

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
ALEXANDRIA, LOUISIANA
REPORT ON AUDIT
OF
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
ALEXANDRIA, LOUISIANA
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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2025, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 8 through 16 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

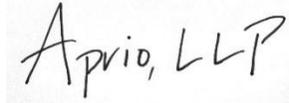
Supplemental Information

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

Other Payments to the Executive Director are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2025, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

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

Birmingham, Alabama
December 12, 2025



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

Board of Commissioners
Housing Authority of the City of Alexandria
Alexandria, 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 Housing Authority of the City of Alexandria, Louisiana (the Authority), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 12, 2025.

Report on Internal Control Over Financial Reporting

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

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

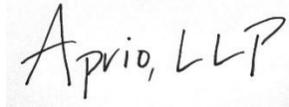
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be *material weaknesses* or *significant deficiencies*. Given these limitations, during our audit we did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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Birmingham, Alabama
December 12, 2025



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

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

Report on Compliance for the Major Federal Program

Opinion on the Major Program

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

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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

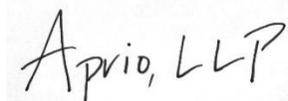
Report on Internal Control Over Compliance

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

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

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

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



Birmingham, Alabama
December 12, 2025

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

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements.

Financial Highlights

- The Authority's net position increased almost \$1 million during 2025. Net Position was \$7.2 million and almost \$8.2 million for 2024 and 2025, respectively.
- Revenues increased by \$1 million during 2025, and were \$10 million and \$11 million for 2024 and 2025, respectively.
- Expenses increased by \$.8 million during 2025, and were \$9.2 million and \$10 million for 2024 and 2025, respectively.

USING THIS ANNUAL REPORT

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

MD&A

*~ MANAGEMENT DISCUSSION
AND ANALYSIS ~*

BASIC FINANCIAL STATEMENTS

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

OTHER REQUIRED SUPPLEMENTARY INFORMATION

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

Authority-Wide Financial Statements

Statement of Net Position

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

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

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

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

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

Statement of Revenues, Expenses, and Changes in Net Position

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

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

Statement of Cash Flows

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

THE AUTHORITY'S MAIN PROGRAMS

Significant Programs – The focus of the Authority's Financial Statements should be on the significant programs of the Authority. The following are considered significant programs of the Authority.

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to offer housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

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

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

- Central Office Cost Center
- Business Activities
- Family Self-Sufficiency Grant

AUTHORITY-WIDE STATEMENTS

Condensed Statement of Net Position

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

TABLE 1
CONDENSED STATEMENT OF NET POSITION

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Assets:			
Current and Restricted Assets	\$ 6,752,226	\$ 5,634,819	\$ 1,117,407
Capital Assets	<u>1,947,440</u>	<u>2,047,576</u>	<u>(100,136)</u>
Total Assets	<u>\$ 8,699,666</u>	<u>\$ 7,682,395</u>	<u>\$ 1,017,271</u>
Liabilities:			
Current Liabilities	\$ 429,513	\$ 343,105	\$ 86,408
Non-current Liabilities	<u>90,164</u>	<u>105,306</u>	<u>(15,142)</u>
Total Liabilities	<u>\$ 519,677</u>	<u>\$ 448,411</u>	<u>\$ 71,266</u>
Net Position:			
Net Investment in Capital Assets	\$ 1,947,440	\$ 2,047,576	\$ (100,136)
Restricted Net Position	134,206	-	134,206
Unrestricted Net Position	<u>6,098,343</u>	<u>5,186,408</u>	<u>911,935</u>
Total Net Position	<u>\$ 8,179,989</u>	<u>\$ 7,233,984</u>	<u>\$ 946,005</u>

Major Factors Affecting the Condensed Statement of Net Position

During fiscal year 2025, current and restricted assets increased due mainly to an increase of cash resulting from operating and investing cash inflows. See the Statement of Cash Flows for details regarding cash inflows and outflows. Capital assets decreased due to depreciation exceeding property additions. For additional detail regarding capital asset activity see "Capital Assets" in Tables 4 and 5 of this Analysis.

Current liabilities increased due primarily to an increase of accounts payable balances due to vendors as of fiscal year-end.

Table 2 presents details on the change in Unrestricted Net Position

TABLE 2

CHANGE IN UNRESTRICTED NET POSITION

Unrestricted Net Position, July 1, 2024	\$ 5,186,408
Results of Operations	682,761
Capital Asset Expenditures	(1,093)
Interest Income	263,244
Depreciation Expense	101,229
Grant Funds Restricted for Housing Assistance Payments	<u>(134,206)</u>
Unrestricted Net Position, June 30, 2025	<u><u>\$ 6,098,343</u></u>

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

TABLE 3

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

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

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Revenue:			
Tenant Rental Revenue	\$ 55,400	\$ 59,520	\$ (4,120)
Operating Grants	9,869,874	8,862,424	1,007,450
Interest Income	263,244	267,634	(4,390)
Other Revenue	766,347	760,433	5,914
Total Revenue	<u>\$ 10,954,865</u>	<u>\$ 9,950,011</u>	<u>\$ 1,004,854</u>
Expenses:			
Administrative	\$ 1,025,398	\$ 1,039,089	\$ (13,691)
Tenant Services	40,378	1,044	39,334
Utilities	18,994	17,962	1,032
Maintenance	45,947	65,958	(20,011)
General	178,984	139,020	39,964
Housing Assistance Payments	8,597,930	7,860,464	737,466
Depreciation	101,229	105,464	(4,235)
Total Expenses	<u>\$ 10,008,860</u>	<u>\$ 9,229,001</u>	<u>\$ 779,859</u>
Increase (Decrease) in Net Position	<u>\$ 946,005</u>	<u>\$ 721,010</u>	<u>\$ 224,995</u>

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

Operating grants increased due to an increase of subsidies recognized through the Section 8 Housing Choice Voucher Program.

Housing assistance payments increased 9% due primarily to increased rental rates.

