

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED JUNE 30, 2020

Mike Estes, P.C.

A Professional Accounting Corporation

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CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners
Housing Authority of New Roads
New Roads, Louisiana

We have audited the accompanying financial statements of the Housing Authority of the City of New Roads, Louisiana as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority of New Roads basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The statement of modernization costs-uncompleted, financial data schedules, and other information as listed on the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement of modernization-uncompleted, financial data schedules, and other information as listed on the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021 on our consideration of the Housing Authority of the City of New Roads, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the New Roads, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the City of New Roads, Louisiana's internal control over financial reporting and compliance.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
June 29, 2021

HOUSING AUTHORITY OF NEW ROADS, LA

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

June 30, 2020

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

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$1,316,857 at the close of the fiscal year ended 2020.
 - ✓ Of this amount \$943,982 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
 - ✓ The remainder of \$372,875 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 75% of the total operating expenses of \$502,269 for the fiscal year 2020, which means the Authority might be able to operate about 9 months using the unrestricted assets alone, compared to 6 months in the prior fiscal year.
- The Housing Authority's total net position increased by \$153,853, a 12% increase from the prior fiscal year 2019.
- The increase in net position of these funds was accompanied by an increase in unrestricted cash by \$160,422 from fiscal year 2019.
- The Authority Spent \$146,580 on capital asset additions.
- These changes led to an increase in total assets by \$211,118 and an increase in total liabilities by \$57,265. As related measure of financial health, there are still over \$6 of current assets covering each dollar of total current liabilities, which compares to \$16 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Reporting on the Housing Authority as a Whole

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

Fund Financial Statements

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

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

USING THIS ANNUAL REPORT

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

Public Housing Capital Fund Program	\$ 331,871
Low Rent Public Housing	97,898
Cares LR	<u>4,440</u>
Total funding received this current fiscal year	<u>\$ 434,209</u>

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

Reporting the Housing Authority's Most Significant Funds

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

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

FINANCIAL ANALYSIS

The Housing Authority's net position was \$1,316,857 as of September 30, 2020. Of this amount, \$943,982 was invested in capital assets and \$372,875 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general net position.

Housing Authority of New Roads, LA
 Management's Discussion and Analysis (MD&A)
 June 30, 2020

CONDENSED FINANCIAL STATEMENTS

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

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets	\$ 453,908	\$ 278,767
Capital assets, net of depreciation	<u>943,982</u>	<u>908,005</u>
Total assets	<u>1,397,890</u>	<u>1,186,772</u>
LIABILITIES		
Current liabilities	77,396	17,392
Non-current liabilities	<u>3,637</u>	<u>6,376</u>
Total liabilities	<u>81,033</u>	<u>23,768</u>
NET POSITION		
Invested in capital assets, net of depreciation	943,982	908,005
Unrestricted net position	<u>372,875</u>	<u>254,999</u>
Total net position	<u>\$ 1,316,857</u>	<u>\$ 1,163,004</u>

The net position of these funds increased by \$153,853, or by 12%, from those of fiscal year 2019, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Housing Authority of New Roads, LA
 Management's Discussion and Analysis (MD&A)
 June 30, 2020

CONDENSED FINANCIAL STATEMENTS (Continued)

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

OPERATING REVENUES

Tenant Revenue	\$ 159,479	\$ 189,580
HUD grants for operations	434,209	97,298
Other non-tenant revenue	58,598	60,579
Total operating revenues	652,286	347,457

OPERATING EXPENSES

General	93,552	99,020
Ordinary maintenance and repairs	90,068	135,157
Administrative expenses and management fees	199,211	184,219
Utilities	8,832	9,527
Tenant services	-	700
Depreciation	110,606	112,543
Total operating expenses	502,269	541,166
Income (losses) from operations	150,017	(193,709)

NON-OPERATING REVENUES

Interest income	3,836	1,783
Gains from sale or disposal of assets	-	700
Total non-operating revenues	3,836	2,483
Income (losses) before capital contributions	153,853	(191,226)

CAPITAL CONTRIBUTIONS

	-	-
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CHANGES IN NET POSITION

	153,853	(191,226)
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NET POSITION - BEGINNING

	1,163,004	1,354,230
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NET POSITION - END

	\$ 1,316,857	\$ 1,163,004
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EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and capital contributions increased \$306,182 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue decreased by \$30,101 from that of the prior fiscal year because the amount of rent each tenant pays is based on a sliding scale of their personal income. Included in this total is other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) which decreased by \$8,654.
- Federal revenues from HUD for operations increased by \$336,911 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- Federal Capital Funds from HUD increased by \$0 from that of the prior fiscal year. The Housing Authority completed the projects awarded from 2015 through 2019, although paperwork to HUD (AMCCs) have not been submitted. A new grant was submitted for fiscal year 2020.
- Total other operating revenue decreased by \$1,981. Interest income increased by \$2,053.

