

**MT. PLEASANT COMMUNITY DEVELOPMENT
CORPORATION, INC.**

Monroe, Louisiana

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
As of and for the Year Ended December 31, 2021**

BY

**ROSIE D. HARPER
CERTIFIED PUBLIC ACCOUNTANT, LLP**

**2571 TOWER DRIVE, SUITE 7 • MONROE, LOUISIANA 71201
OFFICE (318) 387-8008 • FAX (318) 387-0806**

**MT. PLEASANT COMMUNITY DEVELOPMENT
CORPORATION, INC.
MONROE, LOUISIANA**

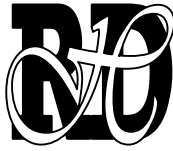
**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
As of and for the Year Ended December 31, 2021**

MT. PLEASANT COMMUNITY DEVELOPMENT CORPORATION, INC.
Monroe, Louisiana

**Financial Statements
and Independent Auditor's Report
As of and for the Year Ended December 31, 2021**

CONTENTS

	<u>STATEMENTS</u>	<u>PAGE NO.</u>
Independent Auditor's Report		1-2
Financial Statements:		
Statement of Financial Position	A	4
Statement of Activities	B	5
Statement of Functional Expenses	C	6
Statement of Cash Flows	D	7
Notes to the Financial Statements		8-14
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 <i>Government Auditing Standards</i>		15-16
Supplemental Information:		
Schedule of Board Members		18
Schedule of Compensation-Key Management		19
Schedule of Prior Year Findings		20



ROSIE D. HARPER

Certified Public Accountant, LLP

2571 Tower Drive, Suite 7 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

Independent Auditor's Report

To the Board of Directors of
Mt. Pleasant Community Development Corporation, Inc.

Opinion

I have audited the accompanying financial statements of Mt. Pleasant Community Development Corporation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Mt. Pleasant Community Development Corporation, Inc. as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of my report. I am required to be independent of Mt. Pleasant Community Development Corporation, Inc. and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Mt. Pleasant Community Development Corporation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

**Mt. Pleasant Community Development Corporation, Inc.
Independent Auditor's Report (Continued)**

In performing an audit in accordance with GAAS and *Government Auditing Standards*, I:

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

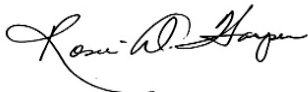
I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that I identified during the audit.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information in Schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 GAAS. In my opinion, (Schedules 1 through 3) the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated February 9, 2023, on my consideration of Mt. Pleasant Community Development Corporation, Inc.'s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Mt. Pleasant Community Development Corporation, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mt. Pleasant Community Development Corporation, Inc.'s internal control over financial reporting and compliance.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
February 9, 2023

FINANCIAL STATEMENTS

Mt. Pleasant Community Development Corporation, Inc.
Statement of Financial Position
December 31, 2021

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$	410,179
RD Management Fee Receivable		11,250
Total Current Assets		421,429

INVESTMENTS

Investment in Partnerships		1,077,841
Total Investments		1,077,841

PROPERTY AND EQUIPMENT

Buildings		57,638
Furniture and Fixtures		12,908
Computer Equipment		30,550
Vehicles		85,490
Miscellaneous Fixed Assets		36,397
Total		222,983
Less: Accumulated Depreciation		(177,723)
Net Depreciable Property and Equipment		45,260
Land		66,404
Development in Progress		223,170
Total Property and Equipment		334,834

OTHER ASSETS

Deferred Developer Fees Receivable		203,796
Due From Related Parties		310,915
Total Other Assets		514,711

TOTAL ASSETS	\$	2,348,815
---------------------	-----------	------------------

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$	28,560
Due to Related Parties		60,534
Total Current Liabilities		89,094

LONG TERM LIABILITIES

Share of Deficiency in Assets of Partnership		90,226
Total Long Term Liabilities		90,226