CAPITAL ASSETS

As of fiscal year-end, the Authority had \$1.9 million invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (additions, deductions and depreciation) of \$.1 million from the end of fiscal year 2024.

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

	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>% Change</u>
Land	\$ 995,754	\$ 995,754	\$ -	0%
Buildings and Improvements	3,220,758	3,220,758	-	0%
Furniture and Equipment	136,115	135,022	1,093	1%
Accumulated Depreciation	<u>(2,405,187)</u>	<u>(2,303,958)</u>	<u>(101,229)</u>	<u>4%</u>
Net Capital Assets	<u>\$ 1,947,440</u>	<u>\$ 2,047,576</u>	<u>\$ (100,136)</u>	<u>-5%</u>

**TABLE 5
CHANGE IN CAPITAL ASSETS**

The following reconciliation summarizes the change in Capital Assets.

Beginning Balance, July 1, 2024	\$ 2,047,576
Additions:	
Equipment	1,093
Depreciation Expense	<u>(101,229)</u>
Ending Balance, June 30, 2025	<u>\$ 1,947,440</u>

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

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

FINANCIAL CONTACT

This financial report is designed to provide our residents, the citizens of Alexandria, and federal and state regulatory bodies with a general overview of the Authority's finances as of June 30, 2025. The individual to be contacted regarding this report is the Executive Director. Specific requests may be submitted to the Housing Authority of the City of Alexandria, at 2558 Loblolly Lane, Alexandria, Louisiana 71306.

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS AND DEFERRED
OUTFLOWS OF RESOURCES

	Enterprise Fund
<u>Current Assets</u>	
Cash	\$ 6,524,354
Accounts Receivable, Net	17,209
Accrued Interest Receivable	991
Investments	26,290
Prepaid Costs	49,176
Total Current Assets	<u>6,618,020</u>
<u>Restricted Assets</u>	
Cash	<u>134,206</u>
Total Restricted Assets	<u>134,206</u>
<u>Capital Assets</u>	
Land	995,754
Buildings and Improvements	3,220,758
Furniture and Equipment	<u>136,115</u>
	4,352,627
(Less): Accumulated Depreciation	<u>(2,405,187)</u>
Net Capital Assets	<u>1,947,440</u>
Total Assets	<u>8,699,666</u>
Deferred Outflows of Resources	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 8,699,666</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
STATEMENT OF NET POSITION
JUNE 30, 2025

LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND NET POSITION

	Enterprise Fund
<u>Current Liabilities</u>	
Accounts Payable	\$ 296,445
Accrued Wages and Payroll Taxes	17,338
Accrued Compensated Absences	23,068
Accounts Payable - HUD	71,374
Tenant Security Deposits	2,350
Unearned Revenue	18,938
Total Current Liabilities	<u>429,513</u>
<u>Non-current Liabilities</u>	
Accrued Compensated Absences	<u>90,164</u>
Total Non-current Liabilities	<u>90,164</u>
 Total Liabilities	 <u>519,677</u>
 Deferred Inflows of Resources	 <u>-</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>519,677</u>
 <u>Net Position</u>	
Net Investment in Capital Assets	1,947,440
Restricted Net Position	134,206
Unrestricted Net Position	6,098,343
Total Net Position	<u>8,179,989</u>
 Total Liabilities, Deferred Inflows of Resources and Net Position	 <u>\$ 8,699,666</u>

See the accompanying notes to financial statements.

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

	Enterprise Fund
<u>Operating Revenues</u>	
Tenant Rent Revenue	\$ 55,400
Operating Grants	9,869,874
Other Revenue	766,347
Total Operating Revenues	<u>10,691,621</u>
<u>Operating Expenses</u>	
Administrative	1,025,398
Tenant Services	40,378
Utilities	18,994
Maintenance	45,947
General	178,984
Housing Assistance Payments	8,597,930
Depreciation	101,229
Total Operating Expenses	<u>10,008,860</u>
Operating Income (Loss)	<u>682,761</u>
<u>Non-Operating Revenue</u>	
Interest Income	263,244
Total Non-Operating Revenue	<u>263,244</u>
Increase (Decrease) in Net Position	946,005
Net Position, Beginning	7,233,984
Net Position, Ending	<u>\$ 8,179,989</u>

See the accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

	Enterprise Fund
<u>Cash flows from operating activities:</u>	
Cash Received from Dwelling Rent	\$ 55,516
Cash Received from Operating Grants	9,894,777
Cash Received from Other Sources	763,815
Cash Payments for Salaries and Benefits	(799,182)
Cash Payments to Vendors and Landlords	(9,017,037)
Net cash provided (used) by operating activities	<u>897,889</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital Outlay	<u>(1,093)</u>
Net cash provided (used) by capital and related financing activities	<u>(1,093)</u>
<u>Cash flows from investing activities:</u>	
Interest Received from Cash and Investments	263,244
Proceeds Received on Advances to Affiliates	78,756
Net cash provided (used) by investing activities	<u>342,000</u>
Net Increase in Cash and Restricted Cash	1,238,796
Total Cash and Restricted Cash, Beginning of Year	<u>5,419,764</u>
Total Cash and Restricted Cash, End of Year	<u>\$ 6,658,560</u>
Reconciliation of cash and restricted cash presented on the Statement of Net Position, to ending cash and restricted cash presented above on the Statement of Cash Flows:	
Cash	\$ 6,524,354
Restricted Cash	134,206
Cash and Restricted Cash, End of Year	<u>\$ 6,658,560</u>

Continued on next page

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

	Enterprise Fund
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>	
Operating Income (Loss)	\$ 682,761
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	101,229
Change in Accounts Receivable (Tenants)	526
Change in Accounts Receivable (Grants)	24,903
Change in Accounts Receivable (Other)	(2,532)
Change in Prepaid Costs	19,736
Change in Accounts Payable - Operating	68,524
Change in Accrued Personnel Expenses	3,152
Change in Unearned Revenue (Tenants)	(410)
Net cash provided (used) by operating activities	<u>\$ 897,889</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA

ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

Cash and Investments

Cash deposited in checking accounts is reported as cash. Investments consist of three certificates of deposit. \$134, 206 of the cash was restricted for housing assistance payments.

