

**HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED SEPTEMBER 30, 2020**

**Mike Estes, P.C.**  
A Professional Accounting Corporation

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Independent Auditor's Report

Board of Commissioners  
Housing Authority of St. Charles Parish  
Boutte, Louisiana

***Report on the Financial Statements***

We have audited the accompanying financial statements of each major fund of the Housing Authority of St. Charles Parish, Louisiana as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority of St. Charles Parish, Louisiana basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Housing Authority of St. Charles Parish, Louisiana, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 10 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 general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of St. Charles Parish, Louisiana's basic financial statements. The statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, 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 other information as listed on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, 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 other information as listed on the table of contents 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. Such 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 statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, schedule of expenditures of federal awards, and other information as listed on the table of contents 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 July 19, 2021 on our consideration of the Housing Authority of St. Charles Parish, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the St. Charles Parish, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of St. Charles Parish, Louisiana's internal control over financial reporting and compliance.

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
July 19, 2021

**HOUSING AUTHORITY OF ST. CHARLES PARISH, LA**

**REQUIRED SUPPLEMENTAL INFORMATION**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**

**September 30, 2020**

**The management of Housing Authority of St. Charles Parish presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2020. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.**

## **FINANCIAL HIGHLIGHTS**

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$1,898,108 at the close of the fiscal year ended 2020.
  - ✓ Of this amount \$1,626,568 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
  - ✓ Also, of this amount, \$219,679 of net position is restricted for the Housing Choice Voucher program.
  - ✓ The remainder of \$51,861 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 2% of the total operating expenses of \$3,420,148 for the fiscal year 2020, which means the Authority might be able to operate about 0 months using the unrestricted assets alone, compared to 0 months in the prior fiscal year.
- The Housing Authority's total net position increased by \$29,611, a 2% increase from the prior fiscal year 2019.
- The increase in net position of these funds was accompanied by an increase in cash and cash equivalents of \$125,982.
- The Authority Spent \$121,328 on capital asset additions.
- These changes led to an increase in total assets by \$11,323 and a decrease in total liabilities by \$18,288. As related measure of financial health, there are still over \$3 of current assets covering each dollar of total current liabilities, which compares to \$2 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

### **Reporting on the Housing Authority as a Whole**

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2020?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

**Fund Financial Statements**

All of the funds of the Housing Authority are reported as proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net position and changes in net position. One can think of the Housing Authority's net position – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

**USING THIS ANNUAL REPORT**

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

Public Housing Capital Fund Program	\$ 191,195
Low Rent Public Housing	460,913
Housing Choice Vouchers	2,222,313
Cares LR	70,710
Cares S8	<u>27,426</u>
Total funding received this current fiscal year	<u>\$ 2,972,557</u>

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

**Reporting the Housing Authority's Most Significant Funds**

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net position, is an important financial indicator.

**FINANCIAL ANALYSIS**

The Housing Authority's net position was \$1,898,108 as of September 30, 2020. Of this amount, \$1,626,568 was invested in capital assets and \$51,861 was unrestricted. There were \$219,679 in specific assets restricted for the Housing Choice Voucher (HCV) program.



Housing Authority of St. Charles Parish, LA  
 Management's Discussion and Analysis (MD&A)  
 September 30, 2020

**CONDENSED FINANCIAL STATEMENTS**

**Condensed Statement of Net Position  
 As of September 30, 2020**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Current assets	\$ 328,349	\$ 261,424
Assets restricted for Housing Choice Voucher (HCV) program	103,997	74,778
Capital assets, net of depreciation	<u>1,626,568</u>	<u>1,711,389</u>
Total assets	<u>2,058,914</u>	<u>2,047,591</u>
<b>LIABILITIES</b>		
Current liabilities	142,809	160,606
Non-current liabilities	<u>17,997</u>	<u>18,488</u>
Total liabilities	<u>160,806</u>	<u>179,094</u>
<b>NET POSITION (DEFICIT)</b>		
Invested in capital assets, net of depreciation	1,626,568	1,711,389
Net position restricted for the Housing Choice Voucher program	219,679	248,033
Unrestricted net position	<u>51,861</u>	<u>(90,925)</u>
Total net position	<u>\$ 1,898,108</u>	<u>\$ 1,868,497</u>

The net position of these funds increased by \$29,611, or by 2%, from those of fiscal year 2019, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Housing Authority of St. Charles Parish, LA  
Management's Discussion and Analysis (MD&A)  
September 30, 2020

**CONDENSED FINANCIAL STATEMENTS (Continued)**

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position  
Fiscal Year Ended September 30, 2020**

	<u>2020</u>	<u>2019</u>
<b>OPERATING REVENUES</b>		
Tenant Revenue	\$ 270,845	\$ 345,129
HUD grants for operations	2,863,859	2,869,977
Other non-tenant revenue	206,298	69,191
Total operating revenues	<u>3,341,002</u>	<u>3,284,297</u>
<b>OPERATING EXPENSES</b>		
General	117,283	125,060
Ordinary maintenance and repairs	301,868	284,424
Administrative expenses and management fees	362,931	421,580
Utilities	219,946	208,847
Tenant services	4,746	3,506
Federal Housing Assistance Payments (HAP) to landlords & Ports	2,207,225	2,088,400
Extraordinary maintenance and repairs	-	5,385
Depreciation	206,149	209,192
Total operating expenses	<u>3,420,148</u>	<u>3,346,394</u>
Income (losses) from operations	<u>(79,146)</u>	<u>(62,097)</u>
<b>NON-OPERATING REVENUES</b>		
Interest income	59	116
Total non-operating revenues	59	116
Income (losses) before capital contributions	(79,087)	(61,981)
<b>CAPITAL CONTRIBUTIONS</b>	<u>108,698</u>	<u>231,738</u>
<b>CHANGES IN NET POSITION</b>	<u>29,611</u>	<u>169,757</u>
<b>NET POSITION - BEGINNING</b>	1,868,497	1,698,740
<b>NET POSITION - END</b>	<u>\$ 1,898,108</u>	<u>\$ 1,868,497</u>

## **EXPLANATIONS OF FINANCIAL ANALYSIS**

Compared with the prior fiscal year, total operating and capital contributions decreased \$71,793 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue decreased by \$74,284 from that of the prior fiscal year because the amount of rent each tenant pays is based on a sliding scale of their personal income. Included in this total is other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) which decreased by \$1,874.
- Federal revenues from HUD for operations decreased by \$6,118 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- Federal Capital Funds from HUD decreased by \$123,040 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2017 through 2019, and submitted a new grant during fiscal year 2020.
- Total other operating revenue increased by \$137,107 and interest income decreased by \$57 from the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$73,754, or by 2%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense decreased by \$3,043 from that of the prior fiscal year.
- Maintenance and repairs increased by \$17,444 from that of the prior fiscal year due to changes in the following: Repair staff wages decreased by \$1,848 and related employee benefit contributions increased by \$2,802. Materials used decreased by \$6,168 and contract labor costs increased by \$22,658. Finally, Extraordinary maintenance decreased by \$5,385 from the prior fiscal year.
- General Expenses decreased by \$7,777 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) decreased by \$8,908. PILOT is calculated as a percentage of rent minus utilities and therefore changed proportionately to the changes in each of these. Insurance premiums increased by \$1,410, other general expenses decreased by \$9,933 and bad debts increased by \$10,736. Lastly, compensated absences decreased by \$2,630.
- Administrative Expenses decreased by \$58,649 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries decreased by \$33,464 and related employee benefit contributions decreased by \$13,586; therefore, total staff salaries and benefit costs decreased. Outside professional fees changed as follows: audit fees decreased by \$239 and legal fees increased by \$6,486. In addition, staff travel reimbursements decreased by \$6,492, office expenses increased by \$40,902 and sundry expenses decreased by \$52,556.
- Housing Assistance Payments to landlords increased by \$118,825 from that of the prior fiscal year partly because there was an increase in the number of tenants qualifying for subsidy during the year.
- Utilities Expense increased by \$11,099 from that of the prior fiscal year because water cost decreased by \$1,111, electricity cost increased by \$923, gas cost decreased by \$12,725, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) increased by \$24,012.
- Total Tenant Services increased by \$1,240 from that of the prior fiscal year due to the following combination of factors: relocation costs decreased by \$908 and other tenant services increased by \$2,148.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At September 30, 2020, the Housing Authority had a total cost of \$9,415,495 invested in a broad range of assets and construction in progress from projects funded in 2017 through 2019, listed below. This amount, not including depreciation, represents increases of \$121,327 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Statement of Capital Assets  
 As of September 30, 2020**

