)	9,357,161	41,966	66,071	48,808	129,780	286,625	9,643,786
96210	Compensated Absences	517,700	-	-	-	1,357,463	-	-	-	-	-	-	-	1,357,463	2,660	6,477	6,428	5,000	20,565	1,378,028
96400	Bad Debt - Tenant Rents	-	-	-	-	50,998	-	-	-	-	-	-	-	50,998	696	13,133	-	-	13,829	64,827
96600	Bad Debt - Other	-	-	-	-	5,527,678	-	-	-	-	-	-	-	5,527,678	-	-	-	-	-	5,527,678
96710	Interest on Mortgage (or Bonds) Payable	-	-	-	-	437,948	-	-	-	-	-	-	-	437,948	-	-	-	-	-	437,948
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	121,181	443,040	384,454	-	948,675	948,675
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	133	38,464	69,666	-	108,263	108,263
96900	Total Operating Expenses	10,438,221	-	-	33,538	48,515,379	518,531	-	-	-	-	518,531	(9,200,603)	39,833,307	302,693	1,255,327	1,322,293	429,743	3,310,056	43,143,363
97000	Excess Operating Revenue over Operating Expenses	155,841,577	30	-	-	139,020,814	(190,380)	-	-	-	-	(190,380)	-	138,830,434	625,958	(423,523)	(620,332)	(273,756)	(691,653)	138,138,781
97300	Housing Assistance Payments	157,381,129	-	-	-	158,690,494	-	-	-	-	-	-	-	158,690,494	-	-	-	-	-	158,690,494
97350	HAP Portability - In	663,629	-	-	-	663,629	-	-	-	-	-	-	-	663,629	-	-	-	-	-	663,629
97400	Depreciation Expense	16,151	55,511	-	-	4,910,169	3,364	-	-	-	-	3,364	-	4,913,533	179,101	543,238	482,537	618,849	1,823,725	6,737,258
90000	Total Expenses	168,499,130	55,511	-	33,538	212,779,671	521,895	-	-	-	-	521,895	(9,200,603)	204,100,963	481,794	1,798,565	1,804,830	1,048,592	5,133,781	209,234,744
10010	Operating transfers in	-	-	-	-	3,229,834	-	-	-	-	-	-	(3,229,834)	-	-	-	-	-	-	-
10020	Operating transfers out	-	-	-	-	(3,229,834)	-	-	-	-	-	-	3,229,834	-	-	-	-	-	-	-
10091	Inter-project excess cash transfer in	-	-	-	-	1,855,000	-	-	-	-	-	-	(1,855,000)	-	-	-	-	-	-	-
10092	Inter-project excess cash transfer out	-	-	-	-	(1,855,000)	-	-	-	-	-	-	1,855,000	-	-	-	-	-	-	-
10100	Total other financing sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10000	Excess (deficiency) of total revenue over (under) total expenses	(2,219,332)	(55,481)	-	-	(25,243,478)	(193,744)	-	-	-	-	(193,744)	-	(25,437,222)	446,857	(966,761)	(1,102,869)	(892,605)	(2,515,378)	(27,952,600)
11020	Debt Principal Payments - Enterprise Funds	-	-	-	-	1,175,000	-	-	-	-	-	-	-	1,175,000	-	-	-	-	-	1,175,000
11030	Beginning Equity	10,236,799	9,254,296	(1,524,556)	-	510,414,029	3,969,865	202,349	31,239	18,619	(4,010)	4,218,062	-	514,632,091	(940,087)	(14,321,705)	(5,313,370)	6,628,353	(13,946,809)	500,685,282
11040.1	CFP Hard Cost Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11040.2	Equity Transfer from Other to Iberville V, Iberville VI, and Guste III	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11040	Total Prior Period Adjustments and Equity transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11170	Administrative Fee Equity	6,493,689	-	-	-	6,493,689	-	-	-	-	-	-	-	6,493,689	-	-	-	-	-	6,493,689
11180	Housing Assistance Payments Equity	1,523,778	-	-	-	1,523,778	-	-	-	-	-	-	-	1,523,778	-	-	-	-	-	1,523,778
11190	Unit Months Available	215,753	-	-	-	242,519	-	-	-	-	-	-	-	242,519	240	1,213	984	616	3,053	245,572
11210	Number of Unit Months Leased	215,933	-	-	-	241,623	-	-	-	-	-	-	-	241,623	194	1,097	941	616	2,848	244,471
11270	Excess Cash	-	-	-	-	-	-	-	-	-	-	-	-	10,653,870	-	-	-	-	-	10,653,870
11620	Building Purchases	-	-	-	-	929,226	-	-	-	-	-	-	-	929,226	-	-	-	-	-	929,226
11660	Infrastructure Purchases	-	-	-	-	269,575	-	-	-	-	-	-	-	269,575	-	-	-	-	-	269,575
13510	CFFP Debt Service Payments	-	-	-	-	1,612,948	-	-	-	-	-	-	-	1,612,948	-	-	-	-	-	1,612,948
13901	Replacement Housing Factor Funds	-	-	-	-	6,371,622	-	-	-	-	-	-	-	6,371,622	-	-	-	-	-	6,371,622