Total Liabilities		179,320
-------------------	--	---------

NET ASSETS

Without Donor Restrictions		2,169,495
Total Net Assets		2,169,495

TOTAL LIABILITIES AND NET ASSETS	\$	2,348,815
---	-----------	------------------

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Mt. Pleasant Community Development Corporation, Inc.
Statement of Activities
For the Year Ended
December 31, 2021

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**Revenues and Gains**

Dues and Fees Income	
Support Service Fee	\$ 22,619
Management Fee	33,550
Total Dues and Fees Income	56,169
Other Income	
Rental Income	12,396
Interest Income	4,551
Gain from Investments	151,662
Developer's Fees	114,826
Miscellaneous Income	1,077
Total Other Income	284,512
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	340,681
Net Assets Released from Restrictions	
Restrictions Satisfied by Payments	197,644
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	538,325

EXPENSES

Program Expenses	111,285
Management and General	255,591
Total Expenses	366,876
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	171,449

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Louisiana State Grant	25,000
Forgiven PPP Funds	184,388
TOTAL REVENUE AND GAINS WITH DONOR RESTRICTIONS	209,388
Net Assets Released from Restrictions	
Restrictions Satisfied by Payments	(197,644)
INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	11,744
CHANGES IN NET ASSETS	183,193
NET ASSETS AT THE BEGINNING OF THE YEAR	1,977,872
Other Changes in Net Assets	
Prior Period Adjustment	8,430
Total Other Changes in Net Assets	8,430
NET ASSETS AT THE END OF THE YEAR	\$ 2,169,495

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Mt. Pleasant Community Development Corporation, Inc.
 Schedule of Functional Expenses
 For the Year Ended
 December 31, 2021

	Program Services	Support Services Management and General	Total
Personnel Cost			
Salaries and Wages	\$ 50,551	\$ 151,654	\$ 202,205
Payroll Taxes	11,546	34,637	46,183
Total Personnel Cost	<u>62,097</u>	<u>186,291</u>	<u>248,388</u>
Other Expenses			
Automobile Expense	-	734	734
Business Expense	-	7,547	7,547
Communications	4,215	12,644	16,859
Contract Services	10,031	-	10,031
Depreciation	2,629	7,887	10,516
Insurance	1,351	4,054	5,405
Interest Expense	-	966	966
Miscellaneous Business Expense	7,167	25,367	32,534
Monroe Neighborhood Revitalization Project	19,778	-	19,778
Office Supplies	1,223	3,668	4,891
Professional	2,144	6,433	8,577
Service Project	650	-	650
Total Other Expenses	<u>49,188</u>	<u>69,300</u>	<u>118,488</u>
Total Expenses	<u>\$ 111,285</u>	<u>\$ 255,591</u>	<u>\$ 366,876</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Mt. Pleasant Community Development Corporation, Inc.
Statement of Cash Flows
For the Year Ended
December 31, 2021

Operating Activities

Change in Net Assets	\$ 183,193
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	10,516
Decrease in Developer Fee Receivable	385,174
Increase in Due from Related Parties	(86,418)
Increase in Due to Related Parties	28,540
Increase in Accrued Liabilities	20,127
Prior Period Adjustment	8,430
Total Adjustments	366,369
Net Cash Provided by Operating Activities	549,562

Financing Activities

Forgiven PPP Funds	(91,711)
Net Cash Used by Financing Activities	(91,711)

Investing Activities

Net Change in Investment in Partnership	(151,662)
Net Cash Used by Investing Activities	(151,662)

Net Cash Increase for the Period	306,189
----------------------------------	---------

Cash and Cash Equivalents - Beginning of Year	103,990
---	---------

Cash and Cash Equivalents - End of Year	\$ 410,179
---	------------

Supplemental Information:

Interest Paid	\$ 966
---------------	--------

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Mt. Pleasant Community Development Corporation, Inc.
Monroe Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Mt. Pleasant Community Development Corporation, Inc. (the "Organization") is a non-profit Corporation organized under the laws of the State of Louisiana. The purpose of this organization is to combat deterioration in Northeast Louisiana neighborhoods by providing decent, safe, sanitary, and affordable housing, addressing educational needs and supporting positive activities for youth and senior citizens. Mt. Pleasant Community Development Corporation ("CDC") is operated exclusively for charitable, religious, educational, and other non-profit purposes for which the corporation is formed.