Accounts Receivable

Accounts receivable are carried at the amount considered by management to be collectible and consisted of amounts due from tenants, grants due from HUD and other miscellaneous receivables.

Prepaid Costs

Prepaid costs consist of insurance pre-payments for coverage applicable to fiscal year 2025.

Indirect Cost Recovery

Direct costs are charged to the Authority's applicable programs. The Authority charges indirect costs to its Central Office Cost Center and charges the programs management fees based on fee rates provided by HUD.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES - Continued

Unearned Revenue

The Authority recognizes revenues as earned. Funds received before the Authority is eligible to apply them are recorded as a liability under unearned revenue. As of June 30, 2025, unearned revenue consisted of grant proceeds \$18,138 and prepaid tenant rents of \$800.

Revenue Accounting Policies

Dwelling rent income, HUD grants received for operations and miscellaneous income are reported as operating income. HUD grants received for capital assets and all other revenue is reported as non-operating revenue.

These financial statements do not contain material inter-program revenues and expenses for internal activity. The policy is to eliminate any material inter-program revenues and expenses for these financial statements.

Capital Assets

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

Buildings	40 years
Building Improvements	15 years
Furniture and equipment	3-7 years

Authority management has assessed the carrying values of capital asset balances as of June 30, 2025, and as of December 12, 2025. No significant capital asset value impairments exist as of the noted dates.

Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of assets by the Authority that is applicable to a future reporting period. Conversely, a deferred inflow of resources is an acquisition of assets by the Authority that is applicable to a future reporting period. As of June 30, 2025, the Authority did not have any deferred outflows or inflows of resources.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE B - REPORTING ENTITY DEFINITION

The Housing Authority is a chartered public corporation under the laws of the State of Louisiana with a Board of Commissioners. The applicable jurisdictions appoint the Board of Commissioners. However, the Housing Authority has complete legislative and administrative authority, and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses.

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

Based upon the application of these criteria, the reporting entity includes the following blended component unit:

Alexandria Affordable Housing Corporation (the Corporation) – is a legally separate not-for-profit corporation, organized for the purpose of redeveloping former public housing units and providing housing for low-moderate income individuals and families in Alexandria. The organization's year end is June 30. The Corporation does not issue stand-alone financial statements. The Corporation's financial balances have been consolidated into the financial balances of the Authority and reported in the Business Activities column of the Authority's Supplemental Financial Schedules, along with other business activities of the Authority.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE C - CASH AND INVESTMENT DEPOSITS

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

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

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

The Authority's cash consisted of cash held in interest-bearing checking accounts totaling \$6,658,560. Investments consisted of three certificates of deposit (CD's) with interest rates of 4.00%, totaling \$26,290. Deposits held with financial institutions totaled \$6,715,629 and were secured as follows:

	Bank Deposits
Insured by FDIC	\$ 277,345
Collateralized with specific securities pledged to the Authority and held by a third party financial institution	<u>6,438,284</u>
	<u>\$ 6,715,629</u>

The Authority had no realized gains or losses on the sale of investments. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

NOTE D - SIGNIFICANT ESTIMATES

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

NOTE E - RISK MANAGEMENT

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

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE F – CONCENTRATION OF RISK

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

NOTE G – INTER-PROGRAM ACTIVITY

The Housing Authority manages several programs. Many charges, i.e., payroll, benefits, insurance, etc. are paid by the Housing Authority's various funds and subsequently reimbursed. Balance due for operating advances are reflected in the Schedule of Assets, Liabilities and Net Position by Program, but are eliminated in the Authority's Statement of Net Position. Inter-program balances as of June 30, 2025 consisted of the following:

Business Activities	\$ 45,160
Central Office Cost Center	(37,859)
Family Self Sufficiency Program	(7,301)
	<hr/>
	\$ -
	<hr/>

NOTE H - RETIREMENT PLAN

The Housing Authority provides retirement benefits to full-time employees through a 457-deferred compensation retirement plan, administered by Nationwide and titled the Alexandria Housing Authority Retirement Plan (the Plan). The Housing Authority's contributions to the Plan are discretionary and determined by the Board of Commissioners. For the fiscal year ended June 30, 2025, the Authority did not contribute to the Plan. Employees contributed \$12,457.

NOTE I – OUTSTANDING CONTRACTUAL COMMITMENTS

The Authority did not have any significant outstanding contractual commitments as of June 30, 2025.

NOTE J – COMPENSATED ABSENCES

Housing Authority employees are granted vacation and sick leave in varying amounts depending on tenure with the Authority. In the event of termination, an employee is reimbursed for accumulated vacation leave up to a maximum of 300 hours. Vested or accumulated vacation leave is recorded as an expense and liability as the benefits accrue to employees.

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

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE K – ACCOUNTS RECEIVABLE

A summary of receivables as of June 30, 2025, is as follows:

	<u>Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivable</u>
Tenant Receivables	\$ 80,839	\$ (76,604)	\$ 4,235
Operating grants due from HUD	7,385	-	7,385
Other Miscellaneous Receivables	5,589	-	5,589
	<u>5,589</u>	<u>-</u>	<u>5,589</u>
Total Receivables, Net of Allowances	<u>\$ 93,813</u>	<u>\$ (76,604)</u>	<u>\$ 17,209</u>

NOTE L – CAPITAL ASSETS

A summary of capital assets as of June 30, 2025, and activity for the fiscal year then ended is as follows:

	<u>July 1, 2024 Balance</u>	<u>Additions</u>	<u>Transfers and Dispositions</u>	<u>June 30, 2025 Balance</u>
Land	\$ 995,754	\$ -	\$ -	\$ 995,754
Construction in Process	-	-	-	-
Total Assets not being depreciated	<u>995,754</u>	<u>-</u>	<u>-</u>	<u>995,754</u>
Buildings and Improvements	3,220,758	-	-	3,220,758
Furniture and Equipment	135,022	1,093	-	136,115
Total Capital Assets	<u>4,351,534</u>	<u>1,093</u>	<u>-</u>	<u>4,352,627</u>
Less Accumulated Depreciation				
Buildings and Improvements	(2,195,693)	(89,720)	-	(2,285,413)
Furniture and Equipment	(108,265)	(11,509)	-	(119,774)
Net Book Value	<u>\$ 2,047,576</u>	<u>\$ (100,136)</u>	<u>\$ -</u>	<u>\$ 1,947,440</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE M – NOTES RECEIVABLE

On December 21, 2017, Harmony Gardens Estates, LP issued the Authority two Promissory Notes in the amounts of \$7,265,000 and \$785,000. The Notes bear interest at 3% compounded annually on unpaid principal, mature on December 21, 2059, and are secured by the Harmony Gardens Estates dwelling structures. The outstanding principal balances of the Notes were \$7,265,000 and \$785,000 and combined accrued interest receivable was \$1,644,861 as of June 30, 2025. Due to uncertainties regarding any future consideration the Authority may receive on the Notes, Authority management has recorded an allowance against the principal balances and accrued interest balances of the Notes.

On December 21, 2017, the Authority loaned Harmony Garden Estates, LP \$510,000 under a third Promissory Note. The Note bears interest at 3% compounded annually on unpaid principal, matures on December 21, 2059, and is secured by the same dwelling structures which secure the two Notes described above. Principal and interest payments shall be paid annually solely from Cash Flow pursuant to Article 4 of Maker's Second Amended and Restated Agreement of Limited Partnership. The outstanding principal balance of the Note was \$510,000 and accrued interest receivable was \$109,315 as of June 30, 2025. Due to uncertainties regarding any future consideration the Authority may receive on the Note, Authority management has recorded an allowance against the principal balance and accrued interest balance of the Note.

On October 31, 2018, Royal Cambridge Homes, LP issued the Authority two Promissory Notes in the amounts of \$6,803,335 and \$1,076,665. The Notes bear interest at 3% compounded annually on unpaid principal, mature on October 31, 2060, and are secured by the Royal Cambridge Homes dwelling structures. The outstanding principal balances of the Notes were \$6,803,335 and \$1,076,665 and combined accrued interest receivable was \$1,313,508 as of June 30, 2025. Due to uncertainties regarding any future consideration the Authority may receive on the Notes, Authority management has recorded an allowance against the principal balances and accrued interest balances of the Notes.

On October 31, 2018, the Authority loaned Royal Cambridge Homes, LP \$500,000 under a third Promissory Note. The Note bears interest at 3% compounded annually on unpaid principal, matures on October 31, 2060, and is secured by the same dwelling structures which secure the two Notes described above. Principal and interest payments shall be paid annually solely from available Cash Flow pursuant to the Agreement of Limited Partnership. The outstanding principal balance of the Note was \$500,000 and accrued interest receivable was \$87,301 as of June 30, 2025. Due to uncertainties regarding any future consideration the Authority may receive on the Note, Authority management has recorded an allowance against the principal balance and accrued interest balance of the Note.

On October 22, 2018, Magnolia Crossings RAD, LP issued the Authority two Promissory Notes in the amounts of \$1,085,000 and \$140,000. The Notes bear interest at 3.5% compounded annually on unpaid principal, mature on October 22, 2060, and are secured by the Magnolia Crossings Apartments dwelling structures. The outstanding principal balances of the Notes were \$1,085,000 and \$140,000 and combined accrued interest receivable was \$302,555 as of June 30, 2025. Due to uncertainties regarding any future consideration the Authority may receive on the Notes, Authority management has recorded an allowance against the principal balances and accrued interest balances of the Notes.

On December 30, 2019, Bayou Gardens RAD, LP issued a Promissory Note to the Authority in the amount of \$1,044,218. The Note bears interest at 3% compounded annually on unpaid principal, matures on December 30, 2061, and is secured by the Bayou Gardens Apartments dwelling structures. The outstanding principal balance of the Note was \$1,044,218 and accrued interest receivable was \$184,830 as of June 30, 2025. Due to uncertainties regarding any future reimbursements the Authority may receive on the Note, Authority management has recorded an allowance against the principal balance and accrued interest balance of the Note.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE M – NOTES RECEIVABLE - Continued

On December 30, 2019, the Authority loaned Bayou Gardens RAD, LP \$1,920,782 under an additional Promissory Note. The Note bears interest at 3% compounded annually on unpaid principal, matures on December 30, 2061, and is secured by the same dwelling structures which secure the \$1,044,218 Note described above. Principal and interest payments shall be paid annually solely from available Cash Flow pursuant to the Agreement of Limited Partnership. The outstanding principal balance of the Note was \$1,920,782 and accrued interest receivable was \$339,984 as of June 30, 2025. Due to uncertainties regarding any future consideration the Authority may receive on the Note, Authority management has recorded an allowance against the principal balance and accrued interest balance of the Note.

A summary of the Promissory Notes and accrued interest described above, is as follows:

Due from Royal Cambridge Homes, LP		
Promissory Note - \$6,803,335	\$	6,803,335
Accrued Interest		1,125,520
Promissory Note - \$1,076,665		1,076,665
Accrued Interest		187,988
Promissory Note - \$500,000		500,000
Accrued Interest		87,301
Allowance for Doubtful Accounts		(9,780,809)
<hr/>		
Due from Magnolia Crossings RAD, LP		
Promissory Note - \$1,085,000		1,085,000
Accrued Interest		267,977
Promissory Note - \$140,000		140,000
Accrued Interest		34,578
Allowance for Doubtful Accounts		(1,527,555)
<hr/>		
Due from Harmony Gardens Estates, LP		
Promissory Note - \$7,265,000		7,265,000
Accrued Interest		1,450,370
Promissory Note - \$785,000		785,000
Accrued Interest		194,491
Promissory Note - \$510,000		510,000
Accrued Interest		109,315
Allowance for Doubtful Accounts		(10,314,176)
<hr/>		
Due from Bayou Gardens RAD, LP		
Promissory Note - \$1,920,782		1,920,782
Accrued Interest		339,984
Promissory Note - \$1,044,218		1,044,218
Accrued Interest		184,830
Allowance for Doubtful Accounts		(3,489,814)
<hr/>		
Notes and Interest Receivable, Net of Allowances	\$	-
		<hr/> <hr/>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE N – LAND LEASES