	<u>2020</u>	<u>2019</u>
Land	\$ 13,028	\$ 13,028
Construction in progress	-	231,739
Buildings	8,360,226	8,005,612
Leasehold improvements	757,181	757,181
Furniture and equipment	285,060	286,608
Accumulated Depreciation	<u>(7,788,927)</u>	<u>(7,582,778)</u>
Total	<u>\$ 1,626,568</u>	<u>\$ 1,711,390</u>

As of the end of the 2020 fiscal year, the Authority is still in the process of completing a 2019 HUD grant of \$247,751. A total remainder of \$173,941 will be received and spent for completing this project during fiscal year 2021.

**Debt**

Non-current liabilities also include accrued annual leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2021 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

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

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Leatrice Hollis, at Housing Authority of St. Charles Parish; P. O. Box 448, Boutte, LA 70039.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

	General	Section Eight	Total
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 33,284	\$ 167,712	\$ 200,996
Accounts receivable net	34,620	3,784	38,404
Prepaid items and other assets	46,247	15,063	61,310
Restricted assets - cash and cash equivalents	20,396	103,997	124,393
Inventories	7,243	0	7,243
Total Current Assets	<u>141,790</u>	<u>290,556</u>	<u>432,346</u>
Capital Assets, net			
Land and other non-depreciated assets	13,028	0	13,028
Other capital assets - net of depreciation	1,612,938	602	1,613,540
Total Capital Assets, net	<u>1,625,966</u>	<u>602</u>	<u>1,626,568</u>
Total Assets	<u>\$ 1,767,756</u>	<u>291,158</u>	<u>\$ 2,058,914</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	\$ 33,793	\$ 16,935	\$ 50,728
Unearned income	2,503	57,573	60,076
Compensated absences payable	5,871	1,426	7,297
Deposits due others	20,396	0	20,396
Accrued PILOT	4,312	0	4,312
Interfund	(7,254)	7,254	0
Total Current Liabilities	<u>59,621</u>	<u>83,188</u>	<u>142,809</u>
Noncurrent Liabilities			
Compensated absences payable	15,939	2,058	17,997
Total Liabilities	<u>75,560</u>	<u>85,246</u>	<u>160,806</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,625,966	602	1,626,568
Restricted for:			
HAP Equity	0	219,679	219,679
Unrestricted	66,230	(14,369)	51,861
Net Position	<u>\$ 1,692,196</u>	<u>\$ 205,912</u>	<u>\$ 1,898,108</u>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET POSITION

YEAR ENDED SEPTEMBER 30, 2020

	General	Section Eight	Total
<b>OPERATING REVENUES</b>			
Dwelling rental	\$ 263,019	\$ 0	\$ 263,019
Governmental operating grants	614,120	2,249,739	2,863,859
Other- dwelling income	7,826	0	7,826
Other	33,990	172,308	206,298
<b>Total Operating Revenues</b>	<b>918,955</b>	<b>2,422,047</b>	<b>3,341,002</b>
<b>OPERATING EXPENSES</b>			
Administration	267,416	95,515	362,931
Tenant services	4,746	0	4,746
Utilities	219,946	0	219,946
Ordinary maintenance & operations	301,868	0	301,868
General expenses	96,478	19,257	115,735
Depreciation	205,712	437	206,149
Housing assistance payments	0	2,057,357	2,057,357
Housing assistance- Ports In	0	149,868	149,868
Protective services	1,548	0	1,548
<b>Total Operating Expenses</b>	<b>1,097,714</b>	<b>2,322,434</b>	<b>3,420,148</b>
<b>Income (Loss) from Operations</b>	<b>(178,759)</b>	<b>99,613</b>	<b>(79,146)</b>
<b>Non Operating Revenues (Expenses)</b>			
Interest earnings	55	4	59
<b>Total Non-Operating Revenues (Expenses)</b>	<b>55</b>	<b>4</b>	<b>59</b>
<b>Income (Loss) before contribution</b>	<b>(178,704)</b>	<b>99,617</b>	<b>(79,087)</b>
Capital Contribution	108,698	0	108,698
<b>Change in net position</b>	<b>(70,006)</b>	<b>99,617</b>	<b>29,611</b>
<b>Total net position - beginning</b>	<b>1,762,202</b>	<b>106,295</b>	<b>1,868,497</b>
<b>Total net position - ending</b>	<b>\$ 1,692,196</b>	<b>\$ 205,912</b>	<b>\$ 1,898,108</b>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2020

	General	Section Eight	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Rental receipts	\$ 159,051	\$ 0	\$ 159,051
Other receipts	36,900	179,236	216,136
Federal grants	658,346	2,307,807	2,966,153
Payments to vendors	(565,186)	(76,044)	(641,230)
Payments to employees – net	(308,129)	(46,203)	(354,332)
Payments to private landlords	0	(2,207,225)	(2,207,225)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net cash provided (used) by operating activities	(19,018)	157,571	138,553
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(121,328)	0	(121,328)
Federal Capital Grants	108,698	0	108,698
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net cash provided (used) by capital and related financing activities	(12,630)	0	(12,630)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest income	55	4	59
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net cash provided (used) by investing activities	55	4	59
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(31,593)	157,575	125,982
<b>CASH AND CASH EQUIVALENTS</b>			
Beginning of Fiscal Year	85,273	114,134	199,407
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>CASH AND CASH EQUIVALENTS</b>			
End of Fiscal Year	\$ 53,680	\$ 271,709	\$ 325,389
	<u>                    </u>	<u>                    </u>	<u>                    </u>

Continued

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2020

	General	Section Eight	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (178,759)	\$ 99,613	\$ (79,146)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation Expense	205,712	437	206,149
Provision of uncollectible accounts	12,007	2,902	14,909
Change in assets and liabilities:			
Receivables	26,946	0	26,946
Inventories	1,704	0	1,704
Prepaid items	(7,616)	(2,877)	(10,493)
Account payables	18,475	(5,261)	13,214
Accrued comp/payroll taxes	(8,376)	(2,070)	(10,446)
Deposits due others	(394)	0	(394)
Unearned income	(85,775)	57,573	(28,202)
Interfund changes	(7,254)	7,254	0
Accrued PILOT	4,312	0	4,312
Net cash provided (used) by operations	<u>\$ (19,018)</u>	<u>\$ 157,571</u>	<u>\$ 138,553</u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.



HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

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HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Housing Authority of St. Charles Parish have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the State of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor should be appointed by the Parish President of St. Charles Parish.

The Housing Authority has the following units:

PHA Owned Housing	129 Units
Section 8	
Housing Choice Vouchers	373 Vouchers

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of St. Charles Parish since St. Charles Parish appoints a voting majority of the Housing Authority's governing board. St. Charles Parish is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, St. Charles Parish. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of St. Charles Parish.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

- 1) Appointing a voting majority of an organization's governing body, and:
  - a) The ability of the government to impose its will on that organization and/or
  - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

**B. FUNDS** The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program. The housing choice voucher fund accounts for the Section 8 Housing Choice Voucher program.

### **C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**PROPRIETARY FUNDS** Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**D. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$325,389. This is comprised of cash and cash equivalents of \$200,996 and restricted assets – cash of \$124,393, on the statement of net position.

**E. INVESTMENTS** Investments are limited to L.S.-R.S. 33:2955 and the Housing Authority investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

**F. REVENUE RECOGNITION** Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.

**G. INVENTORY** All purchased inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year end, the amount of inventory is recorded for external financial reporting.

