

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA
REPORT ON AUDIT
OF
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2025

THE HOUSING AUTHORITY OF LAFOURCHE PARISH

RACELAND, LOUISIANA

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
The Housing Authority of Lafourche Parish
Raceland, Louisiana

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Required Supplementary Information

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

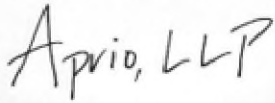
Supplementary Information

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Statement and Certification of Program Costs – Capital Fund Program; Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and the Financial Data Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, the accompanying Schedule of Compensation, Benefits and Other Payments to the Executive Director and Schedule of Compensation, Benefits and Other Payments to the Chief Executive Officer are presented for the Office of the Louisiana Legislative Auditor's information and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Statement and Certification of Program Costs – Capital Fund Program; Schedule of Expenditures of Federal Awards; Financial Data Schedule; Schedule of Compensation, Benefits and Other Payments to the Executive Director; and Schedule of Compensation, Benefits and Other Payments to the Chief Executive Officer are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2026, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

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

Birmingham, Alabama
March 6, 2026



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

Board of Commissioners
The Housing Authority of Lafourche Parish
Raceland, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Housing Authority of Lafourche Parish, Louisiana (the Authority), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 6, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be *material weaknesses* or *significant deficiencies* and therefore, *material weaknesses* or *significant deficiencies* may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Finding 2025-001, that we consider to be a *material weakness*.

Report on Compliance and Other Matters

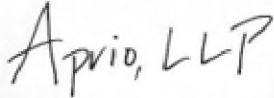
As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material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

The Authority's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

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

Birmingham, Alabama
March 6, 2026



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

Board of Commissioners
The Housing Authority of Lafourche Parish
Raceland, Louisiana

Report on Compliance for the Major Federal Program

Opinion on the Major Program

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

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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

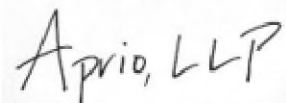
Report on Internal Control Over Compliance

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

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

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

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



Birmingham, Alabama
March 6, 2026

THE HOUSING AUTHORITY OF LAFOURCHE PARISH, LOUISIANA

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

SEPTEMBER 30, 2025

**The Housing Authority of Lafourche Parish, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2025**

The management of The Housing Authority of Lafourche Parish, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2025. 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 operating activities continues to be subsidies from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of operational funding.
- The Housing Authority's assets exceeded its liabilities by \$17,288,378 at the close of the fiscal year ended 2025.
 - Of this amount \$7,284,354 represents the net amount invested in land, buildings, furnishings, improvements, equipment and construction in process.
 - Also, \$5,238,228 of net position was restricted for repair and rebuild costs of Hurricane Ida property damages.
- The Authority's total net position decreased by \$1,611,640.
- Current and restricted assets decreased due primarily to reductions of restricted cash balances.
- Capital assets increased due to construction expenditures on the City Place II rental property rebuild exceeding depreciation during the fiscal year.
- Restricted net position and restricted cash balances decreased due to the expenditure of funds restricted for Hurricane Ida repair and reconstruction costs.
- There were \$2.30 of current assets covering each dollar of current liabilities. This ratio has remained stable compared to the current ratio of \$2.31 as of fiscal year-end 2024.

**The Housing Authority of Lafourche Parish, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2025**

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 long-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves, demonstrating HUD funding by federal program, 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 2024?" 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 deferred outflows of resources, and all liabilities and deferred inflows of resources 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 programs of the Authority are reported as a single enterprise fund. 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 Authority's financial statements report its net position and changes in them. One can think of the Authority's net position – the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources – 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 Authority.

**The Housing Authority of Lafourche Parish, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2025**

Using this Annual Report

The Authority's annual report consists of financial statements that show combined information about the Housing Authority's federal and non-federal programs:

- Public Housing Program, including the Capital Fund Program
- Section 8 Housing Choice Voucher Program, including the Disaster Housing Assistance Grant Program
- Community Development Corporation
- City Place II Housing Corporation
- Business Activities

The Authority's auditors provided assurance in the independent auditor's 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 auditor's report carefully to determine the level of assurance provided for each of the other parts of this report.

Reporting the Authority's Federal and Non-Federal Programs

The Authority's financial statements provide detailed information about the federal and non-federal programs. Federal programs are funded by the Department of Housing and Urban Development (HUD). The Authority has established other programs to help it control and manage money from non-federal sources.

The Authority uses the following accounting approach for each of its programs: all of the Authority's programs are reported as one Enterprise Fund. The focus of the Fund is on income measurement, which, together with the maintenance of net position, is an important financial indicator.

**The Housing Authority of Lafourche Parish, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2025**

Financial Analysis

The Authority's net position was \$17,288,378 as of September 30, 2025. Of this amount, \$7,284,354 represented a net investment in capital assets (net of accumulated depreciation), \$5,238,228 was restricted and the remaining \$4,765,796 was unrestricted.

**CONDENSED STATEMENT OF NET POSITION
(Excluding Interfund Transfers)
As of September 30,**

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Assets and Deferred Outflows of Resources:			
Current and Restricted Assets	\$ 7,759,180	\$ 9,723,608	\$ (1,964,428)
Capital Assets	7,284,354	6,952,641	331,713
Note Receivable	3,444,156	3,444,156	-
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 18,487,690</u>	<u>\$ 20,120,405</u>	<u>\$ (1,632,715)</u>
Liabilities and Deferred Inflows of Resources:			
Current Liabilities	\$ 1,141,197	\$ 1,168,059	\$ (26,862)
Non-Current Liabilities	58,115	52,328	5,787
Deferred inflows of Resources	-	-	-
Total Liabilities and Deferred Inflows of Resources	<u>\$ 1,199,312</u>	<u>\$ 1,220,387</u>	<u>\$ (21,075)</u>
Net Position:			
Net Investment in Capital Assets	\$ 7,284,354	\$ 6,952,641	\$ 331,713
Restricted Net Position	5,238,228	7,025,665	(1,787,437)
Unrestricted Net Position	4,765,796	4,921,712	(155,916)
Total Net Position	<u>\$ 17,288,378</u>	<u>\$ 18,900,018</u>	<u>\$ (1,611,640)</u>

**The Housing Authority of Lafourche Parish, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2025**

Condensed Financial Statements - Continued

The net position of the Authority decreased by \$1,611,640 from fiscal year 2024, as illustrated below. In the narrative that follows, the detail factors causing this change are discussed.

**SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
(Excluding Interfund Transfers)
Fiscal Year Ended of September 30,**

	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>% Variance</u>
Revenues:				
Tenant Rental	\$ 1,042,791	\$ 909,297	\$ 133,494	15%
Operating Grants	3,102,967	2,996,886	106,081	4%
Capital Contributions	272,984	173,262	99,722	58%
Other Grants	-	30,783	(30,783)	-100%
Interest Income	2,134	49,703	(47,569)	-96%
Insurance Proceeds	-	2,024,294	(2,024,294)	-100%
Other Income	64,854	65,903	(1,049)	-2%
Total Revenues	<u>\$ 4,485,730</u>	<u>\$ 6,250,128</u>	<u>\$ (1,764,398)</u>	-28%
Expenses:				
Administrative	\$ 583,118	\$ 513,569	\$ 69,549	14%
Utilities	198,062	199,837	(1,775)	-1%
Maintenance	865,645	948,609	(82,964)	-9%
Protective Services	74,617	33,801	40,816	121%
Insurance	841,820	795,475	46,345	6%
Other General	153,021	128,808	24,213	19%
Housing Assistance Payments	1,642,088	1,446,503	195,585	14%
Loss on Disposition of Assets	11,031	-	11,031	
Casualty Losses	879,074	2,410,622	(1,531,548)	-64%
Depreciation	848,894	842,704	6,190	1%
Total Expenses	<u>\$ 6,097,370</u>	<u>\$ 7,319,928</u>	<u>\$ (1,222,558)</u>	-17%
Increase (Decrease) in Net Position	<u>\$ (1,611,640)</u>	<u>\$ (1,069,800)</u>	<u>\$ (541,840)</u>	

**The Housing Authority of Lafourche Parish, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2025**

Explanations of Financial Analysis - Revenues

Total revenues decreased \$1,764,398, or 28% from fiscal year 2024.