During fiscal years 2018 through 2020, the Authority entered into various land leases, summarized as follows:

<u>Lessee</u>	<u>Execution Date</u>	<u>Term</u>	<u>Amount</u>
Harmony Garden Estates, LP	12/21/2017	75	\$785,000
Royal Cambridge Homes, LP	10/31/2018	75	\$1,076,665
Magnolia Crossing RAD, LP	10/22/2018	75	\$140,000
Bayou Gardens RAD, LP	12/30/2019	75	\$900

The leases with Harmony Gardens Estates, LP; Royal Cambridge Homes, LP; and Magnolia Crossings RAD, LP have each been financed with Promissory Notes (described above in Note M). Due to uncertainties regarding any future consideration the Authority may receive on the Notes and the Bayou Gardens RAD, LP lease receivable, Authority management has recorded allowances against the principal and accrued interest balances of each of the Notes and the receivable. Therefore, the Authority has not recognized or deferred recognition, of any income as a result of entering into the leases. The costs bases of the land leased to Harmony Gardens Estates, LP and Bayou Gardens RAD, LP is \$44,464 and \$32,000, respectively. The total basis of the land leased to Royal Cambridge Homes, LP and Magnolia Crossings RAD, LP is \$866,700.

NOTE O – NON-CURRENT LIABILITIES

A summary of non-current liability activity for the fiscal year ended June 30, 2025, is as follows:

	<u>July 1,</u> <u>2024 Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>June 30,</u> <u>2025 Balance</u>	<u>Due Within</u> <u>One Year</u>
Liabilities due to HUD	\$ 91,850	\$ 5,996	\$ 26,472	\$ 71,374	\$ 71,374
Compensated Absences	111,032	74,141	71,941	113,232	23,068
Less: Current portion	(97,576)			(94,442)	
Non-current Liabilities	\$ 105,306	\$ 80,137	\$ 98,413	\$ 90,164	\$ 94,442

As a result of a HUD Review Report issued on February 24, 2015, the Authority has agreed to reimburse HUD for Section 8 Housing Choice Voucher Program grant funds in the amount of \$482,469. As of June 30, 2025, the Authority paid back \$455,995, and owed HUD the remaining \$26,474, all of which is anticipated to be paid during fiscal year 2026.

Additionally, the Authority owed HUD \$21,776 of Disaster Voucher Program grant funds as of fiscal year-end under a separate agreement and interest payable of \$23,124, both of which are payable during fiscal year 2026.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE P – BLENDED COMPONENT UNIT – CONDENSED FINANCIAL STATEMENTS

Condensed Statement of Net Position

	AAHC
	6/30/2025
Assets	
Current assets	\$ 5,008,844
Total assets	5,008,844
Liability	
Current liability due to	
Bayou Gardens RAD, LP	125,890
Total liability	125,890
Net position	
Unrestricted net position	4,882,954
Total net position	\$ 4,882,954

Condensed Statement of Revenues, Expenses and Changes in Net Position

	AAHC
	Year-ended
	6/30/2025
Revenues	
Operating revenues	\$ 668,035
Interest income	202,158
Total revenues	870,193
Expenses	
Administrative	2,559
Administrative expenses	
to the Authority	126,000
Total expenses	128,559
Increase in net position	741,634
Beginning net position	4,141,320
Ending net position	\$ 4,882,954

NOTES TO FINANCIAL STATEMENTS – CONTINUED

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

Condensed Statement of Cash Flows

	AAHC Year-ended 6/30/2025
Cash flows from (used by) operating activities	
To the Authority	\$ (126,000)
Other operating activities	665,476
From all operating activities	539,476
Cash flows from (used by) investing activities	
Receipts on Advances made to the Authority	210,300
Interest received on cash deposits	202,158
From all investing activities	412,458
Net increase in cash	951,934
Beginning cash	4,056,910
Ending cash	\$ 5,008,844

NOTE Q – COMMITMENTS AND CONTINGENCIES

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

The Authority is currently named as a codefendant in a class action lawsuit alleging that the Authority did not adequately inspect an apartment (of a former Section 8 Housing Choice Voucher Program participant) for mold. Authority management is of the position that the Authority inspected the unit in accordance with HUD’s guidelines and intends to defend its position as a codefendant in the suit. As of December 12, 2025, the suit is awaiting arbitration and management does not have sufficient information to estimate the likelihood of an unfavorable outcome or any potential financial loss resulting from a potential unfavorable outcome. Therefore, a loss contingency has not been recognized, and an estimated liability accrual has not been made and reported on the Statement of Net Position as of June 30, 2025.

NOTE R – SUBSEQUENT EVENTS

In preparing the financial statements, management evaluated subsequent events through December 12, 2025, the date the financial statements were available to be issued.