Basis of Accounting

The financial statements of the Organization are prepared on the accrual basis of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its Audit Guide for Not-for-Profit Organizations.

Basis of Presentation

In accordance with Financial Accounting Standard Board Accounting Standards Codification (FASB ASC) 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets (net assets without donor restrictions and net assets with donor restrictions). Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. All net assets of the Organization at December 31, 2021 were considered to be net assets without donor restrictions.

Net Assets without Donor Restrictions - Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets with Donor Restrictions - Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Corporation. Certain restrictions may need to be maintained in perpetuity.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

Mt. Pleasant Community Development Corporation, Inc.
Notes to Financial Statements (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Collateralization Policy for Financial Instruments

The Partnership does not require collateral to support financial instruments subject to credit risk.

Construction/Development in Progress

Construction in progress is recorded in accordance with the Application and Certificate for Payment as submitted by the contractor and certified by the architect. Construction/Development in progress is recognized as depreciable property and equipment when the architect deems the construction to be substantially complete.

Sources of Revenue

The Organization receives its revenues through affordable housing development and management activities, grants, and other various methods of funding. The Organization also receives funds by contribution from both public and private sources.

Income Taxes

The Organization is a Certified Community Housing Development Corporation and is exempt from federal and state income taxes under Internal Revenue Code Section 501(c) (3) and the Louisiana Corporation Income Tax Act.

The Organization has adopted certain provisions FASB ASC 740, Income Taxes. The Organization believes that it has appropriate support for any tax position taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's Federal Return of Organization Exempt from Income Tax (Form 990) for the years ended December 31, 2018, 2019 and 2020 are subject to examination by the IRS, generally for three years after they are filed.

Property and Equipment

Property and equipment acquired with Mt. Pleasant Community Development Corporation, Inc.'s funds are considered to be owned by the Organization while used in the program or in future authorized programs. However, funding sources have a reversionary interest in these assets as well as the determination of use of any proceeds from the sale of these assets.

The Organization follows the practice of capitalizing, at cost, all expenditures for property and equipment in excess of \$5,000. Depreciation is computed on a straight-line basis over the estimated service lives

Mt. Pleasant Community Development Corporation, Inc.
Notes to Financial Statements (Continued)

Property and Equipment (Continued)

of the assets. The following lives have been assigned to the fixed assets:

Buildings	27.5 Years
Furniture & Fixtures	7 Years
Computer Equipment	5 Years
Vehicles	5 Years
Miscellaneous Fixed Assets	7 Years

Net Values are computed as follows:

Buildings	\$	57,638
Furniture & Fixtures		12,908
Computer Equipment		30,550
Vehicles		85,490
Miscellaneous Fixed Assets		36,397
Less: Accumulated Depreciation		<u>(177,723)</u>
Net Depreciable Property & Equipment		45,260
Land		66,404
Development in Progress		<u>223,170</u>
Net Value	\$	<u><u>334,834</u></u>

NOTE B. DEVELOPMENT IN PROGRESS

Development costs include all costs, other than costs incurred for the acquisition of land and for construction costs incurred by the Organization. Such costs include, but are not limited to, architect fees, engineering fees, legal fees, loan fees, developer fees and tax credit application and reservation fees. During the years ended December 31, 2019, 2018 and 2017; the Organization has incurred development costs in the amount of \$97,003, \$92,444, \$22,340 and \$36,373. For the year ended December 31, 2021, the Organization incurred development costs in the amount \$0 for the development of a hotel. Total costs incurred as of December 31, 2021 was as follows:

Beginning Balance at January 1, 2021	\$	223,170
Development in Progress During 2021		<u>-</u>
Total	\$	<u><u>223,170</u></u>

NOTE C. COMPENSATED ABSENCES

Compensated absences are absences for which employees will be paid, such as vacation, and/or sick leave. The Organization has a formal policy for accumulation and vesting of vacation, annual leave, and sick leave which is based on the length of service. Fulltime employees earn eight (8) hours per month for vacation and eight (8) hours per month for sick days for an annual total of ninety-six (96) hours of vacation and ninety-six (96) hours of sick leave. Compensated absence accrued cannot be carried over into the next year. Cost for compensated absences is recognized in the pay period taken by employees.