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

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,500. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	15-44 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

**J. UNEARNED INCOME** The Housing Authority reports prepaid revenues on its statement of net position. Prepaid revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for prepaid revenue is removed from the statement of net position and the revenue is recognized.

**K. COMPENSATED ABSENCES** The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

**L. POST EMPLOYMENT BENEFITS** The Authority does not recognize or pay any post employment benefits. Accordingly, Governmental Accounting Standards Board (GASB) Statement Number 45 does not apply.

**M. NET POSITION AND FLOW ASSUMPTIONS** Net position is reported as restricted when constraints placed on net position use as either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Sometime the Authority may fund outlays from both restricted and unrestricted resources. In the event that should occur, the Authority must make a flow assumption about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**N. USE OF ESTIMATES** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – DEPOSITS AND INVESTMENTS** The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2020. Deposits are stated at cost, which approximates fair value.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$20,936 is restricted in the General Fund for security deposits. \$57,573 is restricted in the Housing Choice Voucher Fund for an amount equal to unearned revenue. \$46,424 is restricted in the Housing Choice Voucher fund for HAP Equity.

At September 30, 2020, the Housing Authority's carrying amount of deposits was \$325,389 and the bank balance was \$356,595. \$250,000 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$106,595 was covered by pledged securities. However, this \$106,595 was exposed to custodial credit risk, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand. Investments during the year were solely in time deposits at banks.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**NOTE 3 – ACCOUNTS RECEIVABLE** The receivables at September 30, 2020, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Section Eight</u>	<u>Total</u>
Local sources:			
Tenants	\$ 13,760	\$ 0	\$ 13,760
Other	2,995	303	3,298
Federal sources:			
Grants	17,865	3,481	21,346
Total	<u>\$ 34,620</u>	<u>\$ 3,784</u>	<u>\$ 38,404</u>

The tenants account receivable is net of an allowance for doubtful accounts of \$31,916.

**NOTE 4 – CAPITAL ASSETS** The changes in capital assets are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-depreciable assets				
Land and buildings	\$ 13,028	\$ 0	\$ 0	\$ 13,028
Construction in progress	231,738	0	231,738	0
Depreciable assets:				
Buildings	8,762,794	354,613	0	9,117,407
Furniture and equipment	286,608	0	1,548	285,060
Total capital assets	<u>9,294,168</u>	<u>354,613</u>	<u>233,286</u>	<u>9,415,495</u>
Less: accumulated depreciation				
Buildings	7,309,805	203,333	0	7,513,138
Furniture and equipment	272,973	2,816	0	275,789
Total accumulated depreciation	<u>7,582,778</u>	<u>206,149</u>	<u>0</u>	<u>7,788,927</u>
Total capital assets, net	<u>\$ 1,711,390</u>	<u>\$ 148,464</u>	<u>\$ 233,286</u>	<u>\$ 1,626,568</u>

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**NOTE 5 – ACCOUNTS PAYABLE** The payables at September 30, 2020 are as follows:

	General	Section Eight	Total
Vendors	\$ 5,607	\$ 354	\$ 5,961
Payroll taxes & Retirement withheld	622	0	622
HUD	0	16,581	16,581
Utilities	27,564	0	27,564
Total	\$ 33,793	\$ 16,935	\$ 50,728

**NOTE 6 – COMPENSATED ABSENCES** At September 30, 2020, employees of the Housing Authority have accumulated and vested \$25,294 of employee leave computed in accordance with GASB, Codification Section C60.

**NOTE 7 – LONG-TERM OBLIGATIONS** The following is a summary of the long-term obligation transactions for the year ended September 30, 2020.

	Compensated Absences
Balance, beginning	\$ 25,918
Additions	5,311
Deletions	(5,935)
Balance, ending	25,294
Amounts due in one year	\$ 7,297

**NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES** At September 30, 2020, the Section Eight Fund owes the General Fund \$7,254. For financial statement purposes, this amount was deducted from Section Eight Fund cash and added to General Fund cash.



HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**NOTE 9 – RETIREMENT SYSTEM** The Housing Authority participates in the Housing Agency Retirement Trust (HART), which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the month after completing six continuous months of employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant may contribute up to 5% of their effective compensation, and the Authority matches the employee's contribution, and then contributes an additional 2%.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are first used to pay for plan expenses and if there is any residual amount, the amount is refunded to the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the HART may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$11,200 for the year ended September 30, 2020, of which \$8,400 was paid by the Housing Authority and \$2,800 was paid by employees. No payments were made out of the forfeiture account.

**NOTE 10 – COMMITMENTS AND CONTINGENCIES**

**Commitments** The Authority renewed an Employment Agreement with the Executive Director, effective June 27, 2019. The Agreement is for five years. The Authority has the option to extend for two additional one year extensions by a simple majority vote of the Board. Failure to vote to extend the contract terminates the Agreement. If the Agreement is terminated for cause, the Authority is obligated to pay the Director only the annual salary for work and time already performed.

**Litigation** The Housing Authority is not presently involved in litigation.

**Grant Disallowances** The Housing Authority participates in a number of federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**Construction Projects** There are certain renovation or construction projects in progress at September 30, 2020. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

**Risk Management** The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

The Housing Authority transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of property, general liability, public liability, and worker's compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council, Inc Group Insurance Risk Management Agency risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

**COVID-19** The COVID-19 pandemic has impacted the Authority's dealings with tenants and applicants. The Authority received CARES Act grants of \$84,999 and \$71,065.

**NOTE 11 – ECONOMIC DEPENDENCE** The Department of Housing and Urban Development provided \$2,972,557 to the Housing Authority, which represents approximately 86% of the Housing Authority's total revenue and capital contributions for the year.

**NOTE 12 – HUD HELD RESERVES** At September 30, 2020, HUD held Section Eight reserves of \$88,224.

**NOTE 13 – SUBSEQUENT EVENTS** As a result of a HUD-OIG audit in 2014, the Authority owes \$605,575 in HCV restricted funds to HUD that are required to be paid from non-federal funds. The most recent correspondence available from HUD to us is dated February 12, 2020. As of the date of this audit report, the Authority is in the final stages of a voluntary conversion plan. If the plan is successful, the Low Rent units will be removed from inventory, and converted on a temporary basis to tenant protection vouchers. Ultimately, the former Low Rent units will be available to tenants through Project Based Vouchers. It appears that this will satisfy the debt owed to HUD that originated with the 2014 OIG review.



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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*

Independent Auditor's Report

Housing Authority of St. Charles Parish  
Boutte, Louisiana

We have audited, 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, the financial statements of each major fund of the Housing Authority of St. Charles Parish, Louisiana, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority of St. Charles Parish, Louisiana's basic financial statements, and have issued our report thereon dated July 19, 2021.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of St. Charles Parish, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of St. Charles Parish, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of St. Charles Parish, Louisiana'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 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.

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

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Housing Authority of St. Charles Parish, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as Audit Findings 2020-001 and 2020-002.

### ***Response to Finding***

The Housing Authority of St. Charles Parish, Louisiana's response to the findings identified in our audit are described in the accompanying Corrective Action Plan. The Housing Authority of St. Charles Parish, Louisiana's response was not subjected to the auditing procedure applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### ***Purpose of this Report***

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

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
July 19, 2021





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Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Housing Authority of St. Charles Parish  
Boutte, Louisiana

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

We have audited the Housing Authority of St. Charles Parish, Louisiana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of St. Charles Parish, Louisiana's major federal programs for the year ended September 30, 2020. The Housing Authority of St. Charles Parish, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

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

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

### ***Basis for Qualified Opinions on Section Eight Housing Choice Voucher Program***

As described in the accompanying schedule of findings and questioned costs, the Housing Authority of St. Charles Parish, Louisiana did not comply with the requirements regarding the Section Eight Housing Choice Voucher Program as described in the Audit Findings 2020-001 and 2020-002-Allowable Costs.

