FINANCIAL REPORT

LOUISIANA HOUSING AUTHORITY

DECEMBER 31, 2025 AND 2024

LOUISIANA HOUSING AUTHORITY

TABLE OF CONTENTS

Independent Auditor's Report 1-3

Management's Discussion and Analysis 4

Financial Statements

Statement of Net Position 7

Statement of Revenues, Expenses, and Changes in Net Position 8

Statement of Cash Flows 9

Notes to Financial Statements 10-23

Required Supplementary Information:

Schedule of the Authority's Proportionate Share of the Collective Total OPEB Liability 24

Schedule of the Authority's Proportionate Share of Net Pension Liability 25

Schedule of the Authority's Pension Contributions 26

Notes to Required Supplementary Information 27-30

Report Required by *Government Auditing Standards*

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 31-32

Single Audit Section

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance 33-35

Schedule of Expenditures of Federal Awards 36

Notes to Schedule of Expenditures of Federal Awards 37

Schedule of Finding and Questioned Costs 38-40

Schedule of Prior Year Findings and Questioned Costs 41

Independent Auditor's Report

Louisiana Housing Authority
Baton Rouge, LA

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of the Louisiana Housing Authority (hereafter the Authority), as of and for the years ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's 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 December 31, 2025, and the respective changes in financial position and cash flows 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 Auditor's 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 opinions.

Prior Period Financial Statements

The financial statements of Louisiana Housing Authority as of and for the year ended December 31, 2024 were audited by other auditors whose report dated October 30, 2025 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

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Auditor's 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 auditor's 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 the management's discussion and other required supplementary information, as listed in the table of contents, be presented to supplement the 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.

Emphasis of Matter
As discussed in Note 1, the financial statements of Louisiana Housing Authority, a department of Louisiana Housing Corporation, includes only the activities of Louisiana Housing Authority's Section 8 Housing Choice Voucher, Mainstream Voucher and Emergency Housing Voucher federal programs and is not intended to present fairly the financial position, results of operations, or cash flows of the Louisiana Housing Corporation in conformity with accounting principles generally accepted in the United States of America.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is 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 October 14, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Daigrepont & Brian APAC

Daigrepont & Brian, APAC
Baton Rouge, LA

October 14, 2026

LOUISIANA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

Management's Discussion and Analysis of the Louisiana Housing Authority's (the Authority) financial performance presents a narrative overview and analysis of the Authority's financial activities for the year end December 31, 2025 and 2024. This document focuses on the Authority's current year activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

The primary source of funding for the Authority is subsidies and grants from the U.S. Department of Housing and Urban Development ("HUD"). The Authority reported $22,143,054 and $17,312,430 in HUD operating grants for the years ended December 31, 2025 and 2024, respectively

The Authority's liabilities and deferred inflow of resources exceeded its assets and deferred outflow of resources at the close of fiscal year 2025 by $1,670,073.

The Authority's operating revenues increased by $4,830,911, total expenses increased $4,498,214 and net position increased by $509,427.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority's financial statements present information for the Authority as a whole, in a format designed to make the statements easier for the reader to understand. The Authority's financial statements comprise three components 1) Management's Discussion and Analysis, 2) Financial Statements (including the notes to the financial statements), and 3) Required Supplementary Information.

The Authority has three federally funded programs that are reported as a proprietary 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Financial Statements

The Authority's financial statements include the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position and the Statement of Cash Flows.

The Statement of Net Position presents information on all the Authority's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between them presented as net position. Over time, increases or decreases in net position may provide a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the Authority's net position changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported as either revenues or expenses when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the Authority's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB Statement No. 34.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

FINANCIAL ANALYSIS OF THE ENTITY

STATEMENT OF NET POSITION

	2025	2024	Variance	% Variance
Assets				
Current assets	$ 528,070	$ 502,652	$ 25,418	5.1%
Deferred outflows of resources	258,508	329,423	(70,915)	-21.5%
Total assets and deferred outflows of resources	$ 786,578	$ 832,075	$ (45,497)	-5.5%
Liabilities				
Current liabilities	$ 55,472	$ 84,937	$ (29,465)	-34.7%
Noncurrent liabilities	1,732,080	2,467,824	(735,744)	-29.8%
Total liabilities	1,787,552	2,552,761	(765,209)	-30.0%
Deferred inflows of resources	669,099	458,814	210,285	45.8%
	2,456,651	3,011,575	(554,924)	-18.4%
Net Position				
Restricted	89,770	307,990	(218,220)	-70.9%
Unrestricted	(1,759,843)	(2,487,490)	727,647	-29.3%
Total net position	(1,670,073)	(2,179,500)	509,427	-23.4%
Total liabilities and deferred inflows of resources	$ 786,578	$ 832,075	$ (45,497)	-5.5%

December 31, 2025

Total assets increased by $25,418 from the previous year due to an increase in accounts receivable.

Total liabilities decreased by $765,209 from the previous year due to a decrease in net pension and OPEB liabilities.

December 31, 2024

Total assets increased by $81,753 from the previous year due to an increase in cash held at year end.

Total liabilities decreased by $253,296 from the previous year due to a decrease in net pension liability.

Restricted net position consist of cash restricted for housing assistance. Unrestricted net position does not have any limitations on how these amounts may be spent.

CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2025	2024	Variance	% Variance
Operating revenues	$ 22,150,955	$ 17,320,044	$ 4,830,911	27.9%
Operating expenses	21,641,528	17,143,314	4,498,214	26.2%
Change in net position	$ 509,427	$ 176,730	$ 9,329,125	188.3%

December 31, 2025

The Authority's revenues increased by $4,830,911 from the previous year due to the increase in funding U.S. Department of Housing and Urban Development.
increased housing assitance payments.

December 31, 2024

The Authority's revenues increased by $1,687,785 from the previous year due to the increase in funding U.S. Department of Housing and Urban Development. Operating expenses increased $1,282,256 due to increased housing assitance payments.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Program revenues and expenses for 2026 are expected to decrease slightly from 2025. Federal appropriations directly affect the levels of revenues and expenses of the Authority.

CONTACTING THE LOUISIANA HOUSING AUTHORITY'S MANAGEMENT

This financial report is designed to provide Louisiana's citizens and taxpayers, as well as the Authority's customers, investors, and creditors with a general overview of the Louisiana Housing Authority's finances and to show the Authority's accountability for the funds it receives. If there are questions about this report, or if additional financial information is desired, contact the Finance Department, 2415 Quail Drive, Baton Rouge, LA 70808.