Tenant rental revenue increased due to increases of tenants' income and rental rates.

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

Insurance proceeds reported during fiscal year 2024 consisted of revenue recognized to fund Hurricane Ida repairs, reconstruction and related costs. No insurance proceeds were received or recognized during fiscal year 2025.

Explanations of Financial Analysis - Expenses

Total expenses decreased \$1,222,558, or 17% from fiscal year 2024.

Housing assistance payments increased due to elevated rental rates.

Casualty losses incurred during fiscal year 2025 consisted primarily of repair and demolition costs incurred from Hurricane Ida damage, and decreased from fiscal year 2024.

**The Housing Authority of Lafourche Parish, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2025**

Capital Assets

As of September 30, 2025, the Housing Authority had a total capital asset cost basis of \$29,745,580 invested in a broad range of capital assets. See the Notes to the Financial Statements for more detailed information about capital assets.

	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>% Change</u>
Land	\$ 694,394	\$ 694,394	\$ -	0%
Buildings and Improvements	26,834,689	32,861,787	(6,027,098)	-18%
Furniture and Equipment	1,235,639	1,239,439	(3,800)	0%
Construction in Process	980,858	98,944	881,914	891%
Accumulated Depreciation	<u>(22,461,226)</u>	<u>(27,941,923)</u>	<u>5,480,697</u>	<u>-20%</u>
Net Capital Assets	<u>\$ 7,284,354</u>	<u>\$ 6,952,641</u>	<u>\$ 331,713</u>	<u>5%</u>

Loan Receivable

The Authority's Community Development Corporation, a blended component unit, made a 1% mortgage loan to City Place Investors, LLC (a local affiliate of the Authority) to provide financing for the Turnberry Townhomes dwelling project. At the end of fiscal year 2025, the Community Development Corporation was owed \$3,444,156 plus accrued interest of \$902,705 on the loan. An allowance in the amount of \$902,705 is recorded against the accrued interest receivable balance.

Non-current Liabilities

Non-current liabilities include accrued annual leave due to payments expected beyond fiscal year 2025, and Family Self Sufficiency Program escrow deposits.

**The Housing Authority of Lafourche Parish, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2025**

Economic Factors

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal Budget than by local economic conditions. The capital budgets for the 2026 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital Fund grants 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 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 funding it receives. If you have questions about this report, or wish to request additional financial information, contact the Executive Director, at The Housing Authority of Lafourche Parish, La; P.O. Drawer 499; Raceland, LA 70394.

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2025

ASSETS AND DEFERRED
OUTFLOWS OF RESOURCES

	Enterprise Fund
<u>Current Assets</u>	
Cash	\$ 1,931,550
Accounts Receivable, Net	118,796
Prepaid Costs	463,407
Inventory	3,329
Total Current Assets	<u>2,517,082</u>
<u>Restricted Assets</u>	
Cash	5,238,228
Investments	3,870
Total Restricted Assets	<u>5,242,098</u>
<u>Capital Assets</u>	
Land	694,394
Buildings and Improvements	26,834,689
Furniture and Equipment	1,235,639
Construction in Process	980,858
	<u>29,745,580</u>
(Less): Accumulated Depreciation	<u>(22,461,226)</u>
Net Capital Assets	<u>7,284,354</u>
Note Receivable	<u>3,444,156</u>
Total Assets	<u>18,487,690</u>
Deferred Outflows of Resources	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 18,487,690</u>

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2025

**LIABILITIES, DEFERRED INFLOWS OF
 RESOURCES AND NET POSITION**

	Enterprise Fund
<u>Current Liabilities</u>	
Accounts Payable	\$ 1,034,110
Accrued Compensated Absences	22,584
Tenant Security Deposits	71,100
Unearned Revenue	13,403
Total Current Liabilities	<u>1,141,197</u>
<u>Non-current Liabilities</u>	
FSS Escrow Deposits	3,870
Accrued Compensated Absences	54,245
Total Non-current Liabilities	<u>58,115</u>
Total Liabilities	<u>1,199,312</u>
Deferred Inflows of Resources	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,199,312</u>
<u>Net Position</u>	
Net Investment in Capital Assets	7,284,354
Restricted Net Position	5,238,228
Unrestricted Net Position	4,765,796
Total Net Position	<u>17,288,378</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 18,487,690</u>

See the accompanying notes to financial statements.

**THE HOUSING AUTHORITY OF LAFOURCHE PARISH
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Enterprise Fund
<u>Operating Revenues</u>	
Tenant Rent Revenue	\$ 1,042,791
Operating Grants	3,102,967
Other Revenue	64,854
Total Operating Revenues	<u>4,210,612</u>
<u>Operating Expenses</u>	
Administrative	583,118
Utilities	198,062
Maintenance	865,645
Protective Services	74,617
General	994,841
Housing Assistance Payments	1,642,088
Depreciation	848,894
Total Operating Expenses	<u>5,207,265</u>
Operating Income (Loss)	<u>(996,653)</u>
<u>Non-Operating Revenue (Expenses)</u>	
Interest Income	2,134
Loss on the Disposition of Capital Assets	(11,031)
Casualty Losses - Hurricane Ida	(879,074)
Total Non-Operating Revenue (Expenses)	<u>(887,971)</u>
Increase (decrease) before Capital Contributions	<u>(1,884,624)</u>
Capital Contributions	<u>272,984</u>
Increase (Decrease) in Net Position	(1,611,640)
Net Position, Beginning	<u>18,900,018</u>
Net Position, Ending	<u>\$ 17,288,378</u>

See the accompanying notes to financial statements.

**THE HOUSING AUTHORITY OF LAFOURCHE PARISH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Enterprise Fund
<u>Cash flows from operating activities:</u>	
Cash Received from Dwelling Rent	\$ 1,017,466
Cash Received from Operating Grants	3,097,137
Cash Received from Other Sources	68,194
Cash Payments for Salaries and Benefits	(850,303)
Cash Payments to Vendors and Landlords	(3,423,569)
Net cash provided (used) by operating activities	<u>(91,075)</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital Grants Received	247,406
Capital Outlay	(837,358)
Casualty Losses, Hurricane Ida	(1,313,328)
Net cash provided (used) by capital and related financing activities	<u>(1,903,280)</u>
<u>Cash flows from investing activities:</u>	
Interest Received from Cash and Investments	2,273
Transfer from Investments	108,159
Net cash provided (used) by investing activities	<u>110,432</u>
Net Decrease in Cash and Restricted Cash	(1,883,923)
Total Cash and Restricted Cash, Beginning of Year	<u>9,053,701</u>
Total Cash and Restricted Cash, End of Year	<u><u>\$ 7,169,778</u></u>
 <u>Reconciliation of cash and restricted cash presented on the Statement of Net Position, to ending cash and restricted cash presented above on the Statement of Cash Flows:</u>	
Cash	\$ 1,931,550
Restricted Cash	5,238,228
Cash and Restricted Cash, End of Year	<u><u>\$ 7,169,778</u></u>

Continued on next page

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
 STATEMENT OF CASH FLOWS - CONTINUED
 FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Enterprise Fund
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>	
Operating Income (Loss)	\$ (996,653)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	848,894
Bad Debt Expense	34,812
Change in Accounts Receivable (Tenants)	(25,956)
Change in Accounts Receivable (Grants)	(5,830)
Change in Prepaid Costs and Inventory	(5,241)
Change in Accounts Payable - Operating	43,835
Change in Accrued Personnel Expenses	11,093
Change in Unearned Revenue (Tenants)	631
Change in Security and Escrow Deposits Held	3,340
Net cash provided (used) by operating activities	<u>\$ (91,075)</u>

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF LAFOURCHE PARISH

RACELAND, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

Cash and Investments

Cash consists of funds held in checking accounts and investments consist of deposits in a money market account.

Accounts Receivable

Accounts receivables are carried at the amount considered by management to be collectible. Tenant receivables totaled \$84,788 and are reported net of a \$77,977 allowance for doubtful accounts, at \$6,811. Other receivables consisted of grant receivables in the amount of \$111,985.