Compared with the prior fiscal year, total operating expenses decreased \$38,897, or by 9%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense decreased by \$1,937 from that of the prior fiscal year.
- Maintenance and repairs decreased by \$45,089 from that of the prior fiscal year due to changes in the following: Repair staff wages decreased by \$4,753 and related employee benefit contributions decreased by \$1,766. Materials used decreased by \$55,004 and contract labor costs increased by \$16,434.
- General Expenses decreased by \$5,468 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) decreased by \$2,075. PILOT is calculated as a percentage of rent minus utilities and therefore changed proportionately to the changes in each of these. Insurance premiums increased by \$2,656 and bad debts decreased by \$4,430. Lastly, compensated absences decreased by \$1,619.
- Administrative Expenses increased by \$14,992 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries increased by \$14,774 and related employee benefit contributions increased by \$2,245; therefore, total staff salaries and benefit costs increased. Outside professional fees changed as follows: audit fees decreased by \$390 and legal fees decreased by \$3,351. In addition, staff travel reimbursements decreased by \$2,123, office expenses increased by \$58 and sundry expenses increased by \$1,643.
- Utilities Expense decreased by \$695 from that of the prior fiscal year because water cost increased by \$167, electricity cost decreased by \$829, gas cost decreased by \$14, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) decreased by \$19.
- Total Tenant Services increased by \$2,588 from that of the prior fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2020, the Housing Authority had a total cost of \$3,584,051 invested in a broad range of assets and construction in progress from projects funded in 2017 through 2019, listed below. This amount, not including depreciation, represents increases of \$146,581 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

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

	<u>2020</u>	<u>2019</u>
Land	\$ 92,379	\$ 40,454
Buildings	2,901,391	2,806,739
Leasehold improvements	448,767	448,766
Furniture and equipment	141,514	141,514
Accumulated Depreciation	<u>(2,640,069)</u>	<u>(2,529,465)</u>
Total	<u>\$ 943,982</u>	<u>\$ 908,008</u>

Debt

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

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

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Paula Battley, at Housing Authority of New Roads, LA; 151 Cherry St, New Roads, LA 70760.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF NET POSITION

JUNE 30, 2020

ASSETS

Current assets

Cash and cash equivalents	\$ 279,758
Investments	107,498
Accounts receivable net	23,715
Prepaid items and other assets	25,487
Interest receivable	772
Inventory	9,258
Restricted assets - cash and cash equivalents	7,420

Total Current Assets	453,908
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Capital Assets, net

Land and other non-depreciated assets	92,379
Other capital assets - net of depreciation	851,603

Total Capital Assets, net	943,982
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Total Assets	\$ 1,397,890
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LIABILITIES

Current Liabilities

Accounts payable	\$ 63,456
Unearned income	2,544
Compensated absences payable	3,976
Deposits due others	7,420

Total Current Liabilities	77,396
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Noncurrent Liabilities

Compensated absences payable	3,637
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Total Liabilities	81,033
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NET POSITION

Net investment in capital assets	943,982
Unrestricted	372,875

Net Position	\$ 1,316,857
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED JUNE 30, 2020

OPERATING REVENUES	
Dwelling rental	\$ 156,440
Governmental operating grants	434,209
Tenant revenue- other	3,039
Other income	58,598
	652,286
OPERATING EXPENSES	
Administration	199,211
Utilities	8,832
Ordinary maintenance & operations	90,068
General expenses	93,552
Depreciation	110,606
	502,269
Total Operating Expenses	150,017
Non Operating Revenues (Expenses)	
Interest earnings	3,836
	3,836
Total Non-Operating Revenues (Expenses)	153,853
Income (Loss) before contribution	0
Capital Contribution	0
	153,853
Change in net position	1,163,004
Total net position - beginning	1,163,004
Total net position - ending	\$ 1,316,857

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Rental receipts	\$ 103,610
Other receipts	61,165
Federal grants	427,514
Payments to vendors	(94,415)
Payments to employees – net	(191,695)
	<hr/>
Net cash provided (used) by operating activities	306,179
	<hr/>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(146,581)
	<hr/>
Net cash provided (used) by capital and related financing activities	(146,581)
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	3,062
Purchase of investments	(2,238)
	<hr/>
Net cash provided (used) by investing activities	824
	<hr/>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	160,422
	<hr/>
CASH AND CASH EQUIVALENTS	
Beginning of Fiscal Year	126,756
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CASH AND CASH EQUIVALENTS	
End of Fiscal Year	\$ 287,178
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Continued

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2020

**RECONCILIATION OF OPERATING
INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING
ACTIVITIES**

Operating income (loss)	\$	150,017
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation Expense		110,606
Provision of uncollectible accounts		8,245
Change in assets and liabilities:		
Receivables		(16,802)
Inventories		337
Prepaid items		(3,797)
Account payables		57,312
Unearned income		1,041
Deposits due others		(780)
		<hr/>
Net cash provided (used) by operations	\$	<u>306,179</u>

Concluded

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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

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

The Housing Authority has the following units:

PHA Owned Housing	FW 2004	60
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GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

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

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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

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

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

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$287,178. This is comprised of cash and cash equivalents of \$279,758 and restricted assets – cash of \$7,420, on the statement of net position.

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

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

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

Definitions:

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

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

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

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	15-40 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

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

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

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

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

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

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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

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

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

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

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

Restricted Cash: \$7,420 is restricted in the General Fund for security deposits.

At June 30, 2020, the Housing Authority's carrying amount of deposits was \$394,676 and the bank balance was \$396,382, which includes \$107,498 in certificates of deposits classified as investments. The entire bank balance was covered by FDIC Insurance.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 7,100
HUD	18,255
Other	2,800
	28,155
Total	\$ 28,155

The tenants account receivables is net of an allowance for doubtful accounts of \$38,725.