See independent auditor's report.

Housing Authority of New Orleans

SCHEDULE OF ACTUAL CAPITAL FUND PROGRAM COSTS AND ADVANCES

Year ended September 30, 2018

PROGRAM	CFP-2013	CFP-2014	CFP-2015	CFP-2016	CFP-2017	CFP-2018	SUBTOTAL CFP
BUDGET	<u>\$ 4,333,444</u>	<u>\$ 4,817,901</u>	<u>\$ 10,997,903</u>	<u>\$ 11,922,986</u>	<u>\$ 12,968,213</u>	<u>\$ 17,979,571</u>	<u>\$ 63,020,018</u>
ADVANCES							
Cash receipts - prior years, restated	\$ 4,089,785	\$ 4,648,913	\$ 6,494,154	\$ 3,094,365	\$ -	\$ -	\$ 18,327,217
Cash receipts - current year	243,659	168,988	1,656,463	4,634,077	2,552,790	-	9,255,977
Cumulative as of September 30, 2018	<u>4,333,444</u>	<u>4,817,901</u>	<u>8,150,617</u>	<u>7,728,442</u>	<u>2,552,790</u>	<u>-</u>	<u>27,583,194</u>
COSTS							
Prior years, restated	4,333,444	4,648,962	6,619,556	3,438,786	206,949	-	19,247,697
Current year	-	168,939	1,538,786	4,804,171	2,771,153	-	9,283,049
Cumulative as of September 30, 2018	<u>4,333,444</u>	<u>4,817,901</u>	<u>8,158,342</u>	<u>8,242,957</u>	<u>2,978,102</u>	<u>-</u>	<u>28,530,746</u>
RECEIVABLE DUE FROM HUD	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,725</u>	<u>\$ 514,515</u>	<u>\$ 425,312</u>	<u>\$ -</u>	<u>\$ 947,552</u>
SOFT COSTS							
Prior years, restated	\$ 2,276,638	\$ 1,848,063	\$ 2,409,237	\$ 2,024,355	\$ 206,949	\$ -	\$ 8,765,242
Current year	-	31,815	1,474,594	2,414,425	2,588,035	-	6,508,869
Cumulative as of September 30, 2018	<u>2,276,638</u>	<u>1,879,878</u>	<u>3,883,831</u>	<u>4,438,780</u>	<u>2,794,984</u>	<u>-</u>	<u>15,274,111</u>
HARD COSTS							
Prior years, restated	456,549	1,201,476	2,608,733	1,048,224	-	-	5,314,982
Current year	-	137,124	64,192	997,485	-	-	1,198,801
Cumulative as of September 30, 2018	<u>456,549</u>	<u>1,338,600</u>	<u>2,672,925</u>	<u>2,045,709</u>	<u>-</u>	<u>-</u>	<u>6,513,783</u>
OTHER COSTS (LOANS)							
Prior years, restated	1,600,257	1,599,423	1,601,586	366,207	-	-	5,167,473
Current year	-	-	-	1,392,261	183,118	-	1,575,379
Cumulative as of September 30, 2018	<u>1,600,257</u>	<u>1,599,423</u>	<u>1,601,586</u>	<u>1,758,468</u>	<u>183,118</u>	<u>-</u>	<u>6,742,852</u>
CUMULATIVE HARD AND SOFT COSTS	<u>\$ 4,333,444</u>	<u>\$ 4,817,901</u>	<u>\$ 8,158,342</u>	<u>\$ 8,242,957</u>	<u>\$ 2,978,102</u>	<u>\$ -</u>	<u>\$ 28,530,746</u>