Prepaid Items and Inventory

Prepaid items and inventory consist of payments made to vendors for services and materials that will benefit future periods.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Capital Assets

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

Buildings	33 years
Improvements	15 years
Furniture and equipment	3 - 7 years

Authority management has assessed the carrying values of capital asset balances as of September 30, 2025, and as of March 6, 2026. No significant capital asset value impairments exist as of the noted dates.

PILOT Agreement

The Authority has entered into a Payment-in-Lieu of Taxes (PILOT) Agreement with Lafourche Parish whereby the Authority agrees to pay a negotiated sum in lieu of real property taxes. Fiscal year 2024 PILOT expense was \$76,857, and the Authority owed the Parish \$76,857 of PILOT as of fiscal year-end, which is reported with accounts payable on the Statement of Net Position.

Unearned Revenue

The Authority recognizes revenues as earned. Funds received before the Authority is eligible to apply them are recorded as a liability under Unearned Revenue. The Authority's unearned revenue consisted of tenant prepaid rents of \$7,165 and \$6,238 of unearned grant proceeds.

Revenue Accounting Policies

Dwelling rent income, federal grants recognized for operations and other miscellaneous income are reported as operating revenue. Grants recognized to fund capital asset expenditures, and all other revenue, is reported as non-operating revenue.

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

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cost Allocation Plan

In accordance with *Uniform Guidance*, the Authority utilizes a Cost Allocation Plan. The Authority allocates indirect costs to programs on the basis of one of the following methods: direct salaries and wages, percentage of office square footage, number of vouchers and/or units, estimated/actual time spent, number of checks processed, or the allotment stipulated in contractual agreements.

NOTE B - REPORTING ENTITY DEFINITION

The Authority is a separate non-profit corporation with a Board of Commissioners. The Lafourche Parish Government appoints the Board of Commissioners. However, the Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses.

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

Community Development Corporation of Lafourche, Inc. is a related not-for-profit Louisiana Corporation, which was created in 1997 as another avenue to provide low-income housing. The Corporation currently owns and operates a 12-unit affordable rental development, known as The Cottages of Central Lafourche Parish. The entity's year-end is September 30. The financial statements for Community Development Corporation can be obtained by writing the Authority at P.O. Box 499, Raceland, Louisiana 70394.

City Place II Housing Corporation is a related not-for-profit Louisiana Corporation created in 2001 to own and operate a 112-unit residential project located in Lockport, Louisiana. The units were acquired through the assumption of an FHA-insured 221(d)(4) mortgage. The entity's year end is September 30. The financial statements for City Place II Housing Corporation can be obtained by writing the Authority at P.O. Box 499, Raceland, Louisiana 70394.

Both Community Development Corporation and City Place II Housing Corporation are presented as blended component units because both corporations share the same governing body as the Housing Authority. There are no other component units.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE C – SIGNIFICANT ESTIMATES

The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to capital asset depreciation and useful lives, and note and interest receivable valuations. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

NOTE D - CASH AND INVESTMENT DEPOSITS

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

Interest Rate Risk – The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility.

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

The Authority's cash consisted of funds held in interest and non-interest bearing checking accounts with reconciled balances totaling \$7,169,778. Investments consisted of a money market account totaling \$3,870. Deposits held with financial institutions totaled \$7,316,985 and were secured as follows:

	Deposits in Bank
Insured by FDIC	\$ 633,238
Collateralized with specific securities in the Authority name which are held by a third-party financial institution	2,186,103
Uncollateralized	<u>4,497,644</u>
	<u><u>\$ 7,316,985</u></u>

All investments are carried at cost plus accrued interest, which approximates market. The Authority had no realized gains or losses on the sale of investments. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

Uncollateralized deposits consisted of non-federal insurance proceeds held with City Place II Housing Corporation. Neither the Authority nor the Corporation have incurred any banking losses through March 6, 2026, the date the financial statements were available to be issued.

NOTE E - CONTRACTUAL COMMITMENTS

Outstanding contractual commitments as of the fiscal year ended September 30, 2025 consisted of \$3,503,748 of Hurricane Ida repairs and reconstruction, and other unrelated modernizations and improvements.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE F – OTHER COMMITMENTS AND CONTINGENCIES

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

NOTE G - PENSION PLAN

The Authority participates in the Housing-Renewal and Local Agency Retirement Plan administered by Housing Authority Retirement Trust. It is a defined contribution plan that consists of the employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Assets in the plan are recorded at market value and are administered by a private corporation under contract with the Housing Authority. All regular and full-time employees are eligible to participate in the plan after having completed six months of continuous and uninterrupted employment. The Authority contributes 8% of the eligible employees' compensation to the Plan. Employees are fully vested in the Authority's contribution after five years of continuous service. During fiscal year 2024, the Authority made the required contributions in the amount of \$78,768.

NOTE H – RISK MANAGEMENT

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

In August of 2021, the Authority incurred significant structural damage as a result of Hurricane Ida. Certain structures were rendered uninhabitable and significant reconstruction efforts were determined necessary to return the applicable properties to an operable status. The Authority's insurance carrier has approved, and as of September 30, 2024, the Authority has received various claims on the applicable structures in the total amount of \$18,358,573 to partially fund rebuild efforts. The Authority did not receive or recognize any insurance proceeds during fiscal year 2025. Applicable fiscal year 2025 expenditures included \$879,074 of casualty loss expenses and \$881,914 of capital addition expenditures related to Hurricane Ida.

NOTE I – CONCENTRATION OF RISK

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

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE J – NON-CURRENT LIABILITIES

Accrued Compensated Absences

It is the Authority's policy to grant full-time permanent employees vacation benefits in varying amounts to specified maximums depending on tenure with the Authority. Sick leave also accrues to full time employees to specified maximums. The employees are entitled to vacation leave balances at termination. Leave accrued but not yet paid as of September 30, 2024, is reported as a liability allocated between current and non-current.

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

Inter-program Accrued Interest Payable (Eliminated)

In April of 2001, City Place II Housing Corporation (a blended component unit) executed a mortgage loan against its 112-unit multi-family residential project in the amount of \$4,313,389 payable to the Community Development Corporation of Lafourche Parish (also a blended component unit). In August of 2011, the Community Development Corporation forgave the outstanding principal balance on the note of \$4,313,389. The outstanding accrued interest payable balance as of September 30, 2025 was \$560,741 and matures in March of 2047. There was no interest expense incurred during the year. Because this liability is payable to another blended component unit of the Authority, the outstanding accrued interest has been eliminated from the Authority's financial statements.

Non-current liability balances as of fiscal year-end and activity for the fiscal year ended September 30, 2025, are summarized as follows:

	<u>October 1,</u>			<u>September 30,</u>	<u>Due Within</u>
	<u>2024 Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>2025 Balance</u>	<u>One Year</u>
Tenant Escrow Deposits	\$ 4,029	\$ -	\$ 159	\$ 3,870	\$ -
Accrued Compensated Absences	65,736	35,196	24,103	76,829	22,584
Less: Current portion	<u>(17,437)</u>			<u>(22,584)</u>	
Non-current Liabilities	<u>\$ 52,328</u>			<u>\$ 58,115</u>	<u>\$ 22,584</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE K – NOTES RECEIVABLE

1. In September 1998, Community Development Corporation of Lafourche Parish (a blended component unit) provided financing to City Place Investors, LLC under a promissory note receivable to partially fund construction of the Turnberry Townhomes residential property in the amount of \$3,444,156. The note is secured by a second mortgage on the City Place I property. The note incurs interest at 1% (non-compounded). Principal and interest are payable on the maturity date of the first mortgage. The outstanding principal balance as of September 30, 2025 was \$3,444,156 with accrued interest of \$902,705. Due to uncertainties regarding the collectability of the interest receivable, an allowance against the entire interest receivable balance has been reported as of fiscal year-end. The note matures in December of 2039.
2. The Community Development Corporation of Lafourche Parish held a second mortgage on the City Place II project. In August of 2011, the Community Development Corporation forgave the outstanding principal balance on the note of \$4,313,389. The outstanding accrued interest receivable balance as of September 30, 2025 was \$560,741. Because this asset is payable from another blended component unit of the Authority, the outstanding accrued interest receivable has been eliminated from the Authority's financial statements. See "NOTE J – NON-CURRENT LIABILITIES" for additional details.