Compliance with such requirements is necessary, in our opinion, for the Housing Authority of St. Charles Parish, Louisiana to comply with the requirements applicable to that program.

### ***Qualified Opinions on Section Eight Housing Choice Voucher Program***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinions paragraph, the Housing Authority of St. Charles Parish, Louisiana complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Section Eight Housing Choice Voucher Program for the year ended September 30, 2020.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item Audit Finding 2020-001 and 2020-002.

The Housing Authority of St. Charles Parish, Louisiana's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Housing Authority of St. Charles Parish, Louisiana's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a

reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charge with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as finding 2020-001 and 2020-002, that we consider to be material weaknesses.

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.

### ***Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance***

We have audited the financial statements of Housing Authority of St. Charles Parish, Louisiana as of and for the year ended September 30, 2020, and have issued our report thereon dated July 19, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
July 19, 2021

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2020

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 460,913
COVID-19-Low-Income Housing Operating Subsidy	14.850a	70,710
Capital Fund Program	14.872	191,195
Housing Choice Voucher	14.871	2,222,313
COVID-19-Housing Choice Voucher	14.871	27,426
Total United States Department of Housing and Urban Development		\$ 2,972,557
Total Expenditures of Federal Awards		\$ 2,972,557

The accompanying notes are an integral part of this schedule.



HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2020

**NOTE 1 – BASIS OF PRESENTATION** The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of St. Charles Parish, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended September 30, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing 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 allowable or are limited as to reimbursement.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the Housing Authority’s basic financial statements as follows:

	<u>Federal Sources</u>
Enterprise Funds	
Governmental operating grants	\$ 2,863,859
Capital contributions	108,698
	<hr/>
Total	\$ 2,972,557
	<hr/> <hr/>

**NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

**NOTE 5 – DE MINIMIS INDIRECT COST RATE** The Housing Authority did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2020

**Section I – Summary of the Auditor’s Results**

**Financial Statement Audit**

1. Type of Auditor’s Report Issued on Financial Statements – Unmodified.
2. Internal Control Over Financial Reporting:
  - a. Material weakness(es) identified?     yes     no
  - b. Significant deficiency(ies) identified?     yes     none reported
3. Noncompliance material to financial statements noted?     yes     no

**Audit of Federal Awards**

1. Internal Control Over Major Programs:
  - a. Material weakness(es) identified?     yes     no
  - b. Significant deficiency(ies) identified that are not considered to be material weaknesses?     yes     none reported
2. Type of Auditor’s Report Issued on Compliance For Major Programs – Modified.
3. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (2 CFR 200)?     yes     no
4. The programs tested as major programs include:

CFDA# 14.871                      Section 8 Housing Choice Voucher
5. Dollar threshold used to distinguish between Type A and Type B Programs as described in the Uniform Guidance (2 CFR 200): \$ 750,000
6. Auditee qualified as low-risk auditee under Uniform Guidance (2 CFR 200)?     yes     no
7. Nonstatistical sampling was used. To determine sample sizes, the AICPA Audit Guide *Audit Sampling* was used.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2020

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

General Fund-Low Rent Program-CDFA#14.850 and Section Eight Housing Fund-CDFA#14.871

Finding 2020-001-Internal Controls Inadequate for Disbursements-Allowable Costs

Criteria and Condition

1. In our tests, we noted approximately \$5,448 of disbursements that were not supported by invoices or other detail. Unlike last year, only a minimal amount of this appeared to be food or beverages.
2. In addition, we noted approximately \$2,990 of disbursements for food and beverages that were adequately supported, but appeared to be excessive. Approximately \$1,365 of this was incurred at an off-site retreat for Management and the board of commissioners.
3. We noted two payments to the Authority's legal counsel that were unsupported. The amounts were for \$4,500 and \$5,095. In addition, a payment for \$2,500 to the same attorney appears to pay invoices and charges that were previously paid.

Context

We reviewed all credit card statements and all payments to the Executive Director. For the current audit year, the Authority utilized a credit card in the name of the Housing Authority. Management claims that most, if not all, the food and beverages were for staff. We explained in the prior year, when this type of finding first occurred, that to be in accordance with state law [federal law is similar] four tests must be met for food and beverages costs to be allowable. First, there needs to be a written agenda for the in-house staff training. Secondly, there needs to be a written sign-in sheet or some other documentation of who attended the meeting. Third, the reason for the training could not be done early or late in the working day and thus had to be done at the lunch hour needs to be documented. And finally, the costs of the food and beverage needs to be minimum and reasonable.

All of the disbursements noted in #s 1 and 2 above originated before June 30, 2020. We discussed this issue with Management in June 2020 when we first noted the unsupported and excessive payments.

Effect

The above categories total to \$20,533. These expenditures, if reviewed by either state or federal authorities, likely would not be allowable.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2020

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

Cause

We are not sure why the Executive Director was not aware of the significant limitations on food and beverage disbursements from Authority funds. However, as noted above, these disbursements appeared to end after we discussed this with the Executive Director in June 2020.

Questioned Costs

None

Recommendation

Food and drink for the staff should only be purchased when the four criteria noted above are present.

Regarding the legal expenses noted, we asked for additional support from Management but we did not receive any. If Management is unable to secure sufficient detail, reimbursement for these amounts should be secured from the paid attorney.

Views of Responsible Officials and Planned Corrective Action

I am Leatrice Hollis, Executive Director and Designated Person to answer this audit finding. We will do as the auditor suggests.

Section Eight Housing Fund-CDFA #14.871

Finding 2020-002-Insufficient Restricted Cash and Deficit in Unrestricted Net Position-Allowable Costs

Criteria and Condition

This condition existed before the present Executive Director started in June 2018.

The Restricted Net Position balance at September 30, 2020 was \$219,679. \$173,255 of remaining funds from the DHAP Katrina program, presently reserved for future HUD-designated disaster programs, comprises part of this amount. \$46,424 was the balance of the Housing Choice Voucher Program. The total restricted cash was \$103,997 with the \$115,682 shortage of cash related to the total reserved balance existing in the Housing Choice Voucher Program (\$219,679 - \$103,997).

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2020

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

In addition, the Unrestricted Net Position was a deficit of \$14,369. This balance should not show a deficit.

A significant issue that continues is that the Housing Choice Voucher Fund has utilized all of the remaining \$173,255 of cash left with the DHAP-Katrina Fund. This money is only supposed to be used for designated disaster programs. This occurred before the present Executive Director was hired.

Context

Cash and investments should be at least equal to the Restricted Net Position. The latter is the amount reserved for payment of Housing Assistance Payments (HAP), per the funding from HUD through the end of the fiscal year.

In regards to the Unrestricted Net Position, when a surplus (positive), is the remaining amount that can be paid for non-HAP, administrative expenses. When the number is a deficit (negative), this means that administrative expenses have been paid from funds designated by HUD funding to be used for only HAP payments.

Effect

The PHA did not have sufficient cash on hand at year-end to pay its obligation for HAP payments, in a prior audit year, due to inadequate forecasting. In addition, the PHA had paid cumulatively to date, September 30, 2020, \$14,369 more for administrative expenses from funds not designated for administrative expenses, but instead from funds designated by HUD funding for HAP payments, including in essence also incorrectly borrowing from the \$173,255 remaining cash of the DHAP-Katrina Fund.

Cause

The bottom line answer for the deficit of \$14,369 in Unrestricted Equity is that the Authority spent more, in prior years for Administrative Costs (all costs other than Housing Assistance Payments) than HUD allowed the Authority by HUD formula and drawdowns.

In years prior to year ended September 30, 2015, part of the reason for the creation of the deficit was that the Authority was under-issued on its vouchers. The funding for administrative increases or decreases rise or fall with the number of issued vouchers. Prior to fiscal year ended 2015, the Authority dealt with a large number of Ports, which increase administrative time, but without funding. Beginning in the year ended September 2016, many of the Ports were absorbed, which somewhat improved the administrative funding, but not enough to offset the administrative costs.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2020

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

HUD was holding reserves of approximately \$88,224 at September 30, 2020.