LOUISIANA HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS:		
Current Assets		
Cash - unrestricted	$ 23,836	$ 159,876
Cash - restricted	89,770	307,990
Accounts receivable	372,255	-
Prepaid expenses	42,209	34,786
Total Current Assets	528,070	502,652
Total Assets	528,070	502,652
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows of resources related to pensions	119,270	138,686
Deferred outflows of resources related to OPEB	139,238	190,737
Total Deferred Outflows of Resources	258,508	329,423
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 786,578	$ 832,075
LIABILITIES:		
Current Liabilities:		
Accounts payable	$ 7,584	$ 34,046
Due to HUD	22,670	22,205
Net OPEB liability	9,337	8,412
Accrued payroll	4,936	9,647
Compensated absences	10,945	10,627
Total Current Liabilities	55,472	84,937
Non-Current Liabilities:		
Net pension liability	1,100,771	1,719,954
Net OPEB liability	538,158	572,509
Compensated absences	93,151	175,361
Total Non-Current Liabilties	1,732,080	2,467,824
Total Liabilities	1,787,552	2,552,761
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows of resources related to pensions	492,043	257,614
Deferred inflows of resources related to OPEB	177,056	201,200
Total Deferred Inflows of Resources	669,099	458,814
NET POSITION:		
Restricted	89,770	307,990
Unrestricted	(1,759,843)	(2,487,490)
Total Net Position	(1,670,073)	(2,179,500)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$ 786,578	$ 832,075

See accompanying notes and independent auditors' report.

LOUISIANA HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES:		
HUD operating grants	$ 22,143,054	$ 17,312,430
Interest income	7,901	7,614
Total Operating Revenue	22,150,955	17,320,044
OPERATING EXPENSES:		
Housing assistance payments	20,767,232	15,845,810
Salaries and employee benefits	713,098	972,184
General and administrative	74,522	286,527
Legal and professional	28,462	13,965
Travel	1,429	7,274
Office	56,785	17,554
Total Operating Expenses	21,641,528	17,143,314
Change in Net Position	509,427	176,730
NET POSITION - Beginning of year	(2,179,500)	(2,356,230)
NET POSITION - End of year	$ (1,670,073)	$ (2,179,500)

See accompanying notes and independent auditors' report.

LOUISIANA HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Federal subsidies and grants	$ 21,770,799	17,312,430
Interest received	7,901	7,614
Payments for housing assistance	(20,767,232)	(15,845,810)
Payments to employees	(1,178,068)	(1,123,412)
Payments to vendors	(187,660)	(283,270)
Net Cash (Provided by) Used in Operating Activities	(354,260)	67,552
CASH AND CASH EQUIVALENTS, beginning of year	467,866	400,314
CASH AND CASH EQUIVALENTS, end of year	113,606	467,866
Presented on Statement of Net Position as		
Unrestricted	23,836	159,876
Restricted	89,770	307,990
	$ 113,606	467,866
RECONCILIATION OF OPERATING LOSS TO NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES:		
Change in Net Position	$ 509,427	176,730
Adjustments to reconcile change in net position to net cash (used in) provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(372,255)	-
Prepaid expense	(7,423)	(14,201)
Deferred outflows - pensions	19,416	89,030
Deferred outflows - OPEB	51,499	(87,699)
Accounts payable	(26,462)	56,251
Accrued expenses	(86,603)	31,762
Due to HUD	465	-
Net pension liability	(619,183)	(469,916)
Net OPEB liability	(33,426)	128,607
Deferred inflows - pension	234,429	257,614
Deferred outflows - OPEB	(24,144)	(100,626)
Net Cash (Used In) Provided by Operating Activities	$ (354,260)	67,552

See accompanying notes and independent auditors' report.

NATURE OF OPERATIONS

Under the Supplemental Appropriations Act of 2008, P.L. 110-252 (the Act), the State of Louisiana has been provided $20 million under the federal, project-based voucher program for the provision of 3,000 units of permanent supportive housing. The Act provides that the State or its designee may act in all respects as a public housing agency. The Louisiana Housing Authority (the Authority) is the public housing agency designated by the State of Louisiana.

The Housing Choice Voucher Program provides safe, decent, and sanitary housing in the private market for very low-income families, the elderly, and the disabled. The Mainstream Voucher Program enables families for whom the head, spouse or co-head is a person with disabilities to lease affordable private housing of their choice. Housing Choice and Mainstream vouchers are administered locally by public housing agencies (PHA). The Emergency Housing Voucher program (EHV) is a housing voucher program that assist individuals and families who are homeless, at risk of homelessness, fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking, were recently homeless or have a high risk of housing instability. The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher programs. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Financial Reporting Entity:
The Governmental Accounting Standards Board (GASB) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Authority is fiscally independent of the State of Louisiana, the Authority is not a component unit of the State. The Authority is a department under the Louisiana Housing Authority. The federal program is also included in the financial statements of the Louisiana Housing Authority whose activities are not reported in these financial statements. The financial statements include only the activity of the Housing Choice Voucher Program, the Mainstream Voucher Program, and the Emergency Housing Voucher Program (all funds and activities that are within the oversight responsibility of the Authority).

Financial Statement Presentation:
The GASB has been established to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

For financial reporting purposes, the Authority is treated as a special-purpose government engaged only in business-type activities. All activities of the Authority are accounted for within a single proprietary (enterprise) fund to report on its financial position, results of operations, and cash flows. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Basis of Accounting:
Basis of accounting refers to the timing of recognition of revenues and expenses in the accounts and reporting in the financial statements, regardless of the measurement focus applied. The transactions of the Authority are accounted for using the accrual basis of accounting and on a flow of economic resources measurement focus where the aim is to report all inflows, outflows, and balances affecting or reflecting an entity's net position. Accordingly, revenues are recognized in the accounting period when they are earned and expenses are recognized when the related liability is incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Net Position:
In the Statement of Net Position, the difference between the Authority's assets, deferred outflows and liabilities and deferred inflows is recorded as net position. The three components of net position are as follows:

Net investment in capital assets – The category records capital assets net of accumulated depreciation and reduced by any outstanding balances of mortgages, notes, or other borrowings attributable to the acquisition, construction or improvement of capital assets.