NOTE L – RESTRICTED ASSETS AND NET POSITION

The Authority's restricted assets consisted of the following as of September 30, 2025:

Insurance Proceeds Held for Hurricane Ida Repairs and Reconstruction	\$ 5,048,713
FSS Escrow Deposits	3,870
Held for Housing Assistance Payments	<u>189,515</u>
Total Restricted Assets	<u><u>\$ 5,242,098</u></u>

There were no offsetting liabilities applicable to the insurance proceeds or the funds held for housing assistance payments. Therefore, \$5,238,228 of net position related to these balances is reported as restricted net position in the Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE M – CAPITAL ASSETS

A summary of capital assets as of September 30, 2025, is as follows:

	<u>Public Housing & CFP</u>	<u>Housing Choice Vouchers</u>	<u>The Cottages</u>	<u>City Place II</u>	<u>TOTAL</u>
Land	\$ 561,520	\$ -	\$ 32,874	\$ 100,000	\$ 694,394
Building and Improvements	24,977,476	120,000	1,737,213	-	26,834,689
Furniture and Equipment	1,209,383	21,211	-	5,045	1,235,639
Construction in Process	-	-	-	980,858	980,858
Less Accumulated Depreciation	(21,836,544)	(101,211)	(518,426)	(5,045)	(22,461,226)
Total Capital Assets	\$ 4,911,835	\$ 40,000	\$ 1,251,661	\$ 1,080,858	\$ 7,284,354

A summary of capital asset activity for the fiscal year ended September 30, 2025, is as follows:

	<u>October 1, 2024 Balance</u>	<u>Additions</u>	<u>Transfers and Disposals</u>	<u>September 30, 2025 Balance</u>
Land	\$ 694,394	\$ -	\$ -	\$ 694,394
Construction in Process	98,944	881,914	-	980,858
Total Assets not being depreciated	793,338	881,914	-	1,675,252
Buildings and Improvements	32,861,787	309,724	(6,336,822)	26,834,689
Furniture and Equipment	1,239,439	-	(3,800)	1,235,639
Total Capital Assets	34,894,564	1,191,638	(6,340,622)	29,745,580
Less Accumulated Depreciation				
Buildings and Improvements	(26,780,792)	(817,024)	6,325,791	(21,272,025)
Furniture and Equipment	(1,161,131)	(31,870)	3,800	(1,189,201)
Net Book Value	\$ 6,952,641	\$ 342,744	\$ (11,031)	\$ 7,284,354

During fiscal year 2025, the Authority demolished its City Place II townhome apartments project which was significantly damaged in August of 2021 by Hurricane Ida. The cost basis of \$6,340,622 and accumulated depreciation of \$6,329,591 was disposed of and reconstruction is underway.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE N – BLENDED COMPONENT UNITS FINANCIAL STATEMENTS

Blended Component Units - Condensed Statement of Net Position

	City Place II Housing Corporation 9/30/2025	Community Development Corporation 9/30/2025	Elimination	Total Blended Component Units 9/30/2025
Assets				
Current and restricted assets	\$ 4,746,213	\$ 41,384	\$ -	\$ 4,787,597
Capital assets	1,080,858	1,251,661	-	2,332,519
Notes receivable	-	3,444,156	-	3,444,156
Interest receivable due from CPII	-	560,741	(560,741)	-
Total assets	5,827,071	5,297,942	(560,741)	10,564,272
Liabilities				
Current liabilities	409,447	4,653	-	414,100
Current liabilities due to The HA of LP	-	57,875	-	57,875
Non-current interest payable due to CDC	560,741	-	(560,741)	-
Other non-current liabilities	-	906	-	906
Total liabilities	970,188	63,434	(560,741)	472,881
Net position				
Net investment in capital assets	1,080,858	1,251,661	-	2,332,519
Restricted net position	4,161,221	-	-	4,161,221
Unrestricted net position	(385,196)	3,982,847	-	3,597,651
Total net position	\$ 4,856,883	\$ 5,234,508	\$ -	\$ 10,091,391

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE N – BLENDED COMPONENT UNIT FINANCIAL STATEMENTS - CONTINUED

Blended Component Units - Condensed Statement of
Revenues, Expenses and Changes in Net Position

	City Place II Housing Corporation FY 2025	Community Development Corporation FY 2025	Total Blended Component Units FY 2025
Revenues			
Tenant rental revenue	\$ -	\$ 39,244	\$ 39,244
Rental revenue from The HA of LP	-	19,882	19,882
Other operating revenue	-	160	160
Total revenues	-	59,286	59,286
Expenses			
Administrative and general expenses	23,687	39,844	63,531
Maintenance and utilities	4,518	18,599	23,117
Loss on Disposition of Assets	11,031	-	11,031
Casualty losses	788,194	-	788,194
Depreciation	919	56,663	57,582
Total expenses	828,349	115,106	943,455
Increase (Decrease) in Net Position	(828,349)	(55,820)	(884,169)
Beginning net position	5,685,232	5,290,328	10,975,560
Ending net position	\$ 4,856,883	\$ 5,234,508	\$ 10,091,391

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE N – BLENDED COMPONENT UNIT FINANCIAL STATEMENTS - CONTINUED

Blended Component Units - Condensed Statement of Cash Flows

	City Place II Housing Corporation FY 2025	Community Development Corporation FY 2025	Total Blended Component Units FY 2025
From The HA of LP	-	19,882	19,882
Other operating activities	(23,757)	(17,794)	(41,551)
From (used by) all operating activities	\$ (23,757)	2,088	(21,669)
Borrowings from The HA of LP	-	32,269	32,269
From all non-capital financing activities	-	32,269	32,269
Casualty losses - IDA	(1,122,759)	-	(1,122,759)
Capital Outlay - IDA	(527,634)	-	(527,634)
Used by other capital activities	-	(16,405)	(16,405)
Used by all capital activities	(1,650,393)	(16,405)	(1,666,798)
Net increase (decrease) in cash and restricted cash	(1,674,150)	17,952	(1,656,198)
Beginning cash and restricted cash	6,865,357	3,600	6,868,957
Ending cash and restricted cash	\$ 5,191,207	\$ 21,552	\$ 5,212,759

NOTE O – SUBSEQUENT EVENTS

In preparing the financial statements, management evaluated subsequent events through March 6, 2026, the date the financial statements were available to be issued.

**THE HOUSING AUTHORITY OF LAFOURCHE PARISH
 STATEMENT AND CERTIFICATION OF PROGRAM COSTS - CAPITAL FUND PROGRAM
 SEPTEMBER 30, 2025**

	Public Housing Capital Fund Program LA48P08050121
Funds Approved	\$ 650,306
Funds Expended	650,306
Excess of Funds Approved	<u>\$ -</u>
Funds Advanced	\$ 650,306
Funds Expended	650,306
Excess of Funds Advanced	<u>\$ -</u>

1. The distribution of costs as shown on the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the Housing Authority's records.
2. All Modernization costs have been paid and all related liabilities have been discharged through payment.

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2025

<u>Grantor Program or Cluster Title</u>	<u>Federal Assistance Listing No.</u>	<u>Pass-through Entity Identifying No.</u>	<u>Federal Expenditures</u>
Public Housing Program	14.850a	N/A	<u>\$ 955,619</u>
Housing Choice Voucher Cluster:			
Section 8 Housing Choice Voucher Program	14.871	N/A	<u>\$ 1,811,130</u> 1,811,130
Capital Fund Program	14.872	N/A	<u>609,202</u>
TOTAL HUD EXPENDITURES			<u>3,375,951</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 3,375,951</u>

NOTE 1 – BASIS OF PRESENTATION

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – AWARDS PASSED-THROUGH TO SUBRECIPIENTS