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
ALEXANDRIA, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2025

<u>Grantor Program or Cluster Title</u>	<u>Federal Assistance Listing No.</u>	<u>Pass-through Entity Identifying No.</u>	<u>Federal Expenditures</u>
Section 8 Housing Choice Vouchers *	14.871	N/A	\$ 9,825,698
PIH Family Self-Sufficiency Program	14.896	N/A	<u>44,176</u>
TOTAL HUD EXPENDITURES			<u>\$ 9,869,874</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 9,869,874</u>

* Housing Voucher Cluster, Cluster total = \$9,825,698

NOTE 1 – BASIS OF PRESENTATION

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – AWARDS PASSED-THROUGH TO SUBRECIPIENTS

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

NOTE 4 – NON-MONETARY FEDERAL AWARDS ASSISTANCE

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

NOTE 5 – INDIRECT COST RATE

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

Housing Authority of the City of Alexandria (LA023)

Alexandria, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End: 06/30/2025

	Project Total	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	14,871 Housing Choice Vouchers	COCC	ELIM	Total Enterprise Fund
111 Cash - Unrestricted	\$ 717,214	\$ -	\$ 5,159,498	\$ 645,292	\$ -	\$ -	\$ 6,522,004
112 Cash - Restricted - Modernization and Development	-	-	-	-	-	-	-
113 Cash - Other Restricted	-	-	-	134,206	-	-	134,206
114 Cash - Tenant Security Deposits	-	-	2,350	-	-	-	2,350
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-	-
100 Total Cash	\$ 717,214	\$ -	\$ 5,161,848	\$ 779,498	\$ -	\$ -	\$ 6,658,560
121 Accounts Receivable - PHA Projects	-	-	-	-	-	-	-
122 Accounts Receivable - HUD Other Projects	-	7,385	-	-	-	-	7,385
124 Accounts Receivable - Other Government	-	-	-	-	-	-	-
125 Accounts Receivable - Miscellaneous	5,536	-	53	-	-	-	5,589
126 Accounts Receivable - Tenants	-	-	-	-	-	-	-
126.1 Allowance for Doubtful Accounts -Tenants	-	-	-	-	-	-	-
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-	-
128 Fraud Recovery	-	-	-	80,839	-	-	80,839
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	(76,604)	-	-	(76,604)
129 Accrued Interest Receivable	991	-	-	-	-	-	991
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$ 6,527	\$ 7,385	\$ 53	\$ 4,235	\$ -	\$ -	\$ 18,200
131 Investments - Unrestricted	26,290	-	-	-	-	-	26,290
132 Investments - Restricted	-	-	-	-	-	-	-
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-	-
142 Prepaid Expenses and Other Assets	-	-	-	-	49,176	-	49,176
143 Inventories	-	-	-	-	-	-	-
143.1 Allowance for Obsolete Inventories	-	-	-	-	-	-	-
144 Inter Program Due From	-	-	45,160	-	-	(45,160)	-
145 Assets Held for Sale	-	-	-	-	-	-	-
150 Total Current Assets	\$ 750,031	\$ 7,385	\$ 5,207,061	\$ 783,733	\$ 49,176	\$ (45,160)	\$ 6,752,226

Housing Authority of the City of Alexandria (LA023)

Alexandria, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End: 06/30/2025

	Project Total	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	14,871 Housing Choice Vouchers	COCC	ELIM	Total Enterprise Fund
161 Land	965,164	-	30,590	-	-	-	995,754
162 Buildings	2,876,984	-	325,263	-	-	-	3,202,247
163 Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	-	-
164 Furniture, Equipment & Machinery - Administration	74,625	-	10,458	26,846	24,186	-	136,115
165 Leasehold Improvements	-	-	-	2,972	15,539	-	18,511
166 Accumulated Depreciation	(2,056,911)	-	(291,107)	(24,567)	(32,602)	-	(2,405,187)
167 Construction in Progress	-	-	-	-	-	-	-
168 Infrastructure	-	-	-	-	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	\$ 1,859,862	\$ -	\$ 75,204	\$ 5,251	\$ 7,123	\$ -	\$ 1,947,440
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-	-
174 Other Assets	-	-	-	-	-	-	-
180 Total Non-Current Assets	\$ 1,859,862	\$ -	\$ 75,204	\$ 5,251	\$ 7,123	\$ -	\$ 1,947,440
200 Deferred Outflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
290 Total Assets and Deferred Outflow of Resources	\$ 2,609,893	\$ 7,385	\$ 5,282,265	\$ 788,984	\$ 56,299	\$ (45,160)	\$ 8,699,666
311 Bank Overdraft	-	-	-	-	-	-	-
312 Accounts Payable <= 90 Days	127	84	1,123	35,092	7,636	-	44,062
313 Accounts Payable >90 Days Past Due	-	-	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	-	-	-	-	17,338	-	17,338
322 Accrued Compensated Absences - Current Portion	-	-	-	5,036	18,032	-	23,068
324 Accrued Contingency Liability	-	-	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	-	-	-	-
331 Accounts Payable - HUD PHA Programs	-	-	-	71,374	-	-	71,374
333 Accounts Payable - Other Government	-	-	28,456	-	-	-	28,456
341 Tenant Security Deposits	-	-	2,350	-	-	-	2,350
342 Unearned Revenue	800	-	-	18,138	-	-	18,938

Housing Authority of the City of Alexandria (LA023)

Alexandria, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End: 06/30/2025

	Project Total	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	14,871 Housing Choice Vouchers	COCC	ELIM	Total Enterprise Fund
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	-	-	-
345 Other Current Liabilities	-	-	125,890	-	62,445	-	188,335
346 Accrued Liabilities - Other	-	-	-	35,592	-	-	35,592
347 Inter Program - Due To	-	7,301	-	-	37,859	(45,160)	-
310 Total Current Liabilities	\$ 927	\$ 7,385	\$ 157,819	\$ 165,232	\$ 143,310	\$ (45,160)	\$ 429,513
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	-	-	-
353 Non-current Liabilities - Other	-	-	-	-	-	-	-
354 Accrued Compensated Absences - Non Current	-	-	-	19,682	70,482	-	90,164
357 Accrued Pension and OPEB Liabilities	-	-	-	-	-	-	-
350 Total Non-Current Liabilities	\$ -	\$ -	\$ -	\$ 19,682	\$ 70,482	\$ -	\$ 90,164
300 Total Liabilities	\$ 927	\$ 7,385	\$ 157,819	\$ 184,914	\$ 213,792	\$ (45,160)	\$ 519,677
400 Deferred Inflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
508.4 Net Investment in Capital Assets	1,859,862	-	75,204	5,251	7,123	-	1,947,440
511.4 Restricted Net Position	-	-	-	134,206	-	-	134,206
512.4 Unrestricted Net Position	749,104	-	5,049,242	464,613	(164,616)	-	6,098,343
513 Total Equity - Net Assets / Position	\$ 2,608,966	\$ -	\$ 5,124,446	\$ 604,070	\$ (157,493)	\$ -	\$ 8,179,989
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ 2,609,893	\$ 7,385	\$ 5,282,265	\$ 788,984	\$ 56,299	\$ (45,160)	\$ 8,699,666