See independent auditor's report.

Housing Authority of New Orleans

SCHEDULE OF ACTUAL CAPITAL FUND PROGRAM COSTS AND ADVANCES (continued)

Year ended September 30, 2018

PROGRAM	SUBTOTAL CFP	RHF-2010 #2	RHF-2012 #2	RHF-2013 #1	RHF-2013 #2	RHF-2014 #1	RHF-2014 #2	RHF-2015 #1	RHF-2015 #2	RHF-2016 #1	RHF-2016 #2	RHF-2017 #1	RHF-2017 #2	TOTAL CFP & RHF
BUDGET	\$ 63,020,018	\$ 7,095,356	\$ 6,534,091	\$ 8,016,766	\$ 2,879,369	\$ 7,689,188	\$ 2,614,286	\$ 1,470,989	\$ 1,144,866	\$ 936,109	\$ 33,566	\$ 105,289	\$ 33,843	\$ 101,573,736
ADVANCES														
Cash receipts - prior years, restated	\$ 18,327,217	\$ 7,095,356	\$ 6,534,091	\$ 8,016,766	\$ 2,603,678	\$ 4,863,173	\$ 1,335,686	\$ 235,466	\$ 72,601	\$ -	\$ -	\$ -	\$ -	\$ 49,084,034
Cash receipts - current year	9,255,977	-	-	-	275,691	2,826,015	1,278,600	512,458	1,018,082	936,109	33,566	105,289	33,843	16,275,630
Cumulative as of September 30, 2018	27,583,194	7,095,356	6,534,091	8,016,766	2,879,369	7,689,188	2,614,286	747,924	1,090,683	936,109	33,566	105,289	33,843	65,359,664
COSTS														
Prior years, restated	19,247,697	7,095,356	6,534,091	8,016,766	2,611,176	5,033,481	2,583,098	235,526	72,601	-	-	-	-	51,429,792
Current year	9,283,049	-	-	-	268,193	2,655,707	31,188	1,235,463	1,072,265	936,109	33,566	105,289	33,843	15,654,672
Cumulative as of September 30, 2018	28,530,746	7,095,356	6,534,091	8,016,766	2,879,369	7,689,188	2,614,286	1,470,989	1,144,866	936,109	33,566	105,289	33,843	67,084,464
RECEIVABLE DUE FROM HUD	\$ 947,552	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 723,065	\$ 54,183	\$ -	\$ -	\$ -	\$ -	\$ 1,724,800
SOFT COSTS														
Prior years, restated	\$ 8,765,242	\$ 7,095,356	\$ 6,534,091	\$ 7,980,608	\$ 106,124	\$ 5,033,481	\$ 1,630,528	\$ 235,526	\$ 72,601	\$ -	\$ -	\$ -	\$ -	\$ 37,453,557
Current year	6,508,869	-	-	-	268,193	2,655,707	31,188	1,235,463	1,072,265	936,109	33,566	105,289	33,843	12,880,492
Cumulative as of September 30, 2018	15,274,111	7,095,356	6,534,091	7,980,608	374,317	7,689,188	1,661,716	1,470,989	1,144,866	936,109	33,566	105,289	33,843	50,334,049
HARD COSTS														
Prior years, restated	5,314,982	-	-	36,158	2,505,052	-	952,570	-	-	-	-	-	-	8,808,762
Current year	1,198,801	-	-	-	-	-	-	-	-	-	-	-	-	1,198,801
Cumulative as of September 30, 2018	6,513,783	-	-	36,158	2,505,052	-	952,570	-	-	-	-	-	-	10,007,563
OTHER COSTS (LOANS)														
Prior years, restated	5,167,473	-	-	-	-	-	-	-	-	-	-	-	-	5,167,473
Current year	1,575,379	-	-	-	-	-	-	-	-	-	-	-	-	1,575,379
Cumulative as of September 30, 2018	6,742,852	-	-	-	-	-	-	-	-	-	-	-	-	6,742,852
CUMULATIVE HARD AND SOFT COSTS	\$ 28,530,746	\$ 7,095,356	\$ 6,534,091	\$ 8,016,766	\$ 2,879,369	\$ 7,689,188	\$ 2,614,286	\$ 1,470,989	\$ 1,144,866	\$ 936,109	\$ 33,566	\$ 105,289	\$ 33,843	\$ 67,084,464