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

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 40,454	\$ 51,925	\$ 0	\$ 92,379
Depreciable assets:				
Buildings	3,255,503	94,655	0	3,350,158
Furniture and equipment	141,514	0	0	141,514
Total capital assets	3,437,471	146,580	0	3,584,051
Less: accumulated depreciation				
Buildings	2,395,243	106,332	0	2,501,575
Furniture and equipment	134,220	4,274	0	138,494
Total accumulated depreciation	2,529,463	110,606	0	2,640,069
Total capital assets, net	\$ 908,008	\$ 35,974	\$ 0	\$ 943,982

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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

Vendors	\$	61,833
Payroll taxes		706
Utilities		917
		63,456
Total	\$	63,456

NOTE 6 – COMPENSATED ABSENCES At June 30, 2020, employees of the Housing Authority have accumulated and vested \$7,613 of employee leave computed in accordance with GASB, Codification Section C60.

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

		Compensated Absences
Balance, beginning	\$	9,999
Additions		11,006
Deletions		(13,392)
		7,613
Balance, ending		7,613
Amounts due in one year	\$	3,976

NOTE 8 – RETIREMENT SYSTEM The Housing Authority participates in the Housing Renewal and Local Agency Retirement Plan, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the month after completing one month of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 5% of his effective compensation, and may make additional contributions up to the minimum IRS individual limit. The employer is required to make monthly contributions equal to 9% of each participant’s effective compensation.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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

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

The Housing Authority made the required contributions of \$15,713 for the year ended June 30, 2020, of which \$7,443 was paid by the Housing Authority and \$8,270 was paid by employees. No payments were made out of the forfeiture account.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Commitments On June 27, 2018 the Authority extended an Employment Agreement with the Executive Director. The present agreement extends through June 27, 2023.

The contract may be terminated for cause, as specified in the contract. The Board may also terminate without cause, if such termination, in the Board's opinion, serves the best interests of the Authority. If the Executive Director is terminated for any reason, due process is required, as outlined in the agreement. The Director may terminate the agreement upon 45 days of written notice to the Board.

The Executive Director will be paid any accrued salary through the date of termination, in the event termination should occur. The Director is also entitled to all earned annual leave at the time of separation, regardless of the reason for the separation.

Litigation The Housing Authority is not presently involved in litigation.

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

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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

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

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

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

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

COVID-19 The COVID-19 pandemic has impacted the Authority's dealings with tenants and applicants. The Authority received a CARES Act grant of \$15,160, of which \$4,440 was expended during the audit year.

NOTE 10 – OTHER INCOME \$25,332 was earned from managing the Section Eight program for the Town of New Roads. Other income also includes \$14,761 of waived PILOT and \$10,400 of recovery of bad debts.

NOTE 11 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$434,209 to the Housing Authority, which represents approximately 66% of the Housing Authority's total revenue and capital contributions for the year.

NOTE 12 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net position date through, June 29, 2021, of the independent auditor's report for potential recognition or disclosure in the financial statements.



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CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards

Independent Auditor's Report

Housing Authority of New Roads
New Roads, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the City of New Roads, Louisiana, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of New Roads, Louisiana's basic financial statements, and have issued our report thereon dated June 29, 2021.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs, as audit finding 2020 – 001, 002, 003, and 004 to be material weaknesses. 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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of finding and questioned costs, we identified a certain deficiency in internal control that we consider to be material weaknesses and significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of New Roads, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as Audit Findings 2020-001, 002, 003, and 004.

Response to Finding

The Housing Authority of New Roads, Louisiana's response to the finding identified in our audit is described in the accompanying Views of Responsible Officials and Planned Corrective Actions. The Housing Authority of New Roads, Louisiana's response was not subjected to the auditing procedure applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
June 29, 2021

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED YEAR ENDED JUNE 30, 2020

Section I – Summary of the Auditor’s Results

Financial Statement Audit

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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

Low Rent Program- CDFA#14.850, Capital Fund Program #14.872

2020-001-Documentation of Executive Director’s Salary Appears Inadequate

Criteria and Specific Requirement

All payments to employees, including those of the Executive Director, need to be adequately supported.

Condition Found

The Executive Director works under a salaried Employment Agreement dated June 27, 2018, that was signed and executed by the board chairman and the Executive Director. The Authority paid the total amount as stipulated by this Agreement in regular semi-monthly amounts. However, there are additional payments to the Executive Director during the audit year that at a very minimum, need additional clarification, as follows:

1. On May 19, 2020, the E.D. was paid \$4,770 for what the paperwork cites as “COVID-19 Overtime.” The calculation per the paperwork shows 80 hours of weekend and after hours on duty call at a time and half rate (salary divided by 2,040 hours times one and a half).

For the covered time period, the State of Louisiana had COVID-19 Stay at Home Orders in effect. Hourly employees covered by Civil Service, if working from home, were to be paid their regular hourly rate. In addition, for documented hours worked, these employees were also paid time and a half at their regular salary rate. However, the E.D. is salaried and unclassified by the Civil Service. Being a “salaried employee” implies normal work and duties are often performed by the E.D. after normal, 8 to 5 hours.