Housing Authority of the City of Alexandria (LA023)

Alexandria, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End: 06/30/2025

	Project Total	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	14,871 Housing Choice Vouchers	COCC	ELIM	Total Enterprise Fund
70300 Net Tenant Rental Revenue	\$ -	\$ -	\$ 55,380	\$ -	\$ -	\$ -	\$ 55,380
70400 Tenant Revenue - Other	-	-	20	-	-	-	20
70500 Total Tenant Revenue	\$ -	\$ -	\$ 55,400	\$ -	\$ -	\$ -	\$ 55,400
70600 HUD PHA Operating Grants	-	44,176	-	9,825,698	-	-	9,869,874
70610 Capital Grants	-	-	-	-	-	-	-
70710 Management Fee	-	-	-	-	344,513	(344,513)	-
70720 Asset Management Fee	-	-	-	-	-	-	-
70730 Book Keeping Fee	-	-	-	-	98,310	(98,310)	-
70740 Front Line Service Fee	-	-	-	-	-	-	-
70750 Other Fees	-	-	-	-	-	-	-
70700 Total Fee Revenue	\$ -	\$ 44,176	\$ -	\$ 9,825,698	\$ 442,823	\$ (442,823)	\$ 9,869,874
70800 Other Government Grants	-	-	-	-	-	-	-
71100 Investment Income - Unrestricted	6,931	-	210,962	34,605	10,746	-	263,244
71200 Mortgage Interest Income	-	-	-	-	-	-	-
71400 Fraud Recovery	-	-	-	17,724	-	-	17,724
71500 Other Revenue	5,524	-	668,069	-	75,030	-	748,623
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-
72000 Investment Income - Restricted	-	-	-	-	-	-	-
70000 Total Revenue	\$ 12,455	\$ 44,176	\$ 934,431	\$ 9,878,027	\$ 528,599	\$ (442,823)	\$ 10,954,865
91100 Administrative Salaries	-	-	-	293,390	236,614	-	530,004
91200 Auditing Fees	-	-	5,099	29,850	7,463	-	42,412
91300 Management Fee	-	-	126,340	218,173	-	(344,513)	-
91310 Book-keeping Fee	-	-	-	98,310	-	(98,310)	-
91400 Advertising and Marketing	-	-	-	-	-	-	-
91500 Employee Benefit contributions - Administrative	-	-	-	95,585	62,958	-	158,543
91600 Office Expenses	2,377	1,480	9,076	123,121	31,360	-	167,414
91700 Legal Expense	-	-	418	1,463	381	-	2,262

Housing Authority of the City of Alexandria (LA023)

Alexandria, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End: 06/30/2025

	Project Total	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	14,871 Housing Choice Vouchers	COCC	ELIM	Total Enterprise Fund
91800 Travel	111	2,846	-	6,484	30,099	-	39,540
91810 Allocated Overhead	-	-	-	-	-	-	-
91900 Other	-	-	10,685	58,787	15,751	-	85,223
91000 Total Operating - Administrative	\$ 2,488	\$ 4,326	\$ 151,618	\$ 925,163	\$ 384,626	\$ (442,823)	\$ 1,025,398
92000 Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92100 Tenant Services - Salaries	-	25,728	-	-	-	-	25,728
92200 Relocation Costs	-	-	-	-	-	-	-
92300 Employee Benefit Contributions - Tenant Services	-	13,918	-	-	-	-	13,918
92400 Tenant Services - Other	-	-	-	-	732	-	732
92500 Total Tenant Services	\$ -	\$ 39,646	\$ -	\$ -	\$ 732	\$ -	\$ 40,378
93100 Water	11	-	-	-	-	-	11
93200 Electricity	5,430	-	106	9,434	2,575	-	17,545
93300 Gas	1,027	-	-	288	123	-	1,438
93400 Fuel	-	-	-	-	-	-	-
93500 Labor	-	-	-	-	-	-	-
93600 Sewer	-	-	-	-	-	-	-
93700 Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-
93800 Other Utilities Expense	-	-	-	-	-	-	-
93000 Total Utilities	\$ 6,468	\$ -	\$ 106	\$ 9,722	\$ 2,698	\$ -	\$ 18,994
94100 Ordinary Maintenance and Operations - Labor	-	-	-	-	-	-	-
94200 Ordinary Maintenance and Operations - Materials and Other	-	-	310	1,867	2,659	-	4,836
94300 Ordinary Maintenance and Operations Contracts	6,002	-	15,535	15,315	4,259	-	41,111
94500 Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	-
94000 Total Maintenance	\$ 6,002	\$ -	\$ 15,845	\$ 17,182	\$ 6,918	\$ -	\$ 45,947
95100 Protective Services - Labor	-	-	-	-	-	-	-
95200 Protective Services - Other Contract Costs	-	-	-	-	-	-	-

Housing Authority of the City of Alexandria (LA023)
 Alexandria, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End: 06/30/2025