Restricted net position – Net positions that are restricted by external sources such as creditors, grantors, contributors, or by law are reported separately as restricted net position.

Unrestricted net position – Consists of net positions that do not meet the definition of "restricted" or "net investment in capital assets."

Use of Restricted Resources
When both restricted and unrestricted resources are available for use, it is the Authority's policy to use the restricted resources first, then unrestricted resources as needed.

Use of Estimates
The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash
For financial statement purposes, cash includes demand deposits. Restricted cash consists of cash from the U.S. Department of Housing and Urban Development to be used for payments to program recipients.

Prepaid Expenses
Prepaid expenses consist of licenses and maintenance fees.

Capital Assets:
Capital assets are stated at cost less accumulated depreciation. All property and equipment with initial, individual costs of greater than $5,000 is capitalized. Depreciation is computed on the straight-line method over five years. Expenses for repairs and maintenacne are charged to operating expenses as incurred.

Deferred Outflows and Inflows of Resources:
In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources that represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense) until then. The Authority has two items that qualify for reporting in this category, which are deferred amounts related to pensions and deferred amounts related to other postemployment benefits.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources that represents an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The Authority has three items that meet the criterion for this category: deferred amounts related to unearned income, deferred amounts related to pensions, and deferred amounts related to other postemployment benefits.

Compensated Absences:
The Authority's employees earn and accumulate annual, sick and retirement leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated and used throughout time off by each employee is unlimited; however, payment of annual leave at termination or retirement is limited to 300 hours. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave can be used to compute retirement benefits.

Grant Revenues
The Authority's sole source of funding is from three grants awarded by the U.S. Department of Housing and Urban Development. The Authority receives funding based on a cost reimbursement basis, incremental funding contracts, and lump sum cash deposits.

2. DEPOSITS:

For reporting purposes, deposits with financial institutions include demand deposits. Deposits in bank accounts are stated at cost, which approximates market. Under Louisiana State Law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

The deposits of the Authority consisted of the following at December 31, 2025 and 2024:

	2025	2024
Cash - book balances	$ 113,606	$ 467,866
Cash - bank balances	113,606	493,833
Insurance and Collateral		
FDIC	250,000	250,000
Pledged securities	-	243,833
Total unrestricted	$ -	$ -

Custodial risk is the risk that in the event of a bank failure, the Authority’s deposits may not be returned. At December 31, 2025 and 2024, the Authority's bank balances of $113,606 and $493,833, respectively, were insured by FDIC insurance or pledge collateral held by the Federal Reserve Bank in joint custody. The Authority does not have a custodial risk policy.

3. CAPITAL ASSETS:

A summary of the Authority's capital assets consist of the following at December 31, 2025:

	Opening Balnace	Additions	Deletions	Ending Balance
Computers and equipment	$ 48,589	$ -	$ -	$ 48,589
Furniture and fixtures	45,030	-	-	45,030
	93,619	-	-	93,619
Accumulated depreciation	(93,619)	-	-	(93,619)
Total capital assets being depreciated	$ -	$ -	$ -	$ -

3. CAPITAL ASSETS: (CONTINUED)

A summary of the Authority's capital assets consist of the following at December 31, 2025:

	Opening Balnace	Additions	Deletions	Ending Balance
Computers and equipment	$ 48,589	$ -	$ -	$ 48,589
Furniture and fixtures	45,030	-	-	45,030
	93,619	-	-	93,619
Accumulated depreciation	(93,619)	-	-	(93,619)
Total capital assets being depreciated	$ -	$ -	$ -	$ -

Depreciation expense for the years ended December 31, 2025 and 2024 was $0.

4. NON-CURRENT LIABILITIES:

The Authority's non-current liabilities consisted of the following at December 31, 2025:

	Beginning Balance	Additions	(Reductions)	Ending Balance	Amounts Due Within One Year
Net pension liability	$ 1,719,954	$ -	$ (438,291)	$ 1,281,663	$ -
Net OPEB liability	580,921	353,243	-	934,164	22,670
Compensated absences	185,988	-	(81,892)	104,096	10,945
	$ 2,486,863	$ 353,243	$ (520,183)	$ 2,319,923	$ 33,615

The Authority's non-current liabilities consisted of the following at December 31, 2024:

	Beginning Balance	Additions	(Reductions)	Ending Balance	Amounts Due Within One Year
Net pension liability	$ 2,189,870	$ -	$ (469,916)	$ 1,719,954	$ -
Net OPEB liability	452,314	128,607	-	580,921	8,412
Compensated absences	148,913	37,075	-	185,988	10,627
	$ 2,791,097	$ 165,682	$ (469,916)	$ 2,486,863	$ 19,039

5. CONCENTRATIONS:

The Authority receives all of its operating revenues from the U.S. Department of Housing and Urban Development (HUD). If the amount of revenues received from HUD falls below contract levels, the Authority's operating results could be adversely affected. Revenue from HUD was $22,143,054 and $17,312,430 for the years ended December 31, 2025 and 2024, respectively.

6. RETIREMENT BENEFITS:

Plan Description:

Substantially all of the employees of the Authority are members of the Louisiana State Employees' Retirement System (LASERS), a cost-sharing, multiple-employer, defined benefit pension plan. LASERS is a statewide public employee retirement system (PERS) for the benefit of state employees which is administered and controlled by a separate board of trustees.

LASERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. The following is a brief description of the Plan and its benefits. Participants should refer to the appropriate statutes for more complete information.

6. RETIREMENT BENEFITS: (CONTINUED)

In 1999, an Optional Retirement Plan (ORP) was established as a defined contribution component of LASERS for certain unclassified employees who otherwise would have been eligible to become members of the defined benefit plan. The ORP provides portability of assets and full and immediate vesting of all contributions submitted on behalf of members. The ORP is administered by a third-party provider with oversight from LASERS Board of Trustees.

Monthly employer and employee contributions are invested as directed by the member to provide the member with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the member's working lifetime. ORP balances are held by the provider in each participant's name. These balances are included in LASERS total investments on the Statement of Fiduciary Net Position. The ORP was closed to new members on December 7, 2007. However, members in the ORP as of December 31, 2007 were granted the option by Act 718 of the 2012 Louisiana Regular Legislative Session to regain membership in the defined benefit plan.