Questioned Costs

None.

Recommendation

The Authority hired a new Executive Director, who started in late June 2018. She has reduced expenses. The new E.D. should continue to look for ways to evaluate expenses as to their benefit and necessity.

The unrestricted equity deficit was reduced \$120,408 for the year ended September 30, 2020, from a deficit of \$142,777 to \$14,369.

Views of Responsible Officials and Planned Corrective Actions

We will continue to reduce expenses where it is possible.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2020

**Section III – Findings and questioned costs for federal awards which are required to be reported under Uniform Guidance**

Findings 2020-001 and 20220-002 also apply here.

# ST. CHARLES PARISH HOUSING AUTHORITY

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PHONE: 985-785-2601 · FAX: 985-785-6238 ·  
200 BOUTTE ESTATES DRIVE · BOUTTE, LA 70039-0448

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## HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2020

### **Corrective Action Plan Finding:**

#### **2020-001-Internal Controls Inadequate for Disbursements-Allowable Costs**

### **Condition:**

1. In our tests, we noted approximately \$5,448 of disbursements that were not supported by invoices or other detail. Unlike last year, only a minimal amount of this appeared to be food or beverages.
2. In addition, we noted approximately \$2,990 of disbursements for food and beverages that were adequately supported, but appeared to be excessive. Approximately \$1,365 of this was incurred at an off-site retreat for Management and the board of commissioners.
3. We noted two payments to the Authority's legal counsel that were unsupported. The amounts were for \$4,500 and \$5,095. In addition, a payment for \$2,500 to the same attorney appears to pay invoices and charges that were previously paid.

### **Corrective Action Planned**

I am Leatrice Hollis, Executive Director and Designated Person to answer this audit finding. We will do as the auditor suggests.

### **Person responsible for corrective action:**

Leatrice Hollis, Executive Director  
St. Charles Parish Housing Authority  
200 Boutte Estates Dr.  
Boutte, LA 70039

Telephone: (985) 785-2601  
Fax: (985) 785-6238

**Anticipated Completion Date-** September 30, 2021

### **Corrective Action Plan Finding:**

**Finding 2020-002-Insufficient Restricted Cash and Deficit in Unrestricted Net Position-Allowable Costs**



HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2020

**Condition:**

This condition existed before the present Executive Director started in June 2018.

The Restricted Net Position balance at September 30, 2020 was \$219,679. \$173,255 of remaining funds from the DHAP Katrina program, presently reserved for future HUD-designated disaster programs, comprises part of this amount. \$46,424 was the balance of the Housing Choice Voucher Program. The total restricted cash was \$103,997 with the \$115,682 shortage of cash related to the total reserved balance existing in the Housing Choice Voucher Program (\$219,679 - \$103,997).

In addition, the Unrestricted Net Position was a deficit of \$14,369. This balance should not show a deficit.

A significant issue that continues is that the Housing Choice Voucher Fund has utilized all of the remaining \$173,255 of cash left with the DHAP-Katrina Fund. This money is only supposed to be used for designated disaster programs.

**Corrective Action Planned**

We will continue to reduce expenses where it is possible.

**Person responsible for corrective action:**

Leatrice Hollis, Executive Director  
St. Charles Parish Housing Authority  
200 Boutte Estates Dr.  
Boutte, LA 70039

Telephone: (985) 785-2601  
Fax: (985) 785-6238

**Anticipated Completion Date-** September 30, 2021

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2020

**The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:**

General Fund-Low Rent Program-CDFA #14.850 and Section Eight Housing Fund-CDFA #14.871

Finding 2019-001-Internal Controls Inadequate for Disbursements-Allowable Costs

Condition

In our tests, we noted approximately \$4,388 of disbursements that were not supported by invoices or other detail. Most of this appears to be food and beverage costs. Also, we noted approximately \$4,414 of disbursements that appeared to be for food and beverage costs that were adequately supported, but appeared to excessive. Also, we noted a minimum of \$5,993 of travel costs, principally for hotel rooms, that were adequately supported, part of which may be considered excessive.

Recommendation

Food and drink for the staff should only be purchased when the four criteria noted above are present. Regarding travel, as noted above, a significant decision has been made regarding the future housing of the PHA. This may justify the high travel costs of the travel period. However, considering the present financial condition of the Authority, the board should strongly consider limiting out of town travel to that considered absolutely essential. Many trainings and explanations are available on the internet, including the HUD website. When travel is absolutely necessary, the cheapest, reasonable rooms should be secured.

Current Status

This finding is repeated in the current audit.

Section Eight Housing Fund – CFDA #14.871

Finding 2019– 002 – Insufficient Restricted Cash and Deficit in Unrestricted Net Position – Allowable Costs

Condition

This condition existed before the present Executive Director started in June 2018.

The Restricted Net Position balance at September 30, 2019 was \$248,033. \$173,255 of remaining funds from the DHAP Katrina program, presently reserved for future HUD-designated disaster programs, comprises part of this amount. \$74,778 was the balance of the Housing Choice Voucher Program. The total restricted cash was \$74,778 with the \$173,255 shortage of cash related to the total reserved balance existing in the Housing Choice Voucher Program (\$248,033 - \$74,778).

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2020

**The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:**

In addition, the Unrestricted Net Position was a deficit of \$142,477. This balance should not show a deficit.

A significant issue that continues is that the Housing Choice Voucher Fund has utilized all of the remaining \$173,255 of cash left with the DHAP-Katrina Fund. This money is only supposed to be used for designated disaster programs.

Recommendation

The Authority hired a new Executive Director, who started in late June 2018. She has reduced expenses. The new E.D. should continue to look for ways to evaluate expenses as to their benefit and necessity.

Current Status

This finding is repeated in the current audit.

Section Eight Housing Fund-CDFA # 14.871

Finding 2019-003-Errors Noted in HAP Payments, SEMAP Needs Better Documentation-Special Tests

Condition

a) Housing Assistance Payments (HAPs) are calculated at move-in, annual recertification, transfers, and for interim changes. The essential calculation is performed on software. The form that contains the calculation that is transmitted to HUD is the 50058. Other agreements, including the tenant lease and HAP contract, include the tenant rent, HAP payments, and related amounts. In our tests, we noted three instances where the actual HAP paid was different that that figured on the 50058 and the related contracts and agreements noted previously.

b) SEMAP regulations state that the SEMAP sample, which is generated and tested by PHA personnel, is to be drawn in an unbiased manner. This was done. The total population or universe is also to be defined. This needs improvement. Indicator One requires testing from the waiting list, and also testing from a list of move-ins. It appears testing was only done from the waiting list.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2020

**The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:**

Recommendation

Quality control steps should include checking amounts from the 50058 and related agreements to the actual amount paid for the HAP. Regarding SEMAP, in our opinion the personnel is doing an adequate job in this area. The documentation of the population or universe and tweaking of the sample for Indicator One can be enhanced possibly by at least two personnel attending a SEMAP webcast of Nelrod or something similar. We note that at least one webcast was viewed during the audit year.

Current Status

This finding is not repeated in the current audit.

**SEE MANAGEMENT LETTER ON NEXT PAGE**

HOUSING AUTHORITY OF ST. CHARLES PARISH HOUSING AUTHORITY  
SCHEDULE OF MANAGEMENT LETTER ITEMS

YEAR ENDED SEPTEMBER 30, 2020

To Management and the Board of Commissioners:

In planning and performing our audit of the financial statements of the Housing Authority of the City of St. Charles Parish for the year ended September 30, 2020, we considered the Authority's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal controls.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum contained in this letter summarizes our comments and suggestions regarding those matters. (We have also reported on the Authority's internal control in our report dated July 19, 2021.) This letter does not affect our report dated July 19, 2021 on the financial statements of the Housing Authority of the City of St. Charles Parish.

The status of these comments will be reviewed during the next audit engagement. We have already discussed these comments and suggestions with various authority personnel, and we will be pleased to discuss them in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations.