	Project Total	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	14,871 Housing Choice Vouchers	COCC	ELIM	Total Enterprise Fund
95300 Protective Services - Other	-	-	-	-	-	-	-
95500 Employee Benefit Contributions - Protective Services	-	-	-	-	-	-	-
95000 Total Protective Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96110 Property Insurance	10,440	-	7,266	8,188	3,650	-	29,544
96120 Liability Insurance	21	-	120	3,406	681	-	4,228
96130 Workmen's Compensation	-	204	-	5,130	2,378	-	7,712
96140 All Other Insurance	-	-	-	6,629	46,628	-	53,257
96100 Total insurance Premiums	\$ 10,461	\$ 204	\$ 7,386	\$ 23,353	\$ 53,337	\$ -	\$ 94,741
96200 Other General Expenses	-	-	-	4,305	-	-	4,305
96210 Compensated Absences	-	-	-	19,192	54,949	-	74,141
96300 Payments in Lieu of Taxes	-	-	5,797	-	-	-	5,797
96400 Bad debt - Tenant Rents	-	-	-	-	-	-	-
96500 Bad debt - Mortgages	-	-	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-	-	-
96800 Severance Expense	-	-	-	-	-	-	-
96000 Total Other General Expenses	\$ -	\$ -	\$ 5,797	\$ 23,497	\$ 54,949	\$ -	\$ 84,243
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	-	-	-	-
96730 Amortization of Bond Issue Costs	-	-	-	-	-	-	-
96700 Total Interest Expense and Amortization Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96900 Total Operating Expenses	\$ 25,419	\$ 44,176	\$ 180,752	\$ 998,917	\$ 503,260	\$ (442,823)	\$ 1,309,701
97000 Excess of Operating Revenue over Operating Expenses	\$ (12,964)	\$ -	\$ 753,679	\$ 8,879,110	\$ 25,339	\$ -	\$ 9,645,164
97100 Extraordinary Maintenance	-	-	-	-	-	-	-
97200 Casualty Losses - Non-capitalized	-	-	-	-	-	-	-

Housing Authority of the City of Alexandria (LA023)

Alexandria, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End: 06/30/2025

	Project Total	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	14,871 Housing Choice Vouchers	COCC	ELIM	Total Enterprise Fund
97300 Housing Assistance Payments	-	-	-	8,597,930	-	-	8,597,930
97350 HAP Portability-In	-	-	-	-	-	-	-
97400 Depreciation Expense	84,403	-	9,329	3,716	3,781	-	101,229
97500 Fraud Losses	-	-	-	-	-	-	-
90000 Total Expenses	\$ 109,822	\$ 44,176	\$ 190,081	\$ 9,600,563	\$ 507,041	\$ (442,823)	\$ 10,008,860
10010 Operating Transfer In	-	-	-	-	-	-	-
10020 Operating transfer Out	-	-	-	-	-	-	-
10100 Total Other financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (97,367)	\$ -	\$ 744,350	\$ 277,464	\$ 21,558	\$ -	\$ 946,005
11020 Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030 Beginning Equity	\$ 2,706,333	\$ -	\$ 4,380,096	\$ 326,606	\$ (179,051)	\$ -	\$ 7,233,984
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	-	-	-
11170 Administrative Fee Equity	\$ -	\$ -	\$ -	\$ 469,864	\$ -	\$ -	\$ 469,864
11180 Housing Assistance Payments Equity	\$ -	\$ -	\$ -	\$ 134,206	\$ -	\$ -	\$ 134,206
11190 Unit Months Available	-	-	132	19,806	-	-	19,938
11210 Number of Unit Months Leased	-	-	96	13,108	-	-	13,204
11610 Land Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11620 Building Purchases	-	-	-	-	-	-	-
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-
13901 Replacement Housing Factor Funds	-	-	-	-	-	-	-

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
ALEXANDRIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2025

Section I: Summary of Auditors' Results:

Financial Statements

Type of auditors' report issued: Unmodified

Internal Control over financial reporting:
Are material weaknesses identified? Yes No

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

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

Federal Awards

Internal control over the major programs:

Are material weaknesses identified? Yes No

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

Type of report issued on compliance with requirements
applicable to the major programs: Unmodified

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

Identification of Major Program

Assistance Listing No.

Section 8 Housing Choice Voucher Program (HCV Cluster) 14.871

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

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

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
ALEXANDRIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2025

Section II: Financial Statement Findings:

Prior Year Finding:

None

Current Year Finding:

None

Section III: Federal Awards Findings:

Prior Year Finding:

None

Current Year Finding:

None

HOUSING AUTHORITY OF THE CITY OF ALEXANDRIA
ALEXANDRIA, LOUISIANA

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

YEAR ENDED JUNE 30, 2025

EXPENDITURE PURPOSE

Salary	<u>\$ 110,200</u>
Benefits - Insurance	<u>9,444</u>
Benefits - Retirement	<u>5,343</u>
Car Allowance	<u>6,000</u>
Other Allowances	<u>2,232</u>
Registration Fees	<u>2,345</u>
Conference Travel	<u>1,643</u>
Total Compensation, Benefits and Other Payments	<u><u>\$ 137,207</u></u>

Agency Head: Stephan Fontenot, Executive Director

Basis of Presentation:

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



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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

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

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

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

The associated results and conclusions are as follows:

Board

All applicable Board or Finance Committee functions outlined in Addendum A (attached) were addressed and adhered to without exception.

Debt Service

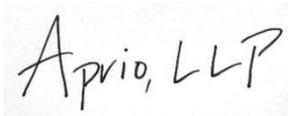
The Authority did not enter into any debt agreements during 2025. Other Debt Service functions outlined in Addendum A (attached) were sufficiently addressed and adhered to.

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

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

This report is solely to describe the scope of testing performed on those C/C 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.

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

Birmingham, Alabama
December 12, 2025

ADDENDUM A

PROCEDURES

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

1) Board or Finance Committee¹

- A. 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
- i. 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.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds², and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds³ if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned 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 unassigned fund balance in the general fund.

¹ These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.

² Proprietary fund types are defined under GASB standards and include enterprise and internal service funds. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary operations that are not required to be budgeted under the Local Government Budget Act.

³ R.S. 24:513 (A)(1)(b)(iv) defines public funds.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.⁴

2) Debt Service⁵

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. 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 (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

⁴ No exception is necessary if management's opinion is that the cost of taking corrective action for findings related to improper segregation of duties or inadequate design of controls over the preparation of the financial statements being audited exceeds the benefits of correcting those findings.

⁵ This AUP category is generally not applicable to nonprofit entities. However, if applicable, the procedures should be performed.