Benefits Provided:

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. Rank-and-file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service, at age 55 upon completing 25 years of creditable service, and at age 60 upon completing 10 years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service.

Hazardous duty members are eligible to retire with 12 years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants-at-arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

6. RETIREMENT BENEFITS: (CONTINUED)

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after 5 years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

Deferred Retirement Benefits:

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked.

For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than LASERS' realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider.

The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with, different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirment an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the LASERS' realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits:

Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching retirement age, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% offinal average compensation or 100% of final average compensation if the injury was the result of an intentional act of violence.

6. RETIREMENT BENEFITS: (CONTINUED)

Survivor's Benefits:

Certain eligible surviving dependents receive benefits based on the deceased member′s compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011, who was in state service at the time of death, must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had aminimum of twenty years of service credit, regardless of when earned, in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

A Hazardous Duty Services Plan member's surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80% of the member's final average compensation if the member was killed in the line of duty. If the member dies in the line of duty as a result of an intentional act of violence, survivor benefits may be increased to 100% of the members' final average compensation.

Cost-of-Living Adjustments:

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of cost-of-living adjustments (COLAs), which are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Employer Contributions

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the LASER's Actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of LASERS are used for the employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all class members, regardless of their plan membership.

The employer contribution rates for the years ended December 31, 2025 were 34.74% of payroll for the first half of the year and 33.15% of payroll for the second half of the year. The employer contribution rates for the fiscal year ended December 31, 2024 were 41.30% of payroll for the first half of the year and 34.74% of payroll for the second half of the year. The Authority's contributions to LASERS for the years ended December 31, 2025 and 2024 were $205,588 and $269,381, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At December 31, 2025 and 2024, the Authority reported a liability for LASERS of $1,100,771 and $1,719,954 respectively for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2025 and 2024, and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of those dates. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2025 and 2024, the Authority's proportion was .0244% and .0313%, respectively. This reflects an decrease of .0069% from its proportion measured as of June 30, 2025.

6. RETIREMENT BENEFITS: (CONTINUED)

For the years ended December 31, 2025 and 2024, the Authority recognized pension (benefit)/expense of $(196,467) and ($123,272), respectively.

At December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 7,844	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	224,442
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,761	267,601
Employer contributions subsequent to the measurement date	100,665	-
Total	$ 118,270	$ 492,043

At December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 212,675
Changes of assumptions	12,023	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	44,939
Employer contributions subsequent to the measurement date	126,663	-
Total	$ 138,686	$ 257,614

Deferred outflows of resources resulting from employer contributions subsequent to the measurement date in the amount of $100,665 will be recognized as a reduction of the net pension liability during the year ending December 31, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended December	Amount
2026	$ (227,530)
2027	(116,709)
2028	(89,884)
2029	(40,315)
Total	$ (474,438)

6. RETIREMENT BENEFITS: (CONTINUED)

Actuarial Assumptions:

The total pension liabilities in the June 30, 2025 and 2024 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation dates	June 30, 2025 and 2024
Actuarial cost method	Entry Age Normal
Expected remaining service lives	2 years
Investment rate of return	7.25% per annum
Inflation rate	2.40% per annum
Period of experience study	2019 -- 2023
Mortality Rates	Non-disabled members: The PubG-2010 Healthy Retiree on a fully generational basis by Mortality Improvement Scale MP-2021. Disabled members: Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirements	Termination, disability, and retirement assumptions were projected based on a five-year (2019-2023) experience study of LASERS' members.
Salary increases	Salary increases were projected based on a 2019-2023 experience study of LASERS's members. The salary increase ranges for specific types of members are:

Member Type	Lower Range	Upper Range
Regular	3.3%	14.0%
Judges	2.4%	4.8%
Corrections	4.4%	15.3%
Hazardous Duty	4.4%	15.3%
Wildlife	4.4%	15.3%

Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40%, and an adjustment for the effect of rebalancing/ diversification. The resulting expected long-term nominal rate of return is 8.30% for 2025 and 8.15% for 2024. Best estimates of geometric real rates of each major asset class included in LASERS target asset allocation as of June 30, 2025 are summarized in the following table:

6. RETIREMENT BENEFITS: (CONTINUED)

	June 30, 2025		June 30, 2024	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Geometric)	Target Allocation	Long-Term Expected Real Rate of Return (Geometric)
Cash	0%	0.85%	0%	0.76%
Domestic Equity	34%	4.42%	34%	4.29%
International Equity	17%	5.22%	17%	5.22%
Domestic Fixed Income	3%	2.53%	3%	2.04%
International Fixed Income	19%	5.37%	19%	5.24%
Alternative Investments	27%	7.43%	27%	8.19%
Total	100%		100%	

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined contribution rates approved by PRSAC, taking into consideration the recommendation of LASERS' actuary. Based on those assumptions, LASERS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the Authority's proportionate share of the net pension liability using the current discount rate, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
2025	$ 1,675,622	$ 1,100,771	$ 718,011
2024	$ 2,375,225	$ 1,719,954	$ 1,163,143

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's fiduciary net position is available in the separately issued 2025 and 2024 Annual Comprehensive Financial Reports for LASERS at www.lasersonline.org or on the Louisiana Legislative Auditor's website at www.lla.la.gov.

Payables to the Pension Plan:

As of December 31, 2025 and 2024, the Authority no amounts due for outstanding contributions due to LASERS.

7. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS:

Substantially all employees become eligible for postemployment health care and life insurance benefits if they reach normal retirement age while working for the Authority. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the Authority.

7. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (CONTINUED

Plan Description:

Employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The state administers the plan through the Office of Group Benefits (OGB). LRS 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. No assets are accumulated in a trust that meets the criteria of Governmental Accounting Standards Board (GASB) Statement No. 75 to pay related benefits.

Benefits Provided:

The OPEB Plan provides benefits such as: death benefits, life insurance, disability, and long-term care that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits a pension plan, as well as healthcare benefits paid in the period after employment. The OPEB plan does not provide termination benefits or termination payments for sick leave.

Contributions:

The contribution requirements of plan members and the Authority are established and may be amended by LRS 42:801-883. The OPEB Plan is currently funded on a pay-as-you-go basis through a combination of retiree and Authority contributions. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving post-employment benefits. The retirees contribute to the cost of their postemployment benefits based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected selected from the plan and if the member has Medicare coverage. Employer contributions to the OPEB Plan from the the Authority were $8,412 and $6,252 for the years ended December 31, 2025 and 2024, respectively.