We note that it appears the Board of Commissioners did not approve this payment. In our opinion, board approval is necessary

We also note that after we questioned the above payment, the E.D. said that the payment was incorrectly classified-that it should have been in Admin instead of Overtime. The E.D. also said that \$2,000 of this amount was reimbursement for additional child care expense for one child still at home. The E.D. said that the remaining \$2,700 was for additional time spent after hours to answer for after hour lock outs, and shopping after hours to keep the staff safe.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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

Under certain circumstances, the HUD CARES Act specifies that child care expenses incurred by PHA employees are reimbursable. However, the E.D. claims that for much of 2020, she worked from home, due to the COVID-19 outbreak. We are not clear how the child care reimbursement is called for in this instance

In addition, it appears the E.D. did not itemize the work she actually did from home, to earn the \$2,700 noted above. As noted in the second paragraph of this #1, Civil Service classified employees who worked from home during the covered period were required to document the hours worked, and what tasks were performed in those hours. When it is considered that by definition, salaried, unclassified employees such as the E.D. are expected to work hours before and after 8 to 5, even in non- COVID-19 times, we believe her \$2,700 of comp should also be detailed by day and duties performed.

2. On November 27, 2019, the E.D. was paid \$3,975 for 100 unused vacation hours. On June 24, 2020, the E.D. was paid an additional \$3,975 for an additional 100 unused vacation hours, for a total of \$7,950.

On July 27, 2016, the Board approved a plan that dictates terms for the buy back of unused vacation hours. The plan states that “two cash-out dates may be elected, not to exceed a total of 80 hours each.” Since the 80 hour limit was exceeded both times, it appears that there was an overpayment of \$1,590.

3. The E.D. was paid a \$350 monthly car allowance, an annual total of \$4,200. For several years now, this car allowance should be added to total compensation on the employee’s W-2. In reality, there is no longer a non-taxable car allowance. The IRS rules changed years ago.

We have questioned whether this \$4,200 is included in the E.D.’s total W2 income reported to the Internal Revenue Service, as it should be. To determine this, we have requested a list of total 2020 payments that were used by the outside payroll service to total up the W2 comp. To date, we have not received this listing.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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

Cause

We are not aware of the cause for the potential shortfalls noted above.

Effect

The Executive Director may have been paid more than she was entitled to

Recommendation

Our recommendations are as follows, in sequence to the above numbers.

1. The board should request a detail of the hour worked, when and what was done, for the \$2,700. In addition, the board should obtain the time the \$2,000 child care reimbursement time frame. This should be compared to when the E.D. claimed to work from the office, compared to home. A detailed explanation should be noted in the board minutes. The board should feel that the explanations and detail are sufficient to withstand third party scrutiny. If the detail is not sufficient, the board should request reimbursement from the E.D.
2. Any annual future buy back of unused vacation hours should not exceed 60 hours, to make up for the 40 hour used in excess of hours allowed (200 paid, 160 allowed).
3. The board should ensure that the \$4,200 car allowance is added to the E.D.s W2 for 2020, since we have not received the information to do this ourselves.

We note that the Authority earned approximately \$25,300 in the audit year by managing the Section Eight program for another governmental agency. This requires more work from the two person office staff than what another 60 unit Low Rent authority would require, without a similar agreement to also manage the Town of New Roads Section Eight program. We are not aware of how the work breaks down between the E.D. and the one office assistant.

Origination Date and Prior Year Reference

This is the first year of the audit finding.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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

View of Responsible Official

This is Paula Rush, Executive Director and Designated Person to answer these audit findings. I will get with the board and do what the auditor suggests for parts 1, 2, and 3 of the first audit finding.

Low Rent Program-CDFA#14.850, Capital Fund Program#14.872

2020-002-Disbursements and Procurement Procedures Need Improvement

Criteria and Specific Requirement

Proper internal controls, as well as the Authority's own Disbursements Policy, requires that checks required two authorized co-signatures.

Federal regulations, as well as the Authority's own Procurement Policy, requires that amounts above the Authority's Micro Purchase Level (set by its adopted Procurement Policy) require an Independent Cost Estimate (ICE) and at least three quotes.

Condition Found

In our review of disbursements, we noted that several checks written April, May, and June 2020, and into the subsequent audit year had only one authorized signature. We realize this was the period of the height of the COVID-19 pandemic. However, see recommendation below.

Two of the checks with only one signature were written May 21st and June 2nd, for \$24,621 and \$20,601, respectively, to the same company. Another check with only one signature written to the same company was written after year-end, on July 3rd, for \$47,252. It appears that all three disbursements were related to a fire wall addition.

No ICEs were made available to us. The Authority properly advertised but secured only one bid.

By board resolution 2019-07-172, the Authority adopted "COVID-19 Revised Check Signing Procedures". This was done by a called meeting of the Board of Commissioners on July 17, 2019, according to the resolution provided to us. Since the COVID-19 outbreak in Louisiana did not occur until approximately February 2020, we are not certain how the board became aware of this as early as July 2019.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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

In addition, two other resolutions, one approving the annual operating budget and a second, approving the 5 Year Plan, are mentioned in the July 17, 2020 Minutes. The COVID-19 Revised Check Signing Policy is not noted in the July 17, 2020 Minutes.

Cause

Unknown.