See independent auditor's report.

Housing Authority of New Orleans

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

Year ended September 30, 2018

Agency Head Name: Gregg Fortner
Executive Director of the Housing Authority of New Orleans

Purpose	Amount
Salary	\$ 200,000
Benefits-insurance	\$ 6,464
Benefits-retirement	\$ -
Benefits-deferred comp	\$ 10,000
Car allowance	\$ -
Vehicle provided by government	\$ -
Per diem	\$ -
Reimbursements	\$ -
Travel	\$ 9,235
Registration fees	\$ 7,449
Conference travel	\$ -
Continuing professional education fees	\$ -
Housing	\$ -
Unvouchered expenses	\$ -
Special meals	\$ -

See independent auditor's report.

SINGLE AUDIT SECTION

Housing Authority of New Orleans

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended September 30, 2018

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	CFDA Number	Federal Expenditures
FEDERAL AWARDS		
<u>Direct from the U.S. Department of Housing and Urban</u>		
<u>Development ("HUD"):</u>		
Section 8 Project-Based Cluster:		
Single Room Occupancy	14.249	\$ 761,850
Public and Indian Housing	14.850	9,320,507
Resident Opportunity and Supportive Services	14.870	33,538
Housing Voucher Cluster:		
Section 8 Housing Choice Voucher Program	14.871	\$ 165,421,805
Mainstream Vouchers	14.879	<u>193,382</u>
Subtotal Housing Voucher Cluster		165,615,187
Public Housing Capital Fund Program	14.872	<u>15,654,672</u>
		<u>191,385,754</u>
 <u>Direct from the U.S. Department of Homeland Security:</u>		
Disaster Grants - Public Assistance	97.036	<u>1,091,522</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 192,477,276</u>

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of New Orleans, 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"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

In accordance with HUD regulations, HUD considers the Annual Budget Authority for the Section 8 Housing Choice Voucher Program ("HCV"), CFDA No. 14.871, to be an expenditure for the purposes of this schedule. Therefore the amount in this schedule is the total amount received directly from HUD and not the total expenditures paid by the Authority.

NOTE B - INDIRECT COST RATE

The Authority did not elect to use the 10-percent de minimis indirect cost rate.

See independent auditor's report.

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

Board of Commissioners
Housing Authority of New Orleans
New Orleans, 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 New Orleans (the "Authority"), as of and for the year ended September 30, 2018, 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 28, 2019.

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) to determine the 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 weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that 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 over compliance. Accordingly, this communication is not suitable for any other purpose.

March 28, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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

Board of Commissioners
Housing Authority of New Orleans
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of New Orleans' (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal programs for the year ended September 30, 2018. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended September 30, 2018.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal programs and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

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

March 28, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Housing Authority of the City of New Orleans
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

September 30, 2018

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

Material weakness identified? **No**

Significant deficiency identified? **None Reported**

Noncompliance material to financial statements noted? **No**

Federal Awards

Internal control over major programs:

Material weakness identified? **No**

Significant deficiency identified? **None Reported**

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

There are no audit findings that are required to be reported in accordance with 2 CFR 200.516(a).