Employer contributions are based on plan premiums and the employer contribution percentage. This percentage is based on the date of participation in an OGB plan (before or after January 1, 2002) and employee years of service at retirement. Employees who began participation or rejoined the plan before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65 who pay approximately 25% of the active employee cost). For those beginning participation or rejoining on or after January 1, 2002, the percentage of premiums contributed by the employer is based on the following schedule:

OGB Participation	Retiree Share	State Share
Under 10 years	81%	19%
10-14 years	62%	38%
15-19 years	44%	56%
20+ years	25%	75%

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retiree and spouses of retirees, subject to maximum values. The employer pays 50% of the individual retiree's premium. The retiree is responsible for 100% of the premium for dependents. Effective January 1, 2018, the total monthly premium for retirees varies according to age group.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

At December 31, 2025 and 2024, the Authority reported a liability of $547,495 and $580,921, respectively for its proportionate share of the collective total OPEB liability. The collective total OPEB liability was measured as of July 1, 2025 and 2024 and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation as of that date. The Authority's proportion of the total OPEB liability was based on a projection of the Authority's total OPEB liability relative to the projected total OPEB liability of all participating employers, actuarially determined. As of July 1, 2025 and 2024,the Authority's proportion was 0.0063%, and .0072%, respectively.

7. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (CONTINUED)

For the years ended December 31, 2025 and 2024, the Authority recognized OPEB benefit of$($1,508) and ($59,718), respectively.

As of December 31, 2025 the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 23,465	$ -
Changes of assumptions	46,495	103,069
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	45,499	73,987
Employer contributions subsequent to the measurement date	23,779	-
Total	$ 139,238	$ 177,056

As of December 31, 2024 the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 94,652	$ 500
Changes of assumptions	6,866	116,759
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	80,807	83,941
Employer contributions subsequent to the measurement date	8,412	-
Total	$ 190,737	$ 201,200

Deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date of $23,779 will be recognized as a reduction of the collective total OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (benefit) as follows:

Year Ended June 30	Amount
2027	$ (44,506)
2028	8,475
2029	(8,267)
2030	(17,299)
Total	$ (61,597)

7. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (CONTINUED)

Actuarial Assumptions:

The total OPEB liability in the July 1, 2025 and 2024 actuarial valuations were determined using the following actuarial assumptions:

Inflation rate	2.8% and 2.4% per annum for 2025 and 2024, respectively
Salary Increases	2019 -- 2023
Investment Rate of Return	3.93%, based on the June 30, 2024 Bond Buyer 20 Index Rate
Healthcare Cost Trend	4.50% - 8.50%
Mortality Rates	For general active lives: the PubG-2010 Employee Table, adjusted by 1.055 for males and 1.034 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021. For general healthy retiree lives: the PubG-2010 Retiree Table, adjusted by 1.215 for males and 1.277 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021. For general disabled retiree lives: the RP2000 Disabled Retiree Mortality Table, adjusted by 0.936 for males and 1.065 for females, not projected with mortality improvement. For public safety active lives: the PubS-2010 Below Median Employee Table, adjusted by 1.050 for males and 0.974 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021. For public safety healthy retiree lives: the PubS-2010 Below Median Retiree Table, adjusted by 1.049 for males and 1.020 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021. For public safety disabled retirees lives: The RP-2000 Disabled Retiree Mortality Table, adjusted by 0.978 for males and 1.002 for females, not projected with mortality improvement. For survivors: the PubG-2010 Contingent Survivor Table, adjusted by 1.264 for males and 1.326 for females, projected from 2020 on a fully generational basis by Mortality Improvement Scale MP-2021.

Discount Rate:

The discount rate used to measure the total OPEB liability was 5.20% and 3.93% for 2025 and 2024, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at contractually required rates. Based on this assumption and as the OPEB Plan is unfunded, the OPEB plan's fiduciary net position was not projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was determined using a discount rate that reflects the 20-year tax-exempt municipal bond yield or index rate.

7. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (CONTINUED)

Sensitivity of the Authority's Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate:

The following presents the Authority's proportionate share of the collective total OPEB liability using the current discount rate, as well as what the Authority's proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1.0% Decrease (4.2%)	Current Discount Rate (5.2%)	1.0% Increase (6.2%)
2025	$ 551,552	$ 474,857	$ 412,971

	1.0% Decrease (2.93%)	Current Discount Rate (3.93%)	1.0% Increase (4.93%)
2024	$ 684,039	$ 580,921	$ 498,638

The following presents the Authority's proportionate share of the collective total OPEB liability using the healthcare cost trend rates, as well as what the Authority's proportionate share of the collective total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1.0% Decrease	Healthcare Cost Trend	1.0% Increase
2025	$ 408,810	$ 474,857	$ 558,195
2024	$ 491,566	$ 580,921	$ 695,484

Payables to the OPEB Plan:

As of December 31, 2025 and 2024, the Authority did not report any outstanding amount of contributions payable to the OPEB Plan.

8. NET POSITION - DEFICIT BALANCE

The Authority has a deficit of $1,670,073 and $2,179,500 in unrestricted net position as of December 31, 2025 and 2024, respectively. This is primarily due to the reporting of the net pension liability in accordance with GASB 68 in addition to recording of the net OPEB liability in accordance with GASB 75, which required the Authority to record its proportionate share of the net pension liability and net OPEB liability. The net pension liability of $1,100,771 and $1,719,954 as of December 31, 2025 and 2024, respectively, is reported in the statement of net position. The net OPEB liability of $580,921 and $547,495 as of December 31, 2025 and 2024, respectively, is reported in the statement of net position. Management is currently evaluating the deficit in unrestricted position in order to develop a plan to increase the Authority’s profits.

9. DATE OF MANAGEMENT'S REVIEW

Management of the Corporation has evaluated subsequent events through the date of the independent auditors' report which is the date the financial statements were available to be issued.