Effect

With only one signature on disbursements, internal controls are not as strong as they should be

Recommendation

When the Authority is in a crisis situation such that for temporary purposes only one signature is required for checks, at the next board meeting, the commissioners should review and approve a list of disbursements that require only one signature (many PHAs review all disbursements at the periodic meetings for checks written since the last board meeting). It appears that this was not done.

When required by the Procurement Policy, an Independent Cost Estimate should be obtained. Often these are obtained from a vendor who does this type of work, but is either too busy or too far away to submit a bid. Depending on the type of work and the man's prior experience, sometimes the Authority's Maintenance Man can do this. Often one or two sentences will do. ICEs done by architects are often only a couple of sentences.

Origination Date and Prior Year Reference

This is the first year of the audit finding.

Views of Responsible Official

At each board meeting, I will go over a list of disbursements with the board that required only one signature, since the last list was presented to the board. At our board meetings, we already review a list of disbursements. However, we have not documented this in the board minutes. We will do so from now on. In addition, for disbursements that require an Independent Cost Estimate, we will obtain this ICE and have available for third party review.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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

Capital Fund Program#14.872

2020-003-Capital Fund Budget for 2018 Need Revision and HUD Approval

Criteria and Specific Requirement

Draw downs from CFP programs must be used for line items in accordance with CFP-approved budgets, in accordance with its 5 Year Plan, and HUD Notice PIH 2016-18.

Condition Found

For the 2018 CFP program, Management drew down all of the authorized funds and used them for 1406 Operations. For the approved budget for the 2018 program for a total funding of \$126,374, only \$25,925 was approved for Operations.

Cause

Unknown

Effect

When CFP budgets are not followed, future CFP funding may be jeopardized.

Recommendation

Management should consult with HUD regarding this issue. The remaining fungibility of the Annual 5 Year Plan will likely have some impact on what the remedy is.

Origination Date and Prior Year Reference

This is the first year of the audit finding.

View of Responsible Official

We will correspond with HUD about this, as the auditor suggests.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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

Low Rent Program-CDFA#14.850, Capital Fund Program#14.872

2020-004-Monitoring of Management Not Adequate

Criteria and Specific Requirement

The duties of the Board of Commissioners includes adequate monitoring of the performance of the Executive Director.

Condition Found

As of the date of this auditor’s report, June 29, 2021, the fee accountant asserts they have not received any accounting information for periods after September 30, 2020. To date, they sent four written requests to the Executive Director for this information.

In addition, we noted a \$4,700 disbursement to the E.D., as noted in the first finding that if approved by the board, was not noted in the board minutes. This payment was made on May 19, 2020. It appears that there were no board meetings after January 29th until October 7th.

In addition, as noted in the second audit finding, we are in receipt of a board resolution dated July 17, 2019 that addresses COVID-19, which was long before COVID became an issue in Louisiana.

Cause

We are not aware of the cause.

Effect

Statement on Auditing Standard [SAS] Number 115 states that the lack of timely financial information is a poor *design* of internal controls. The existence of timely information but a lack of review by a monitoring body is not a poor design, but an inadequate *operational* control. When such inadequacies exist, the auditor is required to deem this at least a “significant deficiency” or more likely, a “material weakness” as defined by the SAS. In any event, an audit finding is required.

All payments to the E.D. should be timely reviewed and approve by the board. Most PHAs have not had as many board meetings as usual since the beginning of COVID issue. But most if not all of our audits have boards meeting multiple times between January and October 2020.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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

If the COVID policy's date is a mistake, we note that there were not any board meetings in July 2020.

Recommendation

Accounting information should be timely submitted to the fee accountant. If the fee accountant cannot supply financial statements that are as recent as 60 days plus the open month [after a sufficient time to catch up the processing of the several months' information], the board should obtain an adequate explanation from the E.D. Blame should be assessed as to fault for the lack of timely financial statements. At a minimum, the board should review year-to-date actual income and expenses by major categories to the budget, and obtain adequate explanations for the variances. Large changes in material assets and liabilities should also be reviewed.

All payments to the Executive Director should be approved. Board minutes should be reviewed and approved at each meeting for the prior meeting.

Origination Date and Prior Year Reference

This is the first year of the audit finding.

Views of Responsible Official

We will submit the accounting information for October 2020 through May 2021 by July 6th to the fee accountant. We will submit the June 2021 accounting information to the fee accountant by July 15, and by the 15th of each month thereafter for the previous month. We will review the unaudited financial statements with the board as the auditor suggests.

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HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2020

Corrective Action Plan Finding:

2020-001-Documentation of Executive Director's Salary Appears Inadequate

Condition:

The Executive Director works under a salaried Employment Agreement dated June 27, 2018, that was signed and executed by the board chairman and the Executive Director. The Authority paid the total amount as stipulated by this Agreement in regular semi-monthly amounts. However, there are additional payments to the Executive Director during the audit year that at a very minimum, need additional clarification, as follows:

1. On May 19, 2020, the E.D. was paid \$4,770 for what the paperwork cites as "COVID-19 Overtime." The calculation per the paperwork shows 80 hours of weekend and after hours on duty call at a time and half rate (salary divided by 2,040 hours times one and a half).