Our recommendations are as follows:

2020-M1-Documentation of Executive Director's Time Needs Improvement

Condition

It appears that the Legislative Auditor's Office holds the view that state law requires all employees that are considered full-time and earn vacation and/or sick pay based on a schedule, must adequately document that they are either working forty hours a week, or are utilizing earned vacation and/or sick pay. This includes Executive Directors that are working via an Employment Agreements, such as held by the SCPHA Executive Director.

We made a management letter issue in the prior year that in our opinion, the current Executive Director was not adequately documenting her hours worked. I had discussed this with her in prior written and oral communications.

Our understanding is the Legislative Auditor has determined that a written attestation by such an employee that is maintained in the employee file is adequate. It appears the Legislative Auditor prefers these attestations should be done at least monthly, if not at the end of every pay period. The attestation should be to the effect, "I worked xxx hours the week ending xxx and xxx the week ending x. I used xxx hours of accrued hours of vacation [or sick] time on day x."

We recommended the Board should review these attestations at every board meeting.

HOUSING AUTHORITY OF ST. CHARLES PARISH HOUSING AUTHORITY  
SCHEDULE OF MANAGEMENT LETTER ITEMS

YEAR ENDED SEPTEMBER 30, 2020

In the year ended September 30, 2020, the Executive Director did not do this. However, she started keeping attestations in January 2021. However, she is still not tracking the sick or vacation time in these attestations. She is also not providing any vacation or sick time to the fee accountant.

Recommendation

The Executive Director still maintains that tracking her time does not apply to her, since she is salaried.

We recommend that the E.D. track vacation and sick time earned and used, as well as hours worked, as we outlined above. This detail should be submitted and tracked by the used payroll service. If the E.D. is not willing to do this, we recommend that she obtain written rulings from both the Legislative Auditor and also HUD-New Orleans regarding this matter.

View of Responsible Official

I will do one of the two options outlined by the auditor in the preceding paragraph.

2020-M2-Waiver of PILOT

Condition

Management represents that PILOT was waived by the taxing authorities for the year ended September 2019. We requested the written waivers in the prior audit year, but did not receive them.

Waivers are not indefinite, since local circumstances and local administrations change. We note that the Authority correctly accrued the PILOT for the year ended September 2020, since a waiver has not been obtained.

Recommendation

If management cannot obtain a waiver for the 2019 or 2020 PILOT, the PILOT should be paid.

View of Responsible Official

We will try to obtain a waiver for the 2019 and 2020 PILOT.

2020-M3-Open Meetings Law Should Be Followed

The Board of Commissioners and Management held a retreat in November 2019. It appears that the state Open Meetings Law was not properly adhered to [see Open Meetings Law, R.S. 42:11-R.S. 42:28, Q and A, revised June 2020]. The time and details of the retreat should have been duly posted, just as for a regular board meeting. The retreat met the definition of a meeting, per the statute. There was a quorum, per the statute.

HOUSING AUTHORITY OF ST. CHARLES PARISH HOUSING AUTHORITY  
SCHEDULE OF MANAGEMENT LETTER ITEMS

YEAR ENDED SEPTEMBER 30, 2020

In June 2020, while we were performing the audit of the year ended September 2019, we noted a prior retreat and made this a management letter issue for the September 2019 audit. However, this November 2019 retreat had already been conducted.

Recommendation

The Open Meetings Law should be complied with.

View of Responsible Official

We will comply with the auditor's recommendation.

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR MANAGEMENT LETTER ITEMS

YEAR ENDED SEPTEMBER 30, 2020

To Management and the Board of Commissioners:

During our audit, we became aware of matters that are opportunities for strengthening internal controls over compliance with requirements of laws, regulations, contracts, and grants applicable to federal program.

Our recommendations are as follows:

2019-M1-Documentation of Executive Director's Time Needs Improvement

Condition

The documentation of the Executive Director's time work needed improvement. We recommended options to do this.

Current Status

This management letter item is repeated in this audit. The Executive Director did not start maintaining these schedules until January 2021. Also, it appears these schedules were not reviewed and approved by the Board. Also, the payroll department should document that they timely receive these schedules, and reconcile and document the accrued vacation and sick time used by the Executive Director.

2019-M2-Waiver of PILOT

Condition

We recommended that Management obtain waivers from the taxing authorities for PILOT for the year ended September 30, 2019.

Current Status

Management did not obtain a waiver for PILOT for 2019. This management letter item is repeated.

2019-M3-Open Meetings Law Should Be Followed

Condition

The state Open Meetings Law was not complied with in regards to a Board and Management retreat.

Current Status

This item is repeated.



HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR MANAGEMENT LETTER ITEMS

YEAR ENDED SEPTEMBER 30, 2020

2019-M4-Section 3 Summary Report Not Timely Filed

Condition

The Section 3 Summary Report was not timely filed.

Current Status

On March 16, 2020, the Authority submitted the Section 3 report for the period from January 2019-December 2019. This item is not repeated in this audit.

**SUPPLEMENTARY INFORMATION**

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS  
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED SEPTEMBER 30, 2020

	2016 Capital Fund	2017 Capital Fund	2018 Capital Fund
Funds approved	\$ 144,521	\$ 149,540	\$ 232,160
Funds expended	144,521	149,540	232,160
Excess of funds approved	\$ 0	\$ 0	\$ 0
Funds advanced	\$ 144,521	\$ 149,540	\$ 232,160
Funds expended	144,521	149,540	232,160
Excess (Deficiency) of funds advanced	\$ 0	\$ 0	\$ 0

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statements of Modernization Costs, all dated December 17, 2020, accompanying the Actual Modernization Costs Certificates submitted to HUD for approval are in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

See accountant's report

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2020

CASH BASIS

	2019 Capital Fund
	<u>                    </u>
Funds approved	\$ 242,751
Funds expended	68,810
Excess of funds approved	<u>\$ 173,941</u>
Funds advanced	\$ 68,810
Funds expended	68,810
Excess (Deficiency) of funds	<u>\$ 0</u>

See accountant's report

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD  
 OR CHIEF EXECUTIVE DIRECTOR

YEAR ENDED SEPTEMBER 30, 2020

**Agency Head Name:** Leatrice Hollis, Executive Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 80,061
Benefits-insurance	12,556
Benefits-retirement	1,350
Benefits-<list any other here>	6,125
Car allowance	
Vehicle provided by government	<enter amount reported on W-2>
Per diem	449
Reimbursements	
Travel	
Registration fees	299
Conference travel	353
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	
<b>Total</b>	<b>\$ 101,193</b>