LOUISIANA HOUSING CORPORATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF COLLECTIVE TOTAL OPEB LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2025

Fiscal Year*	Corporation's Proportion of the Collective Total OPEB Liability	Corporation's Proportionate Share of the Collective Total OPEB Liability	Corporation's Covered Payroll	Corporation's Proportionate Share of the Collective Total OPEB Liability as a % of its Covered Payroll
2025	0.0063%	$ 547,495	$ 414,795	132%
2024	0.0072%	$ 586,613	$ 691,063	85%
2023	0.0076%	$ 452,314	$ 676,907	67%
2022	0.0069%	$ 420,295	$ 597,244	70%
2021	0.0064%	$ 687,846	$ 527,538	130%
2020	0.0067%	$ 559,169	$ 386,995	144%
2019	0.0107%	$ 822,377	$ 562,196	146%
2018	0.0097%	$ 803,080	$ 457,005	176%
2018	0.0097%	$ 818,209	$ 485,929	168%

*The amounts presented for each fiscal year were determined as of the prior fiscal year ended.

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

See accompanying notes and independent auditors' report.

LOUISIANA HOUSING CORPORATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2025

Fiscal Year*	Corporation's Proportion of the Net Pension Liability	Corporation's Proportionate Share of the Net Pension Liability	Corporation's Covered Payroll	Corporation's Proportionate Share of the Net Pension Liability as a % of its Covered Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2025	0.0244%	$ 1,100,771	$ 414,795	265%	79.3%
2024	0.0313%	$ 1,719,954	$ 691,063	249%	74.6%
2023	0.0331%	$ 2,189,870	$ 676,907	324%	68.4%
2022	0.0277%	$ 2,274,426	$ 597,244	381%	63.7%
2021	0.0257%	$ 1,413,235	$ 527,538	268%	58.0%
2020	0.0207%	$ 1,712,318	$ 386,995	442%	62.9%
2019	0.0546%	$ 2,170,743	$ 562,196	386%	64.3%
2018	0.0242%	$ 2,047,591	$ 457,005	448%	62.5%
2017	0.0263%	$ 1,848,677	$ 485,929	380%	57.7%
2016	0.0247%	$ 1,937,860	$ 434,314	446%	62.7%

*The amounts presented for each fiscal year were determined as of the prior fiscal year ended.

See accompanying notes and independent auditors' report.

LOUISIANA HOUSING CORPORATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

Fiscal Year*	Contractually Required Contributon	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 198,076	$ 198,076	$ -	$ 414,795	47.8%
2024	$ 254,808	$ 269,381	$ (14,573)	$ 733,471	36.7%
2023	$ 297,406	$ 294,122	$ 3,284	$ 721,860	40.7%
2022	$ 246,557	$ 243,547	$ 3,010	$ 614,856	39.6%
2021	$ 225,554	$ 221,892	$ 3,662	$ 571,024	38.9%
2020	$ 176,421	$ 179,431	$ (3,010)	$ 430,294	41.7%
2019	$ 173,958	$ 177,016	$ (3,058)	$ 458,992	38.6%
2018	$ 180,907	$ 166,849	$ 14,058	$ 477,328	35.0%
2017	$ 165,998	$ 137,551	$ 28,447	$ 446,232	30.8%
2016	$ 132,069	$ 133,489	$ (1,420)	$ 355,024	37.6%

*The amounts presented for each fiscal year were determined as of the end of the fiscal year.

See accompanying notes and independent auditors' report.

LOUISIANA HOUSING AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

1. SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE COLLECTIVE TOTAL OTHER POST-EMPLOYEMENT BENEFIT LIABILITY IN THE STATE OF LOUISIANA POST-EMPLOYMENT BENEFIT PLAN:

This schedule reflects the participation of the Authority's employees in the State of Louisiana Post-employment Benefits Plan and its proportionate share of the collective total other post-employment liability, and the proportionate share of the collective total other post-employment benefits liability as a percentage of its covered payroll. The employers' collective total other postemployment benefit liability is the liability of the Authority's employees for benefits provided through the State of Louisiana Post-employment Benefits Plan. Covered payroll is the payroll of all employees that are provided with benefits through the plan. The amounts in the schedule for each fiscal year were determined as the prior fiscal year ended.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of the Governmental Accounting Standards Board Statement No. 75 to pay related benefits.

2. SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY IN THE LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM:

This schedule reflects the participation of the Authority's employees in Louisiana State Employees' Retirement System (LASERS) and its proportionate share of the net pension liability, the proportionate share of the net pension liability as a percentage of its covered payroll, and the plan fiduciary net position as a percentage of the total pension liability. The employers' net pension liability is the liability of the Authority's employees for benefits provided through LASERS. Covered payroll is the payroll on which contributions to the retirement system are based. The amounts in the schedule for each fiscal year were determined as the prior fiscal year ended.

3. SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS:

The difference between actuarially determined employer contributions and employer contributions received, and the percentage of employer contributions received to covered payroll, is presented in this schedule. The amounts presented in the schedule were determined as of the end of each fiscal year.

4. CHANGES IN BENEFIT TERMS AND ASSUMPTIONS:

Louisiana State Employees' Retirement System (LASERS)

Changes of assumptions for LASERS by year are as follows:

Fiscal Year	Discount Rate	Investment Rate of Return	Inflation Rate	Projected Salary Increase	Remaining Service Lives
2025	7.25%	7.25%	2.40%	2.4% to 15.3%	2 years
2024	7.25%	7.25%	2.40%	2.4% to 15.3%	2 years
2023	7.25%	7.25%	2.30%	3.0% to 12.8%	2 years
2022	7.25%	7.25%	2.30%	3.0% to 12.8%	2 years
2021	7.40%	7.40%	2.30%	3.0% to 12.8%	2 years
2020	7.55%	7.55%	2.30%	3.0% to 12.8%	2 years
2019	7.60%	7.60%	2.50%	3.2% to 13.0%	2 years
2018	7.65%	7.65%	2.75%	3.8% to 12.8%	3 years
2017	7.70%	7.70%	2.75%	3.8% to 12.8%	3 years
2016	7.75%	7.75%	3.00%	4.0% to 13.0%	3 years

4. CHANGES IN BENEFIT TERMS AND ASSUMPTIONS (CONTINUED):

Additional changes of benefit terms and assumptions include:

2016 – A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session.

2017 – Effective July 1, 2017, the LASERS board adopted a plan to gradually reduce the discount rate in 0.05% increments. Per Act 94 of 2016 the projected contribution requirements for the fiscal year ending June 30, 2019, include direct funding of administrative expenses, rather than a reduction in the assumed rate of return.