For the covered time period, the State of Louisiana had COVID-19 Stay at Home Orders in effect. Hourly employees covered by Civil Service, if working from home, were to be paid their regular hourly rate. In addition, for documented hours worked, these employees were also paid time and a half at their regular salary rate. However, the E.D. is salaried and unclassified by the Civil Service. Being a "salaried employee" implies normal work and duties are often performed by the E.D. after normal, 8 to 5 hours.

We note that it appears the Board of Commissioners did not approve this payment. In our opinion, board approval is necessary

We also note that after we questioned the above payment, the E.D. said that the payment was incorrectly classified-that it should have been in Admin instead of Overtime. The E.D. also said that \$2,000 of this amount was reimbursement for additional child care expense for one child still at home. The E.D. said that the remaining \$2,700 was for additional time spent after hours to answer for after hour lock outs, and shopping after hours to keep the staff safe.

Under certain circumstances, the HUD CARES Act specifies that child care expenses incurred by PHA employees are reimbursable. However, the E.D. claims that for much of 2020, she worked from home, due to the COVID-19 outbreak. We are not clear how the child care reimbursement is called for in this instance.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2020

In addition, it appears the E.D. did not itemize the work she actually did from home, to earn the \$2,700 noted above. As noted in the second paragraph of this #1, Civil Service classified employees who worked from home during the covered period were required to document the hours worked, and what tasks were performed in those hours. When it is considered that by definition, salaried, unclassified employees such as the E.D. are expected to work hours before and after 8 to 5, even in non- COVID-19 times, we believe her \$2,700 of comp should also be detailed by day and duties performed.

2. On November 27, 2019, the E.D. was paid \$3,975 for 100 unused vacation hours. On June 24, 2020, the E.D. was paid an additional \$3,975 for an additional 100 unused vacation hours, for a total of \$7,950.

On July 27, 2016, the Board approved a plan that dictates terms for the buy back of unused vacation hours. The plan states that “two cash-out dates may be elected, not to exceed a total of 80 hours each.” Since the 80 hour limit was exceeded both times, it appears that there was an overpayment of \$1,590.

3. The E.D. was paid a \$350 monthly car allowance, an annual total of \$4,200. For several years now, this car allowance should be added to total compensation on the employee’s W-2. In reality, there is no longer a non-taxable car allowance. The IRS rules changed years ago.

We have questioned whether this \$4,200 is included in the E.D.’s total W2 income reported to the Internal Revenue Service, as it should be. To determine this, we have requested a list of total 2020 payments that were used by the outside payroll service to total up the W2 comp. To date, we have not received this listing.

Corrective Action Planned: This is Paula Rush, Executive Director and Designated Person to answer these audit findings. I will get with the board and do what the auditor suggests for parts 1, 2, and 3 of the first audit finding.

Person responsible for corrective action:

Paula Battley, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2020

Anticipated Completion Date: July 1, 2021 (or next board meeting after receipt of audit report)

Corrective Action Plan Finding:

2020-002-Disbursements and Procurement Procedures Need Improvement

Condition:

In our review of disbursements, we noted that several checks written April, May, and June 2020, and into the subsequent audit year had only one authorized signature. We realize this was the period of the height of the COVID-19 pandemic. However, see recommendation below.

Two of the checks with only one signature were written May 21st and June 2nd, for \$24,621 and \$20,601, respectively, to the same company. Another check with only one signature written to the same company was written after year-end, on July 3rd, for \$47,252. It appears that all three disbursements were related to a fire wall addition.

No ICEs were made available to us. The Authority properly advertised but secured only one bid.

Corrective Action Planned: At each board meeting, I will go over a list of disbursements with the board that required only one signature, since the last list was presented to the board. At our board meetings, we already review a list of disbursements. However, we have not documented this in the board minutes. We will do so from now on. In addition, for disbursements that require an Independent Cost Estimate, we will obtain this ICE and have available for third party review.

Person responsible for corrective action:

Paula Battley, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: July 1, 2021 (or next board meeting after receipt of audit report)

Corrective Action Plan Finding:

2020-003-Capital Fund Budget for 2018 Need Revision and HUD Approval

Condition:

For the 2018 CFP program, Management drew down all of the authorized funds and used them for 1406 Operations. For the approved budget for the 2018 program for a total funding of \$126,374, only \$25,925 was approved for Operations.

Corrective Action Planned: We will correspond with HUD about this, as the auditor suggests.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2020

Person responsible for corrective action:

Paula Battley, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: July 1, 2021 (or next board meeting after receipt of audit report)

Corrective Action Plan Finding:

2020-004-Monitoring of Management Not Adequate

Condition:

As of the date of this auditor's report, June 29, 2021, the fee accountant asserts they have not received any accounting information for periods after September 30, 2020. To date, they sent four written requests to the Executive Director for this information.

In addition, we noted a \$4,700 disbursement to the E.D., as noted in the first finding that if approved by the board, was not noted in the board minutes. This payment was made on May 19, 2020. It appears that there were no board meetings after January 29th until October 7th.

In addition, as noted in the second audit finding, we are in receipt of a board resolution dated July 17, 2019 that addresses COVID-19, which was long before COVID became an issue in Louisiana.

Corrective Action Planned: We will submit the accounting information for October 2020 through May 2021 by July 6th to the fee accountant. We will submit the June 2021 accounting information to the fee accountant by July 15, and by the 15th of each month thereafter for the previous month. We will review the unaudited financial statements with the board as the auditor suggests.