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

NOTE 4 – NON-MONETARY FEDERAL AWARDS ASSISTANCE

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

NOTE 5 – INDIRECT COST RATE

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

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End 09/30/2025

	Project Total	Blended Component Unit (City Place II Hsng Corp)	1 Business Activities	8 Other Federal Program 1 (Community Development Corporation)	14,871 Housing Choice Vouchers
111 Cash - Unrestricted	\$ 1,091,063	\$ 546,522	\$ 36,285	\$ 17,952	\$ 168,628
112 Cash - Restricted - Modernization and Development	-	-	-	-	-
113 Cash - Other Restricted	887,492	4,161,221	-	-	12,438
114 Cash - Tenant Security Deposits	67,500	-	-	3,600	-
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-
100 Total Cash	\$ 2,046,055	\$ 4,707,743	\$ 36,285	\$ 21,552	\$ 181,066
121 Accounts Receivable - PHA Projects	-	-	-	-	-
122 Accounts Receivable - HUD Other Projects	111,985	-	-	-	-
124 Accounts Receivable - Other Government	-	-	-	-	-
125 Accounts Receivable - Miscellaneous	-	-	-	-	-
126 Accounts Receivable - Tenants	7,309	10,641	-	11,220	-
126.1 Allowance for Doubtful Accounts - Tenants	(1,108)	(10,641)	-	(10,610)	-
126.2 Allowance for Doubtful Accounts - Other	(14,563)	-	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	14,563	-	-	-	-
128 Fraud Recovery	-	-	-	-	41,055
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	-	(41,055)
129 Accrued Interest Receivable	-	-	-	-	-
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$ 118,186	\$ -	\$ -	\$ 610	\$ -
131 Investments - Unrestricted	-	-	-	-	-
132 Investments - Restricted	-	-	-	-	3,870
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-
142 Prepaid Expenses and Other Assets	442,743	1,442	-	19,222	-
143 Inventories	3,504	-	-	-	-
143.1 Allowance for Obsolete Inventories	(175)	-	-	-	-
144 Inter Program Due From	-	-	57,875	-	-
145 Assets Held for Sale	-	-	-	-	-
150 Total Current Assets	\$ 2,610,313	\$ 4,709,185	\$ 94,160	\$ 41,384	\$ 184,936
161 Land	561,520	100,000	-	32,874	-
162 Buildings	21,164,905	-	-	1,737,213	120,000
163 Furniture, Equipment & Machinery - Dwellings	431,738	-	-	-	-
164 Furniture, Equipment & Machinery - Administration	777,645	5,045	-	-	21,211
165 Leasehold Improvements	3,812,571	-	-	-	-
166 Accumulated Depreciation	(21,636,544)	(5,045)	-	(518,426)	(101,211)
167 Construction in Progress	-	980,858	-	-	-
169 Infrastructure	-	-	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	\$ 4,911,835	\$ 1,080,858	\$ -	\$ 1,251,661	\$ 40,000
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	-	-	-	3,444,156	-
173 Grants Receivable - Non Current	-	-	-	-	-
174 Other Assets	-	-	-	560,741	-
176 Investments in Joint Ventures	-	-	-	-	-
180 Total Non-Current Assets	\$ 4,911,835	\$ 1,080,858	\$ -	\$ 5,256,558	\$ 40,000
200 Deferred Outflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End 09/30/2025

	Project Total	Blended Component Unit (City Place II Hsng Corp)	1 Business Activities	8 Other Federal Program 1 (Community Development Corporation)	14,871 Housing Choice Vouchers
290 Total Assets and Deferred Outflow of Resources	\$ 7,522,148	\$ 5,790,043	\$ 94,160	\$ 5,297,942	\$ 224,936
311 Bank Overdraft	-	-	-	-	-
312 Accounts Payable <= 90 Days	536,443	372,419	-	639	9,065
313 Accounts Payable >90 Days Past Due	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	-	-	-	-	-
322 Accrued Compensated Absences - Current Portion	20,082	-	168	329	2,005
324 Accrued Contingency Liability	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	-	-
331 Accounts Payable - HUD PHA Programs	27,005	-	-	-	2,120
332 Account Payable - PHA Projects	-	-	-	-	-
333 Accounts Payable - Other Government	76,857	-	-	-	-
341 Tenant Security Deposits	67,500	-	-	3,600	-
342 Unearned Revenue	7,080	-	-	85	6,238
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	7,562	-	-	-	-
347 Inter Program - Due To	-	-	-	57,875	-
348 Loan Liability - Current	-	-	-	-	-
310 Total Current Liabilities	\$ 744,529	\$ 372,419	\$ 168	\$ 62,528	\$ 19,428
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	-	560,741	-	-	3,870
354 Accrued Compensated Absences - Non Current	49,467	-	1,378	906	2,494
355 Loan Liability - Non Current	-	-	-	-	-
356 FASB 5 Liabilities	-	-	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-	-	-
350 Total Non-Current Liabilities	\$ 49,467	\$ 560,741	\$ 1,378	\$ 906	\$ 6,364
300 Total Liabilities	\$ 793,996	\$ 933,160	\$ 1,546	\$ 63,434	\$ 25,792
400 Deferred Inflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -
508.4 Net Investment in Capital Assets	4,911,835	1,080,856	-	1,251,661	40,000
511.4 Restricted Net Position	867,492	4,161,221	-	-	12,438
512.4 Unrestricted Net Position	928,825	(385,196)	92,614	3,982,847	146,706
513 Total Equity - Net Assets / Position	\$ 6,728,152	\$ 4,856,883	\$ 92,614	\$ 5,234,508	\$ 199,144
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ 7,522,148	\$ 5,790,043	\$ 94,160	\$ 5,297,942	\$ 224,936

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End 09/30/2025

	Project Total	Blended Component Unit (City Place II Hsng Corp)	1 Business Activities	8 Other Federal Program 1 (Community Development Corporation)	14 871 Housing Choice Vouchers
70300 Net Tenant Rental Revenue	\$ 957,480	\$ -	\$ -	\$ 58,626	\$ -
70400 Tenant Revenue - Other	46,067	-	-	500	-
70500 Total Tenant Revenue	\$ 1,003,547	\$ -	\$ -	\$ 59,126	\$ -
70600 HUD PHA Operating Grants	1,291,837	-	-	-	1,811,130
70610 Capital Grants	272,984	-	-	-	-
70710 Management Fee	-	-	-	-	-
70720 Asset Management Fee	-	-	-	-	-
70730 Book Keeping Fee	-	-	-	-	-
70740 Front Line Service Fee	-	-	-	-	-
70750 Other Fees	-	-	-	-	-
70700 Total Fee Revenue	\$ 1,564,821	\$ -	\$ -	\$ -	\$ 1,811,130
70800 Other Government Grants	-	-	-	-	-
71100 Investment income - Unrestricted	500	-	1,134	-	500
71200 Mortgage Interest Income	-	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-
71310 Cost of Sale of Assets	-	-	-	-	-
71400 Fraud Recovery	-	-	-	-	13,932
71500 Other Revenue	22,702	-	6,000	160	22,060
71600 Gain or Loss on Sale of Capital Assets	-	(11,031)	-	-	-
72000 Investment Income - Restricted	-	-	-	-	-
70000 Total Revenue	\$ 2,591,570	\$ (11,031)	\$ 7,134	\$ 59,286	\$ 1,847,622
91100 Administrative Salaries	178,584	-	3,719	-	68,767
91200 Auditing Fees	18,600	12,400	-	-	13,000
91300 Management Fee	-	-	-	-	-
91310 Book-keeping Fee	-	-	-	-	-
91400 Advertising and Marketing	133	-	-	7	-
91500 Employee Benefit contributions - Administrative	81,569	-	310	-	30,359
91600 Office Expenses	47,262	5,397	-	6,364	37,415
91700 Legal Expense	-	-	-	-	-
91800 Travel	18,942	-	-	-	4,731
91810 Allocated Overhead	-	-	-	-	-
91900 Other	45,604	-	1,300	2,225	6,190
91000 Total Operating - Administrative	\$ 390,934	\$ 17,797	\$ 5,329	\$ 8,596	\$ 160,462
92000 Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
92100 Tenant Services - Salaries	-	-	-	-	-
92200 Relocation Costs	-	-	-	-	-
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-	-
92400 Tenant Services - Other	-	-	-	-	-
92500 Total Tenant Services	\$ -	\$ -	\$ -	\$ -	\$ -
93100 Water	70,009	-	-	107	-
93200 Electricity	45,642	-	-	1,206	-
93300 Gas	70,165	-	-	-	-
93400 Fuel	-	-	-	-	-
93500 Labor	-	-	-	-	-