2019 – The LASERS termination, disability, and retirement assumptions and methods were updated based on experience study for the fiscal years July 1, 2013 through June 30, 2018.

2020 – Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of LASERS' members for 2019 salary increases were projected based on a 2014-2018 experience study of the LASERS' members. The present value of future retirement benefits is based on benefits currently being paid by LASERS and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

2021 – The present value of future retirement benefits is based on benefits currently being paid by LASERS and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were

2024 – Act 94 of 2016 changes the amortization period for most actuarial changes, gains, or losses from 30 to 20 years once the funded ratio reaches 70%. Since the June 30, 2024 funded ratio exceeds 70%, the change in liability due to assumption changes and the experience gain/loss are amortized over 20 years.

Other Post-Employment Benefit Plans (OPEB)

There are no assets accumulated in a trust that meets the requirements in paragraph 4 of GASB Statement 75 to pay related benefits and there are no benefit changes.

Changes in the discount rate by year are as follows:

Fiscal Year	Measurement Date	Discount Rate
2025	7/1/2025	5.20%
2024	7/1/2024	3.93%
2023	7/1/2023	4.13%
2022	7/1/2022	4.09%
2021	7/1/2021	2.18%
2020	7/1/2020	2.66%
2019	7/1/2019	2.79%
2018	7/1/2018	2.98%
2107	7/1/2017	3.13%
2016	7/1/2016	2.71%

4. CHANGES IN BENEFIT TERMS AND ASSUMPTIONS (CONTINUED):

Additional changes of assumptions for the other post-employment benefits plan ("OPEB") include:

2018 – (a) baseline per capita costs were updated to reflect 2018 claims and enrollment and retiree contributions were updated based on 2019 premiums. The impact of the High Cost Excise Tax was revisited, reflecting updated plan premiums; (b) Demographic assumptions were revised for the Louisiana State Police Retirement System, the Louisiana School Employees' Retirement System, and the Teachers' Retirement System of Louisiana to reflect recent experience studies. The mortality assumption for LASERS was updated from the RP-2014 Healthy Annuitant and Employee tables for males and females with generational projections using projection scale MP-2017 to the RP-2014 Healthy Annuitant and Employee tables for males and females using projection scale MP-2018; (c) the percentage of future retirees assumed to elect medical coverage was modified based on recent plan experience.

2019 – (a) baseline per capita costs were updated to reflect 2019 claims and enrollment and retiree contributions were updated based on 2020 premiums; (b) Life insurance contributions were updated to reflect 2020 premium schedules; (c) the impact of the High Cost Excise Tax was removed, and the High Cost Excise Tax was repealed in December 2019; (d) demographic assumptions were revised for LASERS to reflect the recent experience study.

2020 – (a) baseline per capita costs (PCCs) were updated to reflect 2020 claims and enrollment for the prescription drug costs and retiree contributions were updated based on 2021 premiums. 2020 medical claims and enrollment experience were reviewed but not included in the projection of expected 2021 plan costs. Due to the COVID-19 pandemic, plan administrators do not believe this experience is reflective of what we can expect in future years; (b) the salary scale assumptions were revised for the LASERS and the Teachers' Retirement System of Louisiana; (c) medical participation rates, life participation rates, the age difference between future retirees and their spouses, Medicare eligibility rates, and medical plan election percentages have all been updated based on a review of OPEB experience from July 1, 2017 through June 30, 2020.

2021 – (a) the discount rate has decreased from 2.66% to 2.18%; (b) baseline per capita costs were updated to reflect 2021 claims and enrollment; (c) medical plan election percentages were updated based on the coverage elections of recent retirees; (d) the healthcare cost trend rate assumption was revised based on updated National Health Care Trend Survey information.

2022 – (a) the discount rate has increased from 2.18% to 4.09%; (b) baseline per capita costs were updated to reflect 2022 claims and enrollment; (c) medical plan election percentages were updated based on the coverage elections of recent retirees.

2023 – (a) the discount rate has increased from 4.09% to 4.13%; (b) baseline per capita costs were updated to reflect 2023 claims and enrollment; (c) medical plan election percentages were updated based on the coverage elections of recent retirees.

4. CHANGES IN BENEFIT TERMS AND ASSUMPTIONS (CONTINUED):

2024 – (a) the discount rate decreased from 4.13% based on the S&P Municipal Bond 20-Year High Grade Rate Index as of June 30, 2023 to 3.93% based on the Bond Buyer 20 Index as of June 30, 2024 since the previous valuation, which increased the Plan's liability; (b) baseline PPCs and medical plan election percentages were updated to reflect 2024 claims and enrollment. Plan claims and premiums increased more than had been expected, which increased the Plan's liability; (c) one of the associated pension systems, LASERS adopted new assumptions in the June 30, 2024 valuation based on updated experience study. As a result, the mortality, retirement, termination, disability, and salary increase rates for the LASERS groups were updated to be consistent with the pension valuation assumptions. The net impact of this change is a decrease in the Plan's liability; (d) the pre-Medicare baseline trend was updated to more accurately reflect recent healthcare trend survey results, industry-wide expectations, and the current high-inflationary environment. Pre-Medicare trend has been revised to 8.5%, trending down 25 basis points per year to an ultimate rate of 4.5% by FYE 2035. Medicare trend has been revised to 7.50%, trending down to an ultimate rate of 4.50% by FYE 2035. Changes to the Medicare trend were made to reflect revised expectations regarding the impact of the Inflation Reduction Act (IRA) on Medicare prescription drug costs. This change caused an increase in the Plan's liability.

2025 – (a) the discount rate increased from 3.93% based on the Bond Buyer 20 Index as of June 30, 2024 to 5.20% based on the Bond Buyer 20 Index as of June 30, 2025, which decreased the Plan's liability; (b) baseline PPCs and medical plan election percentages were updated to reflect 2024 claims and enrollment. Plan claims and premiums increased more than had been expected, which increased the Plan's liability; (c) Medicare baseline trend was updated to more accurately reflect recent healthcare trend survey results, industry-wide expectations, and the current high-inflationary environment. Medicare trend has been revised to 8.25%, to an ultimate rate of 4.5% by FYE 2035.