Mt. Pleasant Community Development Corporation, Inc.
Notes to Financial Statements (Continued)

NOTE D. RELATED PARTY TRANSACTIONS

Due From Related Party

During the year, the Organization paid for expenses on behalf of the properties for which it manages. The expenses are reimbursed by the managed properties. A receivable is recorded for outstanding reimbursements due to the Organization and payable is recorded for reimbursements above the reimbursable expenditures made on behalf of the managed properties. For the year ended December 31, 2021, reimbursed receivables and payables for managed properties were as follows:

	Beginning Due From (To) Related Parties	Reimburseable Expenses Incurred	Reimbursements Received	Ending Due From (To) Related Parties
Plesant Haven Estates	\$ (19,467)	\$ 30,379	\$ (45,446)	\$ (34,534)
Standifer	(12,527)	54,679	(68,152)	(26,000)
Pleasantview Apartments	165,150	24,635	(3,575)	186,210
Kenneth Jackson	23,370	112,560	(50,621)	85,309
Pleasant Trinity	16,725	-	-	16,725
Southpark	13,423	58,288	(54,868)	16,843
Hillcrest	5,828	-	-	5,828
Total Due From (To) Related Parties	<u>\$ 192,502</u>	<u>\$ 280,541</u>	<u>\$ (222,662)</u>	<u>\$ 250,381</u>

Developer Fees Receivable

The Organization received developer fees for the services rendered for overseeing the construction and development of a 30-unit scattered site residential housing complex located in Monroe, Louisiana as follows:

	Beginning Receivable	Fees Earn	Fees Paid	Ending Receivable
Pleasant Trinity	\$ 88,970	\$ -	\$ -	\$ 88,970
Royal Cambridge	500,000	-	500,000	-
Camelia Estates	-	10,226	-	10,226
Hillcrest	-	104,600	-	104,600
Total Developer Fees Receivable	<u>\$ 588,970</u>	<u>\$ 114,826</u>	<u>\$ 500,000</u>	<u>\$ 203,796</u>

NOTE E. MANAGEMENT FEE RECEIVABLE

The Organization had the following management fee receivable as of December 31, 2021:

Management Fee Receivable	<u>\$ 11,250</u>
Total Management Fee Receivable	<u>\$ 11,250</u>

NOTE F. ADVERTISING EXPENSE

The Organization expenses advertising costs as incurred. The Organization did not incur any advertising costs for the year ended December 31, 2021.

Mt. Pleasant Community Development Corporation, Inc.
Notes to Financial Statements (Continued)

NOTE G. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries & Benefits	Times & Effort

NOTE H. RETIREMENT PLAN

All employees are covered under the Social Security program. The Organization contributes to a 403(b) Retirement plan for key employees. 7% is paid to the plan on behalf of the employees plus the cost of the plan. Retirement expenses paid in for the year ended December 31, 2021 totaled \$16,955.

NOTE I. ACCRUED LEAVE

As of December 31, 2021, unrecorded annual leave time was not material. The Organization's policy is not to record accrued leave as an expenditure until the period it is taken.

NOTE J. BOARD OF DIRECTORS COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. No value for services has been booked in the financial statements.