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End 09/30/2025

	Project Total	Blended Component Unit (City Place II Hsng Corp)	1 Business Activities	8 Other Federal Program 1 (Community Development Corporation)	14 671 Housing Choice Vouchers
93600 Sewer	10,933	-	-	-	-
93700 Employee Benefit Contributions - Utilities	-	-	-	-	-
93900 Other Utilities Expense	-	-	-	-	-
93000 Total Utilities	\$ 196,749	\$ -	\$ -	\$ 1,313	\$ -
94100 Ordinary Maintenance and Operations - Labor	323,573	-	-	7,398	-
94200 Ordinary Maintenance and Operations - Materials and Other	194,078	-	-	-	-
94300 Ordinary Maintenance and Operations Contracts	198,118	4,518	-	5,975	84
94500 Employee Benefit Contributions - Ordinary Maintenance	127,988	-	-	3,913	-
94000 Total Maintenance	\$ 843,757	\$ 4,518	\$ -	\$ 17,286	\$ 84
95100 Protective Services - Labor	-	-	-	-	-
95200 Protective Services - Other Contract Costs	62,429	-	-	-	6,402
95300 Protective Services - Other	5,786	-	-	-	-
95500 Employee Benefit Contributions - Protective Services	-	-	-	-	-
95000 Total Protective Services	\$ 68,215	\$ -	\$ -	\$ -	\$ 6,402
96110 Property Insurance	577,152	-	-	20,932	-
96120 Liability Insurance	9,904	5,890	-	1,935	-
96130 Workmen's Compensation	16,181	-	-	-	1,961
96140 All Other Insurance	199,947	-	-	7,918	-
96100 Total Insurance Premiums	\$ 803,184	\$ 5,890	\$ -	\$ 30,785	\$ 1,961
96200 Other General Expenses	-	-	-	-	6,156
96210 Compensated Absences	30,366	-	326	369	4,115
96300 Payments in Lieu of Taxes	76,857	-	-	-	-
96400 Bad debt - Tenant Rents	34,718	-	-	94	-
96500 Bad debt - Mortgages	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-
96800 Severance Expense	-	-	-	-	-
96000 Total Other General Expenses	\$ 141,961	\$ -	\$ 326	\$ 463	\$ 10,271
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	\$ -	\$ -	\$ -	\$ -	\$ -
96900 Total Operating Expenses	\$ 2,444,800	\$ 28,205	\$ 5,655	\$ 58,443	\$ 179,180
97000 Excess of Operating Revenue over Operating Expenses	\$ 146,770	\$ (39,236)	\$ 1,479	\$ 843	\$ 1,668,442
97100 Extraordinary Maintenance	-	-	-	-	-
97200 Casualty Losses - Non-capitalized	90,880	788,194	-	-	-
97300 Housing Assistance Payments	-	-	-	-	1,641,252
97350 HAP Portability-In	-	-	-	-	20,718
97400 Depreciation Expense	767,676	919	-	56,663	3,636
97500 Fraud Losses	-	-	-	-	-
90000 Total Expenses	\$ 3,323,356	\$ 817,318	\$ 5,655	\$ 115,106	\$ 1,844,786

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End 09/30/2025

	Project Total	Blended Component Unit (City Place II Hsng Corp)	1 Business Activities	8 Other Federal Program 1 (Community Development Corporation)	14 671 Housing Choice Vouchers
10010 Operating Transfer In	331,218	-	-	-	-
10020 Operating transfer Out	(331,218)	-	-	-	-
10100 Total Other financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (731,786)	\$ (828,349)	\$ 1,479	\$ (55,820)	\$ 2,836
11020 Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -
11030 Beginning Equity	\$ 7,459,938	\$ 5,685,232	\$ 91,135	\$ 5,290,328	\$ 196,308
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	-
11170 Administrative Fee Equity	\$ -	\$ -	\$ -	\$ -	\$ 186,706
11180 Housing Assistance Payments Equity	\$ -	\$ -	\$ -	\$ -	\$ 12,438
11190 Unit Months Available	3,237	-	-	84	2,378
11210 Number of Unit Months Leased	3,146	-	-	74	2,378
11610 Land Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
11620 Building Purchases	267,009	-	-	-	-
11630 Furniture & Equipment - Dwelling Purchases	-	-	-	-	-
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-
11650 Leasehold Improvements Purchases	5,975	-	-	-	-
11660 Infrastructure Purchases	-	-	-	-	-
13510 CFFP Debt Service Payments	-	-	-	-	-
13901 Replacement Housing Factor Funds	-	-	-	-	-

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End 09/30/2025

	97 109 Disaster Housing Assistance Grant	ELIM	Total Enterprise Fund
111 Cash - Unrestricted	\$ -	\$ -	\$ 1,860,450
112 Cash - Restricted - Modernization and Development	-	-	-
113 Cash - Other Restricted	177,077	-	5,238,226
114 Cash - Tenant Security Deposits	-	-	71,100
115 Cash - Restricted for Payment of Current Liabilities	-	-	-
100 Total Cash	\$ 177,077	\$ -	\$ 7,169,778
121 Accounts Receivable - PHA Projects	-	-	-
122 Accounts Receivable - HUD Other Projects	-	-	111,985
124 Accounts Receivable - Other Government	-	-	-
125 Accounts Receivable - Miscellaneous	-	-	-
126 Accounts Receivable - Tenants	-	-	29,170
126.1 Allowance for Doubtful Accounts - Tenants	-	-	(22,359)
126.2 Allowance for Doubtful Accounts - Other	-	-	(14,563)
127 Notes, Loans, & Mortgages Receivable - Current	-	-	14,563
128 Fraud Recovery	-	-	41,055
128.1 Allowance for Doubtful Accounts - Fraud	-	-	(41,055)
129 Accrued Interest Receivable	-	-	-
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$ -	\$ -	\$ 118,796
131 Investments - Unrestricted	-	-	-
132 Investments - Restricted	-	-	3,870
135 Investments - Restricted for Payment of Current Liability	-	-	-
142 Prepaid Expenses and Other Assets	-	-	463,407
143 Inventories	-	-	3,504
143.1 Allowance for Obsolete Inventories	-	-	(175)
144 Inter Program Due From	-	(57,875)	-
145 Assets Held for Sale	-	-	-
150 Total Current Assets	\$ 177,077	\$ (57,875)	\$ 7,759,180
151 Land	-	-	694,394
152 Buildings	-	-	23,022,118
153 Furniture, Equipment & Machinery - Dwellings	-	-	431,738
154 Furniture, Equipment & Machinery - Administration	-	-	803,901
155 Leasehold Improvements	-	-	3,812,571
156 Accumulated Depreciation	-	-	(22,461,226)
157 Construction in Progress	-	-	980,855
158 Infrastructure	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	\$ -	\$ -	\$ 7,284,354
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	-	-	3,444,156
173 Grants Receivable - Non Current	-	-	-
174 Other Assets	-	(560,741)	-
175 Investments in Joint Ventures	-	-	-
180 Total Non-Current Assets	\$ -	\$ (560,741)	\$ 10,728,510
200 Deferred Outflow of Resources	\$ -	\$ -	\$ -

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End 09/30/2025

	97 109 Disaster Housing Assistance Grant	ELIM	Total Enterprise Fund
290 Total Assets and Deferred Outflow of Resources	\$ 177,077	\$ (618,616)	\$ 18,487,690
311 Bank Overdraft	-	-	-
312 Accounts Payable <= 90 Days	-	-	920,566
313 Accounts Payable >90 Days Past Due	-	-	-
321 Accrued Wage/Payroll Taxes Payable	-	-	-
322 Accrued Compensated Absences - Current Portion	-	-	22,564
324 Accrued Contingency Liability	-	-	-
325 Accrued Interest Payable	-	-	-
331 Accounts Payable - HUD PHA Programs	-	-	29,125
332 Account Payable - PHA Projects	-	-	-
333 Accounts Payable - Other Government	-	-	76,857
341 Tenant Security Deposits	-	-	71,100
342 Unearned Revenue	-	-	13,403
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	-	-	7,562
347 Inter Program - Due To	-	(57,875)	-
348 Loan Liability - Current	-	-	-
310 Total Current Liabilities	\$ -	\$ (57,875)	\$ 1,141,197
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	-	(560,741)	3,870
354 Accrued Compensated Absences - Non Current	-	-	54,245
355 Loan Liability - Non Current	-	-	-
356 FASB 5 Liabilities	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-
350 Total Non-Current Liabilities	\$ -	\$ (560,741)	\$ 58,115
300 Total Liabilities	\$ -	\$ (618,616)	\$ 1,199,312
400 Deferred Inflow of Resources	\$ -	\$ -	\$ -
508.4 Net Investment in Capital Assets	-	-	7,284,354
511.4 Restricted Net Position	177,077	-	5,238,228
512.4 Unrestricted Net Position	-	-	4,765,796
513 Total Equity - Net Assets / Position	\$ 177,077	\$ -	\$ 17,288,378
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ 177,077	\$ (618,616)	\$ 18,487,690