The programs tested as major programs are as follows:

Housing Voucher Cluster

Section 8 Housing Choice Voucher Program - CFDA No. 14.871

Mainstream Vouchers - CFDA No. 14.879

The threshold for distinguishing types A and B programs was **\$3,000,000**

Did the auditee qualify as a low-risk auditee? **No**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None.

C. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

D. PRIOR YEAR AUDIT FINDINGS

None.

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Housing Authority of New Orleans
New Orleans, Louisiana
and Louisiana Legislative Auditor:

We have performed the procedures listed below, which were agreed to by The Housing Authority of New Orleans (the "Authority") and the Louisiana Legislative Auditor ("LLA") on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures Year 2 ("SAUPs") for the fiscal period October 1, 2017 through September 30, 2018. The Authority's management is responsible for those control and compliance areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

A description of the detailed SAUPs are listed in Addendum A:

The associated results and conclusions are as follows:

Written Policies and Procedures

The Authority was unable to provide a policy for Debt Service. There were no other exceptions noted relating to written policies and procedures.

Authority response: The Authority follows all debt service procedures required by the U.S. Department of Housing and Urban Development, but will adopt written procedures to comply with governmental requirements.

Board or Finance Committee

The Authority held Board meetings monthly and referenced budget to actual comparisons and monthly financial statements. There were no exceptions noted.

Bank Reconciliations

The Authority's bank reconciliations were complete and contained the required approvals. There were no exceptions noted.

Collections

The Authority does not accept cash. Receipts are properly deposited, posted and reconciled. The Authority's documentation addresses all controls implemented and executed over collections. There were no exceptions noted.

Disbursements

The Authority's procedures over the disbursement process properly addressed all required testing attributes. There were no exceptions noted.

Credit Cards

The Authority's procedures over credit card transactions require proper approvals before any disbursements were processed. All support contained the appropriate approvals and the Authority did not pay interest or late fees. There were no exceptions noted.

Travel and Expense Reimbursement

The Authority has a written travel policy. All tested travel expenses were for Authority purposes and complied with the Authority's travel policy and GSA rate requirements. The Authority provided sufficient documentation for all travel expenses. There were no exceptions noted.

Contracts

The Authority's contracts were in accordance with the Authority's procurement policies and legal requirements. All contract amendments were properly allowed, approved and supported. There were no exceptions noted.

Payroll and Personnel

The Authority has sufficient controls over the payroll and personnel processes. All payroll checks tested contained proper pay rates, taxes, retirement contributions and documentation of leave. There were no exceptions noted.

Ethics

The Authority provided support for all ethics requirements. There were no exceptions noted.

Debt Service

The Authority maintains sufficient supporting documentation for all debt and loan agreements. Required debt service payments were timely paid. There were no exceptions noted.

Other

The Authority has reported no misappropriation of funds during the audit period and has properly posted all notices as required by R.S. 24:523.1. There were no exceptions noted.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance 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.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas 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.

March 28, 2019
Melbourne, FL

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

ADDENDUM A

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

Year 2 – Fiscal Years Ending 6/30/2018 through 5/31/2019

Instructions

Introduction and General Comments

The Louisiana Legislative Auditor (LLA) has prescribed statewide agreed-upon procedures (AUPs) below, which are intended to represent a minimum level of additional work to be performed at those local entities (local governments and quasi-public organizations, including nonprofits) that meet the legal requirement to have an audit under the Audit Law (i.e., public funds totaling \$500,000 or more in revenues and other sources). **This Year 2 update to the AUPs will be effective for those entities that have fiscal years ending June 30, 2018 through May 31, 2019. Any entity with a fiscal year ending prior to June 30, 2018, has the option of using these updated procedures rather than the Year 1 procedures.**

The AUPs are not intended to address all areas of risk within an entity. Instead, they are designed to address those areas that have resulted in the most frequent incidents of fraud, waste, or abuse of public funds. For Year 2, the LLA has incorporated relevant Frequently Asked Questions and made changes to testing methodologies based on feedback from practitioners. The LLA has also modified procedures and criteria for clarity and efficiency.