NOTE K. CONCENTRATIONS OF CREDIT RISK

The Organization maintains several accounts at local financial institutions. Noninterest-bearing and interest-bearing accounts, in the aggregate, are insured up to \$250,000 at each financial institution by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2021, funds that were covered by FDIC are as follows:

Covered Funds	\$ 250,000
Not Covered Funds	160,179
Total Cash	<u>\$ 410,179</u>

NOTE L. PROGRAMS

The Organization operates several programs designed to satisfy the needs of individuals and families in Ouachita Parish, Louisiana. All program services are offered to the community at no charge.

The programs operated by the Organization are described as follows:

Housing Counseling - The program provides housing counseling and education services, including but not limited to pre-purchase, reverse mortgage, rental, and non-delinquency post-purchase counseling services, to individuals and families.

Mt. Pleasant Community Development Corporation, Inc.
Notes to Financial Statements (Continued)

NOTE L. PROGRAMS (Continued)

Adopt-A-Senior - Through this program the Organization partners with the Food Bank of Northeast Louisiana to provide fifty (50) pounds of food to at least ten senior citizens each month.

Mentoring Program - This program aids the youth, giving them an opportunity to increase their life skills and experiences through extracurricular activities, by sponsoring activities including but not limited to little league football and baseball teams.

Vita-Site - This program provides Income Tax services to individuals and families.

Food Pantry - This program provides food for over 600 families monthly. The pantry is available every Wednesday from 10:00 am to 12:45 pm. Families are welcome to come any one Wednesday during the month.

NOTE M. LIQUIDITY MANAGEMENT

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash & Cash Equivalents	\$ 410,179
RD Management Fee Receivable	11,250
Developer Fees Receivable	88,970
Total	<u>\$ 510,399</u>

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE N. ACCRUED LIABILITIES

At December 31, 2021, the Organization had accrued liabilities totaling \$89,094 consisting of the following:

Accrued Liabilities	\$ 28,560
Due to Related Parties	60,534
Total	<u>\$ 89,094</u>

NOTE H. PAYCHECK PROTECTION PROGRAM (PPP) LOAN

During the prior year ended December 31, 2020, the Organization applied for and was approved for a \$91,711 loan under the Paycheck Protection Program (PPP) administered by the Small Business Administration as part of the relief efforts related to the coronavirus outbreak. May 10, 2021, the Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. For the year ended December 31, 2021, the Organization received a second PPP loan in the amount of \$91,711. Interest expense of \$966 was also forgiven. October 19, 2021, the Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization recognized \$184,388 of the loan as federal grant income, which was recorded on the statement of financial position for the year ended December 31, 2021.

Mt. Pleasant Community Development Corporation, Inc.
Notes to Financial Statements (Continued)

NOTE O. GENERAL PARTNERSHIP INTEREST

The Organization is a general partner in the following partnerships. At December 31, 2021, the partnerships and revenues generated from those related parties, were as follows:

	Capital Balance 2021	Supportive Services Income	Developer Fee & Admission Income	Lease Up & Management Fee Income
Boeuf River	\$ (152)	\$ 1,052	\$ -	\$ 5,716
Byers Estate I	(88)	-	-	2,536
Byers Estate II	(89)	-	-	2,509
Harmony Garden Estates	(205)	-	-	-
Hillcrest 2000	(115)	1,062	-	4,740
Kinder	28	-	-	-
Miller's Crossing	(125)	-	-	650
Miller's Crossing II	49	-	-	-
Oakland	(5,174)	-	-	-
Pecan Grove	(110,502)	-	-	-
Pleasant Haven Estates	490,311	3,150	-	-
Pleasant Trinity	(165)	-	-	-
Pleasant View Apts.	(96)	-	-	-
Red Hill Partnership	(109,226)	-	-	-
Red Hill Apartments I	(22,810)	-	-	-
Rosepine II	(2,286)	-	-	-
Rosepine Seniors	284,207	-	-	-
Royal Cambridge Homes	(68)	-	-	-
South Park Village	6,019	4,725	-	-
Southern Pines	(74)	210	-	803
Standifer Place	(137)	7,950	-	-
Sterlington Manor I	(15,118)	-	-	-
Sterlington Manor II	(11,121)	-	-	-
Timber Trails I	(13,910)	-	-	-
Timber Trails II	(10,041)	-	-	-
Tradition Cove/ Camelia Estates	(77)	-	-	-
Total	<u>\$ 479,035</u>	<u>\$ 18,149</u>	<u>\$ -</u>	<u>\$ 16,954</u>

NOTE P. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through February 9, 2023, which is the date the financial statements were available for issue.