See accountant's report

**HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2020**

<b>Entity Wide Balance Sheet Summary</b>								
	Project Total	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$33,284	\$167,712				\$200,996		\$200,996
112 Cash - Restricted - Modernization and Development								
113 Cash - Other Restricted		\$46,424	\$57,573			\$103,997		\$103,997
114 Cash - Tenant Security Deposits	\$20,396					\$20,396		\$20,396
115 Cash - Restricted for Payment of Current Liabilities								
100 Total Cash	\$53,680	\$214,136	\$57,573	\$0	\$0	\$325,389	\$0	\$325,389
121 Accounts Receivable - PHA Projects		\$3,481				\$3,481		\$3,481
122 Accounts Receivable - HUD Other Projects	\$17,865					\$17,865		\$17,865
124 Accounts Receivable - Other Government								
125 Accounts Receivable - Miscellaneous	\$2,995	\$2,616				\$5,611		\$5,611
126 Accounts Receivable - Tenants	\$40,461					\$40,461		\$40,461
126.1 Allowance for Doubtful Accounts - Tenants	-\$26,701					-\$26,701		-\$26,701
126.2 Allowance for Doubtful Accounts - Other	\$0	-\$2,313				-\$2,313		-\$2,313
127 Notes, Loans, & Mortgages Receivable - Current								
128 Fraud Recovery		\$2,902				\$2,902		\$2,902
128.1 Allowance for Doubtful Accounts - Fraud		-\$2,902				-\$2,902		-\$2,902
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$34,620	\$3,784	\$0	\$0	\$0	\$38,404	\$0	\$38,404
131 Investments - Unrestricted								
132 Investments - Restricted								
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets	\$46,247	\$15,063				\$61,310		\$61,310
143 Inventories	\$8,048					\$8,048		\$8,048
143.1 Allowance for Obsolete Inventories	-\$805					-\$805		-\$805
144 Inter Program Due From	\$7,254	\$0		\$173,255		\$180,509	-\$180,509	\$0
145 Assets Held for Sale								
150 Total Current Assets	\$149,044	\$232,983	\$57,573	\$173,255	\$0	\$612,855	-\$180,509	\$432,346
161 Land	\$13,028					\$13,028		\$13,028
162 Buildings	\$8,358,146	\$2,080				\$8,360,226		\$8,360,226
163 Furniture, Equipment & Machinery - Dwellings	\$116,061					\$116,061		\$116,061
164 Furniture, Equipment & Machinery - Administration	\$131,206	\$37,793				\$168,999		\$168,999
165 Leasehold Improvements	\$755,940	\$1,241				\$757,181		\$757,181
166 Accumulated Depreciation	-\$7,748,415	-\$40,512				-\$7,788,927		-\$7,788,927
167 Construction in Progress								
168 Infrastructure								
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,625,966	\$602	\$0	\$0	\$0	\$1,626,568	\$0	\$1,626,568
171 Notes, Loans and Mortgages Receivable - Non-Current								
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173 Grants Receivable - Non Current								
174 Other Assets								
176 Investments in Joint Ventures								
180 Total Non-Current Assets	\$1,625,966	\$602	\$0	\$0	\$0	\$1,626,568	\$0	\$1,626,568
200 Deferred Outflow of Resources								
290 Total Assets and Deferred Outflow of Resources	\$1,775,010	\$233,585	\$57,573	\$173,255	\$0	\$2,239,423	-\$180,509	\$2,058,914

**HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2020**

<b>Entity Wide Balance Sheet Summary</b>								
	Project Total	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
311 Bank Overdraft								
312 Accounts Payable <= 90 Days	\$5,607	\$354				\$5,961		\$5,961
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable	\$622					\$622		\$622
322 Accrued Compensated Absences - Current Portion	\$5,871	\$1,426				\$7,297		\$7,297
324 Accrued Contingency Liability								
325 Accrued Interest Payable								
331 Accounts Payable - HUD PHA Programs		\$495				\$495		\$495
332 Account Payable - PHA Projects		\$16,086				\$16,086		\$16,086
333 Accounts Payable - Other Government	\$4,312					\$4,312		\$4,312
341 Tenant Security Deposits	\$20,396					\$20,396		\$20,396
342 Unearned Revenue	\$2,503		\$57,573			\$60,076		\$60,076
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue								
344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities								
346 Accrued Liabilities - Other	\$27,564					\$27,564		\$27,564
347 Inter Program - Due To		\$180,509				\$180,509	-\$180,509	\$0
348 Loan Liability - Current								
310 Total Current Liabilities	\$66,875	\$198,870	\$57,573	\$0	\$0	\$323,318	-\$180,509	\$142,809
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue								
352 Long-term Debt, Net of Current - Operating Borrowings								
353 Non-current Liabilities - Other								
354 Accrued Compensated Absences - Non Current	\$15,939	\$2,058				\$17,997		\$17,997
355 Loan Liability - Non Current								
356 FASB 5 Liabilities								
357 Accrued Pension and OPEB Liabilities								
350 Total Non-Current Liabilities	\$15,939	\$2,058	\$0	\$0	\$0	\$17,997	\$0	\$17,997
300 Total Liabilities	\$82,814	\$200,928	\$57,573	\$0	\$0	\$341,315	-\$180,509	\$160,806
400 Deferred Inflow of Resources								
508.4 Net Investment in Capital Assets	\$1,625,966	\$602				\$1,626,568		\$1,626,568
511.4 Restricted Net Position		\$46,424		\$173,255		\$219,679		\$219,679
512.4 Unrestricted Net Position	\$66,230	-\$14,369	\$0	\$0	\$0	\$51,861		\$51,861
513 Total Equity - Net Assets / Position	\$1,692,196	\$32,657	\$0	\$173,255	\$0	\$1,898,108	\$0	\$1,898,108
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,775,010	\$233,585	\$57,573	\$173,255	\$0	\$2,239,423	-\$180,509	\$2,058,914

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$263,019		\$263,019
70400 Tenant Revenue - Other	\$7,826		\$7,826
70500 Total Tenant Revenue	\$270,845	\$0	\$270,845
70600 HUD PHA Operating Grants	\$460,913	\$82,497	\$543,410
70610 Capital Grants		\$108,698	\$108,698
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$55		\$55
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	\$33,990		\$33,990
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$765,803	\$191,195	\$956,998
91100 Administrative Salaries	\$76,132		\$76,132
91200 Auditing Fees	\$8,233		\$8,233
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$390		\$390
91500 Employee Benefit contributions - Administrative	\$33,183		\$33,183
91600 Office Expenses	\$58,361		\$58,361
91700 Legal Expense	\$13,398		\$13,398
91800 Travel	\$11,025		\$11,025
91810 Allocated Overhead			
91900 Other	\$23,181		\$23,181
91000 Total Operating - Administrative	\$223,903	\$0	\$223,903
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs	\$2,369		\$2,369
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$200		\$200
92500 Total Tenant Services	\$2,569	\$0	\$2,569
93100 Water	\$77,868		\$77,868
93200 Electricity	\$16,138		\$16,138
93300 Gas	\$40,989		\$40,989
93400 Fuel			
93500 Labor			
93600 Sewer	\$84,951		\$84,951



HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$219,946	\$0	\$219,946
94100 Ordinary Maintenance and Operations - Labor	\$87,343		\$87,343
94200 Ordinary Maintenance and Operations - Materials and Other	\$29,564		\$29,564
94300 Ordinary Maintenance and Operations Contracts	\$122,032		\$122,032
94500 Employee Benefit Contributions - Ordinary Maintenance	\$37,909		\$37,909
94000 Total Maintenance	\$276,848	\$0	\$276,848
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other	\$1,548		\$1,548
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$1,548	\$0	\$1,548
96110 Property Insurance	\$54,436		\$54,436
96120 Liability Insurance	\$7,369		\$7,369
96130 Workmen's Compensation	\$4,680		\$4,680
96140 All Other Insurance	\$5,672		\$5,672
96100 Total insurance Premiums	\$72,157	\$0	\$72,157
96200 Other General Expenses	\$3,992		\$3,992
96210 Compensated Absences	\$1,347		\$1,347
96300 Payments in Lieu of Taxes	\$4,312		\$4,312
96400 Bad debt - Tenant Rents	\$14,670		\$14,670
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$24,321	\$0	\$24,321
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$821,292	\$0	\$821,292
97000 Excess of Operating Revenue over Operating Expenses	-\$55,489	\$191,195	\$135,706
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$205,712		\$205,712
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$1,027,004	\$0	\$1,027,004

HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$82,497		\$82,497
10020 Operating transfer Out		-\$82,497	-\$82,497
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$82,497	-\$82,497	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$178,704	\$108,698	-\$70,006
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,762,202	\$0	\$1,762,202
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$0
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	1236		1236
11210 Number of Unit Months Leased	960		960
11270 Excess Cash	-\$39,762		-\$39,762
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$108,698	\$108,698
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

**HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2020**

<b>Entity Wide Revenue and Expense Summary</b>								
	Project Total	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$263,019					\$263,019		\$263,019
70400 Tenant Revenue - Other	\$7,826					\$7,826		\$7,826
70500 Total Tenant Revenue	\$270,845	\$0	\$0	\$0	\$0	\$270,845	\$0	\$270,845
70600 HUD PHA Operating Grants	\$543,410	\$2,222,313	\$27,426		\$70,710	\$2,863,859		\$2,863,859
70610 Capital Grants	\$108,698					\$108,698		\$108,698
70710 Management Fee								
70720 Asset Management Fee								
70730 Book Keeping Fee								
70740 Front Line Service Fee								
70750 Other Fees								
70700 Total Fee Revenue						\$0	\$0	\$0
70800 Other Government Grants								
71100 Investment Income - Unrestricted	\$55	\$4				\$59		\$59
71200 Mortgage Interest Income								
71300 Proceeds from Disposition of Assets Held for Sale								
71310 Cost of Sale of Assets								
71400 Fraud Recovery		\$7,526				\$7,526		\$7,526
71500 Other Revenue	\$33,990	\$164,782				\$198,772		\$198,772
71600 Gain or Loss on Sale of Capital Assets								
72000 Investment Income - Restricted								
70000 Total Revenue	\$956,998	\$2,394,625	\$27,426	\$0	\$70,710	\$3,449,759	\$0	\$3,449,759
91100 Administrative Salaries	\$76,132	\$32,131	\$6,591		\$38,819	\$153,673		\$153,673
91200 Auditing Fees	\$8,233	\$6,500	\$1,733			\$16,466		\$16,466
91300 Management Fee								
91310 Book-keeping Fee								
91400 Advertising and Marketing	\$390		\$180			\$570		\$570
91500 Employee Benefit contributions - Administrative	\$33,183	\$1,560	\$1,382			\$36,125		\$36,125
91600 Office Expenses	\$58,361	\$15,784	\$7,297			\$81,442		\$81,442
91700 Legal Expense	\$13,398					\$13,398		\$13,398
91800 Travel	\$11,025	\$1,999				\$13,024		\$13,024
91810 Allocated Overhead								
91900 Other	\$23,181	\$10,115	\$10,243		\$4,694	\$48,233		\$48,233
91000 Total Operating - Administrative	\$223,903	\$68,089	\$27,426	\$0	\$43,513	\$362,931	\$0	\$362,931
92000 Asset Management Fee								
92100 Tenant Services - Salaries								
92200 Relocation Costs	\$2,369					\$2,369		\$2,369
92300 Employee Benefit Contributions - Tenant Services								
92400 Tenant Services - Other	\$200				\$2,177	\$2,377		\$2,377
92500 Total Tenant Services	\$2,569	\$0	\$0	\$0	\$2,177	\$4,746	\$0	\$4,746
93100 Water	\$77,868					\$77,868		\$77,868
93200 Electricity	\$16,138					\$16,138		\$16,138
93300 Gas	\$40,989					\$40,989		\$40,989
93400 Fuel								
93500 Labor								
93600 Sewer	\$84,951					\$84,951		\$84,951

**HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2020**

<b>Entity Wide Revenue and Expense Summary</b>								
	Project Total	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
93700 Employee Benefit Contributions - Utilities								
93800 Other Utilities Expense								
93000 Total Utilities	\$219,946	\$0	\$0	\$0	\$0	\$219,946	\$0	\$219,946
94100 Ordinary Maintenance and Operations - Labor	\$87,343				\$25,020	\$112,363		\$112,363
94200 Ordinary Maintenance and Operations - Materials and Other	\$29,564					\$29,564		\$29,564
94300 Ordinary Maintenance and Operations Contracts	\$122,032					\$122,032		\$122,032
94500 Employee Benefit Contributions - Ordinary Maintenance	\$37,909					\$37,909		\$37,909
94000 Total Maintenance	\$276,848	\$0	\$0	\$0	\$25,020	\$301,868	\$0	\$301,868
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs								
95300 Protective Services - Other	\$1,548					\$1,548		\$1,548
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	\$1,548	\$0	\$0	\$0	\$0	\$1,548	\$0	\$1,548
96110 Property Insurance	\$54,436					\$54,436		\$54,436
96120 Liability Insurance	\$7,369	\$7,467				\$14,836		\$14,836
96130 Workmen's Compensation	\$4,680	\$6,192				\$10,872		\$10,872
96140 All Other Insurance	\$5,672	\$2,237				\$7,909		\$7,909
96100 Total insurance Premiums	\$72,157	\$15,896	\$0	\$0	\$0	\$88,053	\$0	\$88,053
96200 Other General Expenses	\$3,992	\$892				\$4,884		\$4,884
96210 Compensated Absences	\$1,347	\$2,469				\$3,816		\$3,816
96300 Payments in Lieu of Taxes	\$4,312					\$4,312		\$4,312
96400 Bad debt - Tenant Rents	\$14,670					\$14,670		\$14,670
96500 Bad debt - Mortgages								
96600 Bad debt - Other								
96800 Severance Expense								
96000 Total Other General Expenses	\$24,321	\$3,361	\$0	\$0	\$0	\$27,682	\$0	\$27,682
96710 Interest of Mortgage (or Bonds) Payable								
96720 Interest on Notes Payable (Short and Long Term)								
96730 Amortization of Bond Issue Costs								
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$821,292	\$87,346	\$27,426	\$0	\$70,710	\$1,006,774	\$0	\$1,006,774
97000 Excess of Operating Revenue over Operating Expenses	\$135,706	\$2,307,279	\$0	\$0	\$0	\$2,442,985	\$0	\$2,442,985
97100 Extraordinary Maintenance								
97200 Casualty Losses - Non-capitalized								
97300 Housing Assistance Payments		\$2,057,357				\$2,057,357		\$2,057,357
97350 HAP Portability-In		\$149,868				\$149,868		\$149,868
97400 Depreciation Expense	\$205,712	\$437				\$206,149		\$206,149
97500 Fraud Losses								
97600 Capital Outlays - Governmental Funds								
97700 Debt Principal Payment - Governmental Funds								
97800 Dwelling Units Rent Expense								
90000 Total Expenses	\$1,027,004	\$2,295,008	\$27,426	\$0	\$70,710	\$3,420,148	\$0	\$3,420,148

**HOUSING AUTHORITY OF ST. CHARLES PARISH, LOUISIANA  
FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2020**

<b>Entity Wide Revenue and Expense Summary</b>								
	Project Total	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	97.109 Disaster Housing Assistance Grant	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
10010 Operating Transfer In	\$82,497					\$82,497	-\$74,497	\$8,000
10020 Operating transfer Out	-\$82,497					-\$82,497	\$74,497	-\$8,000
10030 Operating Transfers from/to Primary Government								
10040 Operating Transfers from/to Component Unit								
10050 Proceeds from Notes, Loans and Bonds								
10060 Proceeds from Property Sales								
10070 Extraordinary Items, Net Gain/Loss								
10080 Special Items (Net Gain/Loss)								
10091 Inter Project Excess Cash Transfer In								
10092 Inter Project Excess Cash Transfer Out								
10093 Transfers between Program and Project - In								
10094 Transfers between Project and Program - Out								
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$70,006	\$99,617	\$0	\$0	\$0	\$29,611	\$0	\$29,611
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$1,762,202	-\$66,960	\$0	\$173,255	\$0	\$1,868,497		\$1,868,497
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0				\$0		\$0
11050 Changes in Compensated Absence Balance								
11060 Changes in Contingent Liability Balance								
11070 Changes in Unrecognized Pension Transition Liability								
11080 Changes in Special Term/Severance Benefits Liability								
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents								
11100 Changes in Allowance for Doubtful Accounts - Other								
11170 Administrative Fee Equity		-\$13,768				-\$13,768		-\$13,768
11180 Housing Assistance Payments Equity		\$46,425				\$46,425		\$46,425
11190 Unit Months Available	1236	4476				5712		5712
11210 Number of Unit Months Leased	960	3210				4170		4170
11270 Excess Cash	-\$39,762					-\$39,762		-\$39,762
11610 Land Purchases	\$0					\$0		\$0
11620 Building Purchases	\$108,698					\$108,698		\$108,698
11630 Furniture & Equipment - Dwelling Purchases	\$0					\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0					\$0		\$0
11650 Leasehold Improvements Purchases	\$0					\$0		\$0
11660 Infrastructure Purchases	\$0					\$0		\$0
13510 CFFP Debt Service Payments	\$0					\$0		\$0
13901 Replacement Housing Factor Funds	\$0					\$0		\$0