Daigrepont & Brian
Certified Public Accountants

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*

Louisiana Housing Authority
Baton Rouge, LA

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 consolidated financial statements of Louisiana Housing Authority (the Authority) which comprise the statement of financial position as of December 31, 2025 and the related consolidated statements of activities and changes in net assets, functional expense, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated October 14, 2026.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. 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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned cost as items 2025-01 and 2025-02.

The Authority's Response on Findings
Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the findings 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 it.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



Daigrepont & Brian, APAC
Baton Rouge, LA

October 14, 2026

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

Louisiana Housing Authority
Baton Rouge, LA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Louisiana Housing Authority's (the Authority) 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 each of the Authority's major federal programs for the year ended December 31, 2025. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each 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* 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 Auditor's 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 each 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.

Auditor's 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 each major federal program 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2025-02 to be significant deficiencies.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Daigrepont & Brian APAC

Daigrepont & Brian, APAC
Baton Rouge, LA

October 14, 2026

LOUISIANA HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Federal Grantor/Program Title	Assistance Listing Number	Expenditures
U.S. Department of Housing and Urban Development:		
Received Directly from the Federal Government		
Section 8 Housing Choice Vouchers	14.871	$ 19,277,516
Mainstream Vouchers	14.879	1,477,053
Emergency Housing Voucher	14.EHV	1,388,485
Total Expenditures of Federal Awards		$ 22,143,054

See accompanying notes and independent auditors' report.

LOUISIANA HOUSING AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by the Louisiana Housing Authority (the "Authority"). The Authority's reporting entity is defined in Note 1 of the notes to financial statements.

BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Authority under programs of the federal government for the year ended December 31, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, change in net positions, or cash flows of the Authority.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

INDIRECT COST RATE

The Authority elected to use the 10% de minimis indirect cost rate allowed by under the *Uniform Guidance.*

PROGRAM COSTS

The amounts presented as federal expenditures represent only the federal portion of the actual program costs. Actual program costs, including the Authority's portion, may be more than is shown on the Schedule.

LOUISIANA HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

A. SUMMARY OF AUDITORS RESULTS

Financial Statements

a. Type of auditors' report issued: Unmodified

b. Internal control over financial reporting:

Material weaknesses identified: No

Significant deficiencies identified: No

c. Noncompliance material to the financial statements: Yes

Federal Awards

a. Type of auditors' report issued on compliance for major programs: Unmodified

b. Internal control over major programs:

Material weaknesses identified: No

Significant deficiencies identified: Yes

c. Any audit findings disclosed that are Required to be reported by Title 2 *U.S. Code of Federal Regulations* Part 200: Yes

d. Identification of major programs:

Assistance Listing Number	Name of Federal Program	Amount
14.871	Section 8 Housing Choice Vouchers	$ 19,277,516
14.879	Mainstream Voucher Program	1,477,053
14.EHV	Emergency Housing Voucher	1,388,485
		$ 22,143,054

e. Dollar threshold used to distinguish between Type A and Type B programs: $1,000,000

f. Auditee qualified as low-risk: No

LOUISIANA HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

B. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* AND FEDERAL AWARDS UNDER *THE UNIFORM GUIDANCE*

Finding 2025-01 – Untimely Submission of HUD Reports

Criteria:
In accordance with 2 CFR §200.328(b)(1), recipients of federal awards must submit performance, financial, and program reports by the due dates prescribed by the awarding agency. HUD's program guidance further specifies that required submissions such as the Financial Data Schedule (FDS) must be filed electronically by their respective deadlines. Timely submission of these reports enables HUD to evaluate the Authority's financial condition, compliance with program regulations, and overall performance in administering the Housing Choice Voucher (HCV) Programs.

Condition:
During our testing of compliance with reporting requirements, we noted The Financial Data Schedule (FDS) was submitted beyond HUD's required submission deadline. As a result, the Authority did not fully comply with HUD's timeliness standards for required reporting.

Cause:
The delays were primarily attributed to the start of the Authority's fiscal year end audit and staff turnover within the agency.

Effect:
Failure to submit required reports on time may hinder HUD's ability to perform timely oversight of the Authority's operations. Persistent delays could adversely affect the Authority's designation status or potentially impacting eligibility for certain incentives or future funding opportunities.

Recommendation:
We recommend the Authority strengthen internal controls over compliance with reporting requirements by developing procedures that will enable the Authority's audit to begin prior to the audit of Louisiana Housing Corporation. This will allow the audit to be completed in sufficient time to comply with HUD deadlines.

Managements Response:
Management concurs with the finding. The Authority is currently working with HUD to change the year end for the Authority from December 31 to June 30. This will align the HUD due date with the due dates of Louisiana Housing Corporation.

LOUISIANA HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

B. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* AND FEDERAL AWARDS UNDER *THE UNIFORM GUIDANCE*

Finding 2025-02 – Untimely Submission of Audit Report to Federal Audit Clearinghouse

Criteria:
In accordance with the Uniform Guidance the Authority is required to submit their audit report to the Federal Audit Clearinghouse within nine months subsequent to the Authority's fiscal year end.

Condition:
The Authority did not submit their audit to the Federal Audit Clearinghouse within nine months subsequent to the Authority's year end.

Cause:
The delays were primarily attributed to the start of the Authority's fiscal year end audit and staff turnover within the agency.

Effect:
This resulted in non compliance with the Uniform Guidance.

Recommendation:
We recommend the Authority strengthen internal controls over compliance with reporting requirements by developing procedures that will enable the Authority's audit to begin prior to the audit of Louisiana Housing Corporation. This will allow the audit to be completed in sufficient time to comply with the Federal Audit Clearinghouse submission deadline.

Managements Response:
Management concurs with the finding. The Authority is currently working with HUD to change the year end for the Authority from December 31 to June 30. This will align the HUD due date with the due dates of Louisiana Housing Corporation.

C. QUESTIONED COSTS

There were no questioned costs for the year ended December 31, 2025.

LOUISIANA HOUSING AUTHORITY
SUMMARY SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

A. SUMMARY OF PRIOR AUDIT FINDINGS

2024-01 – Late Submission of Audit Report to LLA

This finding has been resolved.

2024-02 – Untimely Submission of HUD Reports

This finding has been restated as finding 2025-01

2024-03 – Untimely Submission of Audit Report to Federal Audit Clearinghouse

This finding has been restated as finding 2025-02

B. PRIOR QUESTIONED COSTS

There were no questioned costs for the year ended December 31, 2024.