ROSIE D. HARPER

Certified Public Accountant, LLP

2571 Tower Drive, Suite 7 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

Independent Auditor's Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

To: The Board of Directors
Mt. Pleasant Community Development Corporation, Inc.

I 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 Mt. Pleasant Community Development Corporation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated February 9, 2023.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Mt. Pleasant Community Development Corporation, Inc.' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mt. Pleasant Community Development Corporation, Inc.' internal control. Accordingly, I do not express an opinion on the effectiveness of Mt. Pleasant Community Development Corporation, Inc.' internal control.

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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* (Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mt. Pleasant Community Development Corporation, Inc.' financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statue 24:513, this report is distributed by the Legislative Auditor as a public document.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
February 9, 2023

SUPPLEMENTAL INFORMATION

Mt. Pleasant Community Development Corporation, Inc.
 Schedule of Board Members
 For the Year Ended
 December 31, 2021

Board Member	Title	Location
Clarence Smith	President/CEO	Monroe, Louisiana
Marla Williams	Vice President	Monroe, Louisiana
Eddie Beaver	Chairman	Monroe, Louisiana
Julia Diane Cole	Vice Chairperson	Monroe, Louisiana
Ruby French	Financial Reporter	Monroe, Louisiana
Corey Bradford	Board Member	Monroe, Louisiana
Dorothy Boatner	Board Member	Monroe, Louisiana
Rev. Boris Braggs	Board Member	Monroe, Louisiana
Rev. Ike Byrd, III	Board Member	Monroe, Louisiana
John E. Cole	Board Member	Monroe, Louisiana
Steve Freeman	Board Member	Monroe, Louisiana
Jasmine McConnell	Board Member	Monroe, Louisiana
Billye Stevens	Board Member	Monroe, Louisiana

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Mt. Pleasant Community Development Corporation, Inc.
Schedule of Compensation - Key Management

For the Year Ended
December 31, 2021

Job Title	Clarence Smith	Marla Williams	Ruby French
	President/CEO	Vice President	Bookkeeper Assist-Food Bank
Salary	\$ 45,020	\$ 40,518	\$ 34,421
Bonus	1,500	1,000	800
Vita-2021	-	2,608	2,608
Benefits-Retirement	2,400	3,027	566
Travel	-	-	768
Total Compensation	\$ 48,920	\$ 47,153	\$ 39,163

See Accompanying Auditor's Report and Notes to Financial Statements.

MT. PLEASANT COMMUNITY DEVELOPMENT CORPORATION, INC.
SCHEDULE OF PRIOR YEAR FINDINGS

For the Year Ended
December 31, 2021

FINDINGS-FINANCIAL STATEMENTS AUDIT

Finding 12-20-01 Non-Filing of Form 1099's

Criteria: The Internal Revenue Service requires Form 1099-NEC or 1099-MISC to be prepared and filed for all nonemployee compensation and/or independent contractors who receive at least \$600 for services performed for trade or business.

Cause: The Organization did not prepare and file Forms 1099-NEC or 1099-MISC for nonemployee compensation and/or independent contractors.

Condition: The Organization was non-compliant with Internal Revenue Service's requirement to file Forms 1099-NEC or 1099-MISC for non-employee compensation and/or independent contract labor who were paid \$600 or more in compensation.

Effect: The Organization is subject to incur penalties and interest by failing to file federal forms in a timely manner.

Recommendation: The Organization provide Forms 1099-NEC or 1099-MISC for non-employee compensation and/or independent contract labor who are paid \$600 or more in compensation.

STATUS: **CLEARED**