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End 09/30/2025

	97 109 Disaster Housing Assistance Grant	ELIM	Total Enterprise Fund
70300 Net Tenant Rental Revenue	\$ -	\$ (19,862)	\$ 996,224
70400 Tenant Revenue - Other	-	-	46,567
70500 Total Tenant Revenue	\$ -	\$ (19,862)	\$ 1,042,791
70600 HUD PHA Operating Grants	-	-	3,102,967
70610 Capital Grants	-	-	272,984
70710 Management Fee	-	-	-
70720 Asset Management Fee	-	-	-
70730 Book Keeping Fee	-	-	-
70740 Front Line Service Fee	-	-	-
70750 Other Fees	-	-	-
70700 Total Fee Revenue	\$ -	\$ -	\$ 3,375,951
70800 Other Government Grants	-	-	-
71100 Investment income - Unrestricted	-	-	2,134
71200 Mortgage Interest Income	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-
71310 Cost of Sale of Assets	-	-	-
71400 Fraud Recovery	-	-	13,932
71500 Other Revenue	-	-	50,922
71600 Gain or Loss on Sale of Capital Assets	-	-	(11,031)
72000 Investment Income - Restricted	-	-	-
70000 Total Revenue	\$ -	\$ (19,882)	\$ 4,474,699
91100 Administrative Salaries	-	-	251,070
91200 Auditing Fees	-	-	44,000
91300 Management Fee	-	-	-
91310 Book-keeping Fee	-	-	-
91400 Advertising and Marketing	-	-	140
91500 Employee Benefit contributions - Administrative	-	-	112,258
91600 Office Expenses	-	-	96,456
91700 Legal Expense	-	-	-
91800 Travel	-	-	23,673
91810 Allocated Overhead	-	-	-
91900 Other	-	-	55,519
91000 Total Operating - Administrative	\$ -	\$ -	\$ 583,118
92000 Asset Management Fee	\$ -	\$ -	\$ -
92100 Tenant Services - Salaries	-	-	-
92200 Relocation Costs	-	-	-
92300 Employee Benefit Contributions - Tenant Services	-	-	-
92400 Tenant Services - Other	-	-	-
92500 Total Tenant Services	\$ -	\$ -	\$ -
93100 Water	-	-	70,116
93200 Electricity	-	-	46,848
93300 Gas	-	-	70,165
93400 Fuel	-	-	-
93500 Labor	-	-	-

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End 09/30/2025

	97 109 Disaster Housing Assistance Grant	ELIM	Total Enterprise Fund
93600 Sewer	-	-	10,933
93700 Employee Benefit Contributions - Utilities	-	-	-
93900 Other Utilities Expense	-	-	-
93000 Total Utilities	\$ -	\$ -	\$ 198,062
94100 Ordinary Maintenance and Operations - Labor	-	-	330,971
94200 Ordinary Maintenance and Operations - Materials and Other	-	-	194,078
94300 Ordinary Maintenance and Operations Contracts	-	-	208,695
94500 Employee Benefit Contributions - Ordinary Maintenance	-	-	131,901
94000 Total Maintenance	\$ -	\$ -	\$ 865,645
95100 Protective Services - Labor	-	-	-
95200 Protective Services - Other Contract Costs	-	-	68,831
95300 Protective Services - Other	-	-	5,766
95500 Employee Benefit Contributions - Protective Services	-	-	-
95000 Total Protective Services	\$ -	\$ -	\$ 74,617
96110 Property Insurance	-	-	598,084
96120 Liability Insurance	-	-	17,729
96130 Workmen's Compensation	-	-	18,142
96140 All Other Insurance	-	-	207,865
96100 Total Insurance Premiums	\$ -	\$ -	\$ 841,820
96200 Other General Expenses	-	-	6,156
96210 Compensated Absences	-	-	35,196
96300 Payments in Lieu of Taxes	-	-	76,857
96400 Bad debt - Tenant Rents	-	-	34,812
96500 Bad debt - Mortgages	-	-	-
96600 Bad debt - Other	-	-	-
96800 Severance Expense	-	-	-
96000 Total Other General Expenses	\$ -	\$ -	\$ 153,021
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	\$ -	\$ -	\$ -
96900 Total Operating Expenses	\$ -	\$ -	\$ 2,716,283
97000 Excess of Operating Revenue over Operating Expenses	\$ -	\$ (19,882)	\$ 1,758,416
97100 Extraordinary Maintenance	-	-	-
97200 Casualty Losses - Non-capitalized	-	-	879,074
97300 Housing Assistance Payments	-	(19,882)	1,621,370
97350 HAP Portability-In	-	-	20,716
97400 Depreciation Expense	-	-	848,894
97500 Fraud Losses	-	-	-
90000 Total Expenses	\$ -	\$ (19,882)	\$ 6,086,339

The Housing Authority of Lafourche Parish (LA080)

RACELAND, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End 09/30/2025

	97 109 Disaster Housing Assistance Grant	ELIM	Total Enterprise Fund
10010 Operating Transfer In	-	(331,218)	-
10020 Operating transfer Out	-	331,218	-
10100 Total Other financing Sources (Uses)	\$ -	\$ -	\$ -
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ -	\$ -	\$ (1,611,640)
11020 Required Annual Debt Principal Payments	\$ -	\$ -	\$ -
11030 Beginning Equity	\$ 177,077	\$ -	\$ 16,900,018
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-
11170 Administrative Fee Equity	\$ -	\$ -	\$ 186,706
11180 Housing Assistance Payments Equity	\$ -	\$ -	\$ 12,438
11190 Unit Months Available	-	-	5,699
11210 Number of Unit Months Leased	-	-	5,600
11610 Land Purchases	\$ -	\$ -	\$ -
11620 Building Purchases	-	-	267,009
11630 Furniture & Equipment - Dwelling Purchases	-	-	-
11640 Furniture & Equipment - Administrative Purchases	-	-	-
11650 Leasehold Improvements Purchases	-	-	5,975
11660 Infrastructure Purchases	-	-	-
13510 CFFP Debt Service Payments	-	-	-
13901 Replacement Housing Factor Funds	-	-	-

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2025

Section I: Summary of Auditors' Results:

FINANCIAL STATEMENTS

Type of auditors' report issued:

Unmodified

Internal Control over financial reporting:

Are material weaknesses identified?

Yes No

Are significant deficiencies that are not considered
to be material weaknesses identified?

Yes None
Reported

Is noncompliance that could have a material effect
on the financial statements identified?

Yes No

FEDERAL AWARDS

Internal control over Major Program:

Are material weaknesses identified?

Yes No

Are significant deficiencies that are not considered
to be material weaknesses identified?

Yes None
Reported

Type of report issued on compliance with requirements
applicable to the Major Program:

Section 8 Housing Choice Voucher Program

Unmodified

Are there any audit findings that are required to be
reported in accordance with 2 CFR Section 200.516(a)
of the Uniform Guidance?

Yes No

Identification of Major Program:

Assistance Listing No.

Section 8 Housing Choice Voucher Program

14.871

Dollar threshold used to distinguish between Type A and Type B Programs: \$1,000,000

Is the auditee identified as a Low-Risk Auditee?

Yes No

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2025

Section II: Financial Statement Findings:

Prior Year Finding

Finding 2024-001 – Failure to Accrue and Report Fiscal Year-End Liabilities (Material Weakness)

Condition

The Authority did not accrue liabilities of \$973,274 as of its September 30, 2024 fiscal year-end.

Current Year Status

This Finding is restated as Finding 2025-001.