The AUPs are to be performed under the AICPA attest standards (Statements on Standards for Attestation Engagements) and *Government Auditing Standards*, and the AUP report must be attached with the audit report that is submitted to the Legislative Auditor’s office (i.e. one Adobe pdf file submitted to the LLA rather than two). The AUPs are required to be performed by the same firm that performs the annual audit; accordingly, a separate “engagement approval form” for the statewide AUP engagement is not required.

All exceptions are to be included in the AUP report with management’s responses/corrective actions. Management may either prepare a single overall response to the AUP report, may respond after each AUP category, or may respond after each procedure. If management chooses not to respond to the AUP exceptions at all, the practitioner must include a statement that “management declined to respond to the exceptions or provide a plan of corrective action.”

Please note that the results of the AUPs do not change the practitioner’s separate responsibility to report significant deficiencies, material weaknesses, material noncompliance, etc., as part of the regular audit engagement. However, the practitioner should not include the AUP exceptions or internal auditor’s exceptions (or a reference to the exceptions) in the audit report’s schedule of findings, unless an AUP or internal audit exception rises to the level of a significant deficiency

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures Year 2 – Fiscal Years Ending 6/30/2018 through 5/31/2019

or material weakness and is included as a finding for purposes of the audit. Similarly, AUP exceptions should not be copied and pasted as findings in the LLA report submission portal unless they are addressed as findings in the audit report.

Under the attest standards, practitioners are also allowed to report “knowledge of matters outside agreed-upon procedures” within the AUP report if they discover a control deficiency or noncompliance that does not meet the definition of an exception under the AUPs. While the reporting of these matters with the AUP report is at the practitioner’s discretion, the practitioner still has an obligation to consider the associated risk/noncompliance as part of his or her audit.

If the practitioner has gained “knowledge of matters outside agreed-upon procedures” related to fraud, theft, or the pledge/loan/donation of public funds (LA Const. Art. 7, Section 14¹), and the practitioner does not include these matters in either the AUP report or in the audit report, the practitioner **MUST** contact the LLA to discuss before submitting the reports.

Applicability of AUPs

Those local entities that do not meet the legal requirement to have an audit under the Audit Law (i.e., public funds totaling less than \$500,000 in revenues and other sources) are exempt from performing these AUPs. If an entity elects to have an audit but is not required to have an audit under the Audit Law, the entity would be exempt from performing these AUPs.

For purposes of the Audit Law, public funds are generally defined as follows:

- For governmental entities, including non-profits created by a governmental entity to perform the same activities as the governmental entity, **all** revenues and other sources are considered to be public funds.
- For non-profit entities, any funds received from state or local governments, including grants, loans, transfers of property, awards, direct appropriations, and pass-through federal funds are considered to be public funds. Public funds also include direct federal funds unless the non-profit receives **only** federal direct funds (i.e. even \$1 of other public funds requires the non-profit to treat federal direct funds as public funds for purposes of the Audit Law). Please note that Medicare and Medicaid funds are considered to be contract/vendor payments and are not considered public funds for non-profits.

If either a governmental or non-profit entity has met the Audit Law threshold, and all or part of the entity’s public funds are federal major program funds (either direct or pass-through) tested

¹ Article 7, Section 14 of the Louisiana Constitution prohibits the loan, pledge, or donation of funds, credit, property, or things of value (e.g. cash advances or non-business purchases, regardless of whether they were reimbursed)

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures Year 2 – Fiscal Years Ending 6/30/2018 through 5/31/2019

under the entity's Single Audit during the fiscal period, the entity may exclude those AUP categories that are covered under federal program testing, regardless of whether the federal program testing includes the same procedures or sample sizes. For example, a non-profit entity that has one federal program subject to Single Audit testing may exclude credit cards, travel expenditures, non-payroll disbursements, contracts, and payroll and personnel if these areas are subject to testing under Allowable Costs and Procurement in the OMB Compliance Supplement; however, the entity would still be subject to other AUP areas that are not addressed in the OMB Compliance Supplement (e.g. board or finance committee, bank reconciliations).