Person responsible for corrective action:

Paula Battley, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: July 1, 2021

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2020

The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:

Finding 2019-001- Late Filing With the Louisiana Legislative Auditor

Condition

State law requires that the annual audit report be filed no later than six months after the end of the fiscal year end with the Louisiana Legislative Auditor. However, the audit report was not filed until February 24, 2020, which was after the December 31, 2019 deadline.

Recommendation

Management should provide the accounting information on a timely basis to allow the auditing firm to complete the audit by the state deadline.

Current Status

Primarily due to the complicating issues resulting from COVID-19, the State Auditor first granted an extension through March 31, 2021, and then a subsequent extension through June 30, 2021. Since this report is filed before June 30, the finding is not repeated.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED JUNE 30, 2020

CASH BASIS

	2015 Capital Fund	2016 Capital Fund	2017 Capital Fund	2018 Capital Fund	2019 Capital Fund
Funds approved	\$ 71,078	\$ 74,920	\$ 74,684	\$ 126,374	\$ 130,813
Funds expended	71,078	74,920	74,684	126,374	130,813
Excess of funds approved	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Funds advanced	\$ 71,078	\$ 74,920	\$ 74,684	\$ 126,374	\$ 130,813
Funds expended	71,078	74,920	74,684	126,374	130,813
Excess (Deficiency) of funds advanced	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See accountants' report

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
 OR CHIEF EXECUTIVE DIRECTOR

YEAR ENDED JUNE 30, 2020

Agency Head Name: Paula Battley, Executive Director

Purpose	Amount	
Salary	101,601	
Benefits-insurance		
Benefits-retirement	7,443	
Benefits-<list any other here>		
Car allowance	4,200	
Vehicle provided by government	<enter amount reported on W-2>	
Per diem	580	Estimated
Reimbursements		
Travel		
Registration fees	637	Estimated
Conference travel	531	Estimated
Continuing professional education fees		
Housing		
Unvouchered expenses*		
Special meals		
Total	114,992	

See accountants' report

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 97,898
COVID-19-Low-Income Housing Operating Subsidy	14.850	4,440
Capital Fund Program	14.872	331,871
Total United States Department of Housing and Urban Development		\$ 434,209
Total Expenditures of Federal Awards		\$ 434,209

The accompanying notes are an integral part of this schedule.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2020

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

		Federal Sources
Enterprise Funds		
Governmental operating grants	\$	434,209
Capital contributions		0
Total	\$	434,209

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

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

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2020

Entity Wide Balance Sheet Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$279,758		\$279,758		\$279,758
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	\$7,420		\$7,420		\$7,420
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$287,178	\$0	\$287,178	\$0	\$287,178
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$9,375	\$4,440	\$13,815		\$13,815
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$2,800		\$2,800		\$2,800
126 Accounts Receivable - Tenants	\$45,825		\$45,825		\$45,825
126.1 Allowance for Doubtful Accounts -Tenants	-\$18,667		-\$18,667		-\$18,667
126.2 Allowance for Doubtful Accounts - Other	-\$20,058	\$0	-\$20,058		-\$20,058
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable	\$772		\$772		\$772
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$20,047	\$4,440	\$24,487	\$0	\$24,487
131 Investments - Unrestricted	\$107,498		\$107,498		\$107,498
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$25,487		\$25,487		\$25,487
143 Inventories	\$9,745		\$9,745		\$9,745
143.1 Allowance for Obsolete Inventories	-\$487		-\$487		-\$487
144 Inter Program Due From	\$4,440		\$4,440	-\$4,440	\$0
145 Assets Held for Sale					
150 Total Current Assets	\$453,908	\$4,440	\$458,348	-\$4,440	\$453,908
161 Land	\$92,379		\$92,379		\$92,379
162 Buildings	\$2,901,391		\$2,901,391		\$2,901,391
163 Furniture, Equipment & Machinery - Dwellings	\$40,099		\$40,099		\$40,099
164 Furniture, Equipment & Machinery - Administration	\$101,415		\$101,415		\$101,415
165 Leasehold Improvements	\$448,767		\$448,767		\$448,767
166 Accumulated Depreciation	-\$2,640,069		-\$2,640,069		-\$2,640,069
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$943,982	\$0	\$943,982	\$0	\$943,982
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$943,982	\$0	\$943,982	\$0	\$943,982
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$1,397,890	\$4,440	\$1,402,330	-\$4,440	\$1,397,890

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2020

Entity Wide Balance Sheet Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$61,833		\$61,833		\$61,833
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$706		\$706		\$706
322 Accrued Compensated Absences - Current Portion	\$3,976		\$3,976		\$3,976
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$7,420		\$7,420		\$7,420
342 Unearned Revenue	\$2,544		\$2,544		\$2,544
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other	\$917		\$917		\$917
347 Inter Program - Due To		\$4,440	\$4,440	-\$4,440	\$0
348 Loan Liability - Current					
310 Total Current Liabilities	\$77,396	\$4,440	\$81,836	-\$4,440	\$77,396
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current	\$3,637		\$3,637		\$3,637
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$3,637	\$0	\$3,637	\$0	\$3,637
300 Total Liabilities	\$81,033	\$4,440	\$85,473	-\$4,440	\$81,033
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$943,982		\$943,982		\$943,982
511.4 Restricted Net Position					
512.4 Unrestricted Net Position	\$372,875	\$0	\$372,875		\$372,875
513 Total Equity - Net Assets / Position	\$1,316,857	\$0	\$1,316,857	\$0	\$1,316,857
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,397,890	\$4,440	\$1,402,330	-\$4,440	\$1,397,890