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2025

Section II: Financial Statement Findings - Continued:

Current Year Finding

Finding 2025-001 – Failure to Accrue and Report Fiscal Year-End Liabilities (Material Weakness)

Criteria

The Authority's financial statements are prepared in conformity with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards applicable to Proprietary Funds. Proprietary Funds recognize transactions on the full accrual basis.

Condition and Perspective

The Authority did not accrue liabilities of \$354,280 as of its September 30, 2025 fiscal year-end. This is a repeat of prior year Finding 2024-001.

Cause

Lack of communication between the Authority's operational and financial management teams.

Effect

Understatement of liabilities submitted on unaudited financial data.

Questioned Costs – N/A

Recommendation

We recommend that the Authority accrue all liabilities as part of its year-end financial closing and reporting process.

Management's Response

The Authority will accrue all liabilities as part of its year-end financial closing and reporting process. Erial Branch, Executive Director, has assumed the responsibility of resolving internal communication deficiencies and assuring accrual of significant expenditures, and expects this deficiency to be resolved by April 30, 2026.

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2025

Section III: Federal Award Findings and Questioned Costs:

Prior Year Findings and Questioned Costs

Finding 2024-002 – Non-compliance with Internal Procurement Policy (Other Matter)

Capital Fund Program – Assistance Listing No. 14.872; Grant Period - Fiscal Year-Ended September 30, 2024

Condition

Three Capital Fund Program funded contract awards were sampled. Two applicable contracts awarded in the amounts of \$35,841 and \$51,264, did not contain the contractors' certifications against suspension and debarment or evidence that the EPLS was searched for the contractors.

Current Year Status

The Authority retained evidence of EPLS searches and/or certifications against suspension and debarment for the Capital Fund Program funded contracts during fiscal year 2025. This Finding is not restated.

Finding 2024-003 – Non-compliance with the Davis-Bacon Act (Other Matter)

Capital Fund Program – Assistance Listing No. 14.872; Grant Period - Fiscal Year-Ended September 30, 2024

Condition

During audit fieldwork, auditors sampled two applicable contractor files for compliance with the Davis Bacon Act. The Authority was unable to provide certified payrolls for both of the contractors which were required to submit certified payrolls for each week work was performed. A total of \$122,341 was expended under the contracts during the fiscal year. Additionally, the Prevailing Wage Rate Clause was not included in one of the applicable contracts.

Current Year Status

The Davis Bacon Act was not applicable to Capital Fund Program funded contract expenditures during fiscal year 2025. This Finding is not restated.

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2025

Section III: Federal Award Findings and Questioned Costs - Continued:

Prior Year Findings and Questioned Costs - Continued

Finding 2024-004 - Federal Reporting Deadline Not Met/ Unaudited Financial Data Schedule Not Submitted Timely (Material Weakness applicable to Major Programs, Material Noncompliance applicable to Major Programs, Other Matter applicable to Non-Major Programs)

Public Housing Program – Assistance Listing No. 14.850a, Section 8 Housing Choice Voucher Program – Assistance Listing No. 14.871, Capital Fund Program – Assistance Listing No. 14.872, Disaster Grants – Public Assistance (Presidentially Declared) – Assistance Listing No. 97.036; Grant period – Fiscal Year Ended September 30, 2024

Condition

The Authority did not submit its Unaudited Financial Data Schedule to REAC within two months of its fiscal year-end. The Authority submitted its Unaudited Financial Data on December 19, 2024, after the two-month submission deadline.

Current Year Status

The Authority submitted its Unaudited Financial Data Schedule to REAC within two months of its fiscal year-end. This Finding is not restated.

Current Year Finding and Questioned Costs

None noted

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

CORRECTIVE ACTION PLAN

SEPTEMBER 30, 2025

Finding 2025-001 – Failure to Accrue and Report Fiscal Year-End Liabilities

Corrective Action

The Authority will accrue all liabilities as part of its year-end financial closing and reporting process. Erial Branch, Executive Director, has assumed the responsibility of resolving internal communication deficiencies and assuring accrual of significant expenditures, and expects this deficiency to be resolved by April 30, 2026.

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

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

YEAR ENDED SEPTEMBER 30, 2025

EXPENDITURE PURPOSE

Salary	<u>\$ 81,120</u>
Benefits - Insurance	<u>10,496</u>
Benefits - Retirement	<u>6,490</u>
Conference Travel	<u>366</u>
Reimbursements	<u>205</u>
Total Compensation, Benefits and Other Payments	<u><u>\$ 98,677</u></u>

Agency Head: Erial Branch, Executive Director

Basis of Presentation:

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

CITY PLACE II HOUSING CORPORATION

RACELAND, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO THE
CHIEF EXECUTIVE OFFICER

YEAR ENDED SEPTEMBER 30, 2025

EXPENDITURE PURPOSE

Salary	<u>\$ 0</u>
Benefits - Insurance	<u>0</u>
Benefits - Retirement	<u>0</u>
Total Compensation, Benefits and Other Payments	<u><u>\$ 0</u></u>

Agency Head: Erial Branch, Executive Director

Basis of Presentation:

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



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
The Housing Authority of Lafourche Parish
Louisiana Legislative Auditor

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

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

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

The associated results and conclusions are as follows:

Written Policies and Procedures

Applicable Written Policies and Procedures business functions outlined in Addendum A (attached) were sufficiently addressed.

Board

Applicable Board functions outlined in Addendum A (attached) were sufficiently addressed and adhered to.

Bank Reconciliations

Applicable Bank Reconciliation functions outlined in Addendum A (attached) were sufficiently addressed and adhered to.

Disbursements

Disbursement documentation does not include evidence of segregation of duties. Other Disbursements functions outlined in Addendum A (attached) were addressed and adhered to without exception.

Ethics

An Ethics Designee has not been appointed. One of five sampled employees did not complete ethics training during the 2025 calendar year. Other Ethics functions outlined in Addendum A (attached) were sufficiently addressed and adhered to. There were no changes to the Ethics Policy during fiscal year 2025.

Sexual Harassment

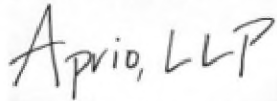
One of five sampled employees did not complete sexual harassment training during the 2025 calendar year. The Authority did not complete an annual sexual harassment report. The other applicable Sexual Harassment function outlined in Addendum A (attached) was addressed and adhered to without exception.

See Addendum B following this report for the Authority's Corrective Action Plan.

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

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

This report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

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

Birmingham, Alabama
March 6, 2026

ADDENDUM A

PROCEDURES

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

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:¹
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

¹ For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization's operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.

- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics²**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

2) Board or Finance Committee³

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

² The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the nonprofit should have written policies and procedures relating to ethics.

³ These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.

- ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds⁴, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds⁵ if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.⁶

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts⁷ (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

⁴Proprietary fund types are defined under GASB standards and include enterprise and internal service funds. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary operations that are not required to be budgeted under the Local Government Budget Act.

⁵ R.S. 24:513 (A)(1)(b)(iv) defines public funds.

⁶ No exception is necessary if management's opinion is that the cost of taking corrective action for findings related to improper segregation of duties or inadequate design of controls over the preparation of the financial statements being audited exceeds the benefits of correcting those findings.

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

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT)⁸, wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

⁸ Electronic disbursements do not include transfers from one bank account to another within the agency (i.e. operating account to payroll account).

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

5) Ethics⁹

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

⁹ The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the procedures should be performed.

6) Prevention of Sexual Harassment¹⁰

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

¹⁰ While it appears to be a good practice for charter schools to ensure it has policies and training for sexual harassment, charter schools do not appear required to comply with the Prevention of Sexual Harassment Law (R.S. 42:341 et seq). An individual charter school, through the specific provisions of its charter, may mandate sexual harassment training.

ADDENDUM B

THE HOUSING AUTHORITY OF LAFOURCHE PARISH
RACELAND, LOUISIANA

LOUISIANA LEGISLATIVE AUDITOR, STATE-WIDE AGREED-UPON PROCEDURES

CORRECTIVE ACTION PLAN

SEPTEMBER 30, 2025

Disbursements

The Authority will include evidence of segregation of duties on disbursement documentation.

Ethics

The Authority will appoint an Ethics Designee. All employees will complete ethics training.

Sexual Harassment

The Authority will complete an annual sexual harassment report. All employees will complete sexual harassment training.