State entities whose financial information is included in the Comprehensive Annual Financial Report of the State of Louisiana, or local entities subject to Act 774 of 2014 (i.e., St. Tammany Parish), are exempt from the AUPs below. Private and parochial schools, as well university foundations, facility corporations, and booster associations, are specifically excluded by law from having to provide audit reports to the LLA and are exempt from the AUPs. Real estate for-profit limited partnership entities have been exempted from the AUPs based on the nature of their operations.

The scope of the AUPs applies to the primary reporting entity and is not required to be extended to discretely presented component units of the entity; however, entities that are discrete component units of a larger government, and separately report to the LLA, are individually subject to the AUPs. Discrete component units that separately report to the LLA but have portions of their operations performed by the primary government (e.g. payroll processing) are exempt from those portions of the AUPs relating to the operations performed by the primary government; instead, AUPs performed at the primary government should address those areas (e.g. payroll processing) because the controls exist at the primary government.

Fiduciary funds should be included within the scope of the AUPs, including agency funds administered by sheriffs or other tax collectors.

For quasi-public organizations, including non-profits, only those AUP areas applicable to public funds administered by the quasi-public organization are required to be included within the scope of the AUP engagement.

School student activity fund accounts may be excluded from testing under the AUPs if they are otherwise addressed in a separately contracted audit or agreed-upon procedures engagement (does not have to include the same procedures as in the statewide agreed-upon procedures). In this situation, the audit or agreed-upon procedures report is already required to be submitted to the LLA as separate engagement and does not need to be attached in the pdf file with the practitioner's audit/AUP report.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

Year 2 – Fiscal Years Ending 6/30/2018 through 5/31/2019

Rotation of Procedures

Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 may exclude those categories from testing in Year 2.

The attestation standards for agreed-upon procedures engagements require that the practitioner report exceptions to procedures even when there are compensating controls; however, the LLA does not want to penalize entities for exceptions that do not directly correspond to control risks. Accordingly, if the entity had exceptions within an AUP category in Year 1, based strictly on the wording of the procedure, but the practitioner believes that compensating controls **fully** mitigated the underlying control risk, the entity may exclude that AUP category from testing in Year 2 (the practitioner should maintain documentation of compensating controls in the engagement workpapers). Also, exceptions for Year 1 procedure #30 may be excluded when determining whether the “debt service” AUP category should be rotated off in Year 2 (this procedure was removed in Year 2).

If the practitioner’s removal of an AUP category impacts another AUP category that is linked to it, the practitioner may modify the procedure(s)/scope to address the discrepancy. For example, if a payroll sample is used for ethics testing and payroll has been rotated off in Year 2, the payroll sample selection procedure must be included under the ethics category.

Options and Alternatives

The practitioner may avoid duplication of existing audit procedures by using the same transactions for both audit and AUP purposes. For example, if the AUPs indicate that 10 random transactions should be selected and the practitioner would otherwise plan to test 25 random transactions as part of the entity’s audit, the practitioner may use the same 10 transactions for both the audit and the AUP engagement.

If the entity employs one or more internal auditors; the practitioner documents reliance upon the internal audit function as part of the entity’s audit; and the internal auditor performs one or more of the specific procedures identified for the same fiscal period (internal auditor is not required to perform procedures under the attest standards); the practitioner does not have to include those specific procedures as part of the scope of the AUP engagement or include in the AUP report. In that situation, the practitioner should perform the remaining AUPs under the attest standards and document in the AUP report, but should not include or reference the internal auditor’s report(s) in the practitioner’s AUP report. The practitioner must include a copy (or copies if the internal auditor has multiple reports that address AUP procedures) of the internal auditor’s procedures

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performed and exceptions noted when submitting the audit report and AUP report to the LLA. In this situation, all three reports should be submitted to the LLA as one Adobe pdf file, and all three reports will be issued by the LLA as public documents.

To avoid creating an undue burden on practitioners, the AUPs may be performed for a 12-month “fiscal period” that does not coincide with the entity’s “fiscal year”, as long as the 12-month fiscal period is no more than 3 months prior to the end of the entity’s fiscal year. For example, the practitioner may perform AUPs for the fiscal period April 1, 2017 through March 31, 2018 for an entity with a fiscal year ending June 30, 2018. All AUPs will reference “fiscal period” to mean the 12-months covered by the AUPs. If the entity elects to change its “fiscal period,” after the first year of AUP implementation, the subsequent year of AUP testing must not leave a gap between fiscal periods. For example, a change from a March 31 fiscal period end to a June 30 fiscal period end would require a 15-month AUP engagement in the year of change.

For nonprofit entities, only those AUPs relevant to public monies are required to be included in the scope of the AUP engagement. For example, if a nonprofit receives \$10 million in non-public funds and also receives \$500,000 in public funds, only the \$500,000 would be subject to the AUPs if the funds are not otherwise commingled. In this example, if the nonprofit did not use any of the \$500,000 in public funds for payroll or travel expenses, the portions of the AUPs relating to these areas are not required to be included in the scope of the AUP engagement or report.

If the practitioner believes that the AUPs collectively can not be performed based on the nature of the entity’s operations, please contact the LLA to request an exemption to the AUPs. If a specific procedure can not be performed based on the nature of the entity’s operations, an equivalent procedure may be substituted (e.g., alternate sampling population, alternate method of compiling documentation) at the practitioner’s discretion. Please note that the substitute procedure would need to be included in the AUP report in place of the original procedure, and this change in procedures may require the practitioner to update his or her client engagement agreement accordingly.

For school boards only, the practitioner should consider the deposit site and collection location to be the same if there is a central person (secretary or bookkeeper) through which collections are deposited. The practitioner is only required to test documentation at the secretary/bookkeeper level and is not required to test for completeness of revenues relative to classroom collections by teachers.²

² This exclusion would also apply to procedure #7a below.

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Procedures

Report all exceptions to the following procedures, either after each procedure or after all procedures within each of the twelve 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*).

Written Policies and Procedures

1. Obtain and inspect the entity’s written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity’s operations):³
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
 - g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements,

³ For governmental organization, the practitioner may eliminate those categories and subcategories that do not apply to the organization’s operations. For quasi-public organizations, including non-profits, the practitioner may eliminate those categories and subcategories that do not apply to public funds administered by the quasi-public.

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(4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) ***Ethics***⁴, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Board or Finance Committee⁵

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.⁶ *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

⁴ The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the non-profit should have written policies and procedures relating to ethics.

⁵ These procedures are not applicable to entities managed by a single elected official, such as sheriff or assessor.

⁶ Major funds are defined under GASB standards. The related procedure addresses major funds as a way to verify that boards are provided with financial information necessary to make informed decisions about significant entity operations, including proprietary operations that are not required to be budgeted under the LGBA.

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Bank Reconciliations

3. Obtain a listing of client 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 accounts⁷ (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 selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

4. Obtain a listing of deposit sites⁸ for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management’s representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations⁹ and management’s representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

⁷ Accounts selected may exclude savings and investment accounts that are not part of the entity’s daily business operations.

⁸ A deposit site is a physical location where a deposit is prepared and reconciled.

⁹ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit.

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- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day)¹⁰. *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

¹⁰ If “bank reconciliations” have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for bank reconciliations.

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- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by

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(1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Travel and Travel-Related Expense Reimbursements¹¹ (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law¹² (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

¹¹ Non-travel reimbursements are not required to be tested under this category.

¹² If the entity has adopted the state Procurement Code, replace “Louisiana Public Bid Law” with “Louisiana Procurement Code.”

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- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- 18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
- 19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

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Ethics¹³

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above¹⁴, obtain ethics documentation from management, and:
- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity’s ethics policy during the fiscal period.

Debt Service¹⁵

21. Obtain a listing of bonds/notes issued during the fiscal period and management’s representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises¹⁶ and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.¹⁷

¹³ The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the procedures should be performed.

¹⁴ If “payroll and personnel” have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for payroll and personnel.

¹⁵ This AUP category is generally not applicable to non-profit entities; however, if applicable, the procedures should be performed.

¹⁶ Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs.

¹⁷ This notice is available for download or print at www.la.la.gov/hotline.