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2020

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$156,440		\$156,440
70400 Tenant Revenue - Other	\$3,039		\$3,039
70500 Total Tenant Revenue	\$159,479	\$0	\$159,479
70600 HUD PHA Operating Grants	\$97,898	\$331,871	\$429,769
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$3,836		\$3,836
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	\$58,598		\$58,598
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$319,811	\$331,871	\$651,682
91100 Administrative Salaries	\$121,705		\$121,705
91200 Auditing Fees	\$9,365		\$9,365
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$24,977		\$24,977
91600 Office Expenses	\$20,251		\$20,251
91700 Legal Expense			
91800 Travel	\$7,777		\$7,777
91810 Allocated Overhead			
91900 Other	\$10,696		\$10,696
91000 Total Operating - Administrative	\$194,771	\$0	\$194,771
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water	\$807		\$807
93200 Electricity	\$5,809		\$5,809
93300 Gas	\$1,127		\$1,127
93400 Fuel			
93500 Labor			
93600 Sewer	\$1,089		\$1,089

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2020

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$8,832	\$0	\$8,832
94100 Ordinary Maintenance and Operations - Labor	\$30,178		\$30,178
94200 Ordinary Maintenance and Operations - Materials and Other	\$22,449		\$22,449
94300 Ordinary Maintenance and Operations Contracts	\$33,206		\$33,206
94500 Employee Benefit Contributions - Ordinary Maintenance	\$4,235		\$4,235
94000 Total Maintenance	\$90,068	\$0	\$90,068
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$21,053		\$21,053
96120 Liability Insurance	\$5,258		\$5,258
96130 Workmen's Compensation	\$7,033		\$7,033
96140 All Other Insurance	\$3,124		\$3,124
96100 Total insurance Premiums	\$36,468	\$0	\$36,468
96200 Other General Expenses			
96210 Compensated Absences	\$8,920		\$8,920
96300 Payments in Lieu of Taxes	\$14,761		\$14,761
96400 Bad debt - Tenant Rents	\$33,403		\$33,403
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$57,084	\$0	\$57,084
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$387,223	\$0	\$387,223
97000 Excess of Operating Revenue over Operating Expenses	-\$67,412	\$331,871	\$264,459
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$110,606		\$110,606
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$497,829	\$0	\$497,829

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2020

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$331,871		\$331,871
10020 Operating transfer Out		-\$331,871	-\$331,871
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$331,871	-\$331,871	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$153,853	\$0	\$153,853
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,163,004	\$0	\$1,163,004
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$0
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	701		701
11210 Number of Unit Months Leased	693		693
11270 Excess Cash	\$309,499		\$309,499
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2020

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$156,440		\$156,440		\$156,440
70400 Tenant Revenue - Other	\$3,039		\$3,039		\$3,039
70500 Total Tenant Revenue	\$159,479	\$0	\$159,479	\$0	\$159,479
70600 HUD PHA Operating Grants	\$429,769	\$4,440	\$434,209		\$434,209
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue			\$0	\$0	\$0
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$3,836		\$3,836		\$3,836
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$58,598		\$58,598		\$58,598
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$651,682	\$4,440	\$656,122	\$0	\$656,122
91100 Administrative Salaries	\$121,705		\$121,705		\$121,705
91200 Auditing Fees	\$9,365		\$9,365		\$9,365
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$24,977		\$24,977		\$24,977
91600 Office Expenses	\$20,251	\$1,152	\$21,403		\$21,403
91700 Legal Expense					
91800 Travel	\$7,777		\$7,777		\$7,777
91810 Allocated Overhead					
91900 Other	\$10,696		\$10,696		\$10,696
91000 Total Operating - Administrative	\$194,771	\$1,152	\$195,923	\$0	\$195,923
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other		\$3,288	\$3,288		\$3,288
92500 Total Tenant Services	\$0	\$3,288	\$3,288	\$0	\$3,288
93100 Water	\$807		\$807		\$807
93200 Electricity	\$5,809		\$5,809		\$5,809
93300 Gas	\$1,127		\$1,127		\$1,127
93400 Fuel					
93500 Labor					
93600 Sewer	\$1,089		\$1,089		\$1,089

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2020

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$8,832	\$0	\$8,832	\$0	\$8,832
94100 Ordinary Maintenance and Operations - Labor	\$30,178		\$30,178		\$30,178
94200 Ordinary Maintenance and Operations - Materials and Other	\$22,449		\$22,449		\$22,449
94300 Ordinary Maintenance and Operations Contracts	\$33,206		\$33,206		\$33,206
94500 Employee Benefit Contributions - Ordinary Maintenance	\$4,235		\$4,235		\$4,235
94000 Total Maintenance	\$90,068	\$0	\$90,068	\$0	\$90,068
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$21,053		\$21,053		\$21,053
96120 Liability Insurance	\$5,258		\$5,258		\$5,258
96130 Workmen's Compensation	\$7,033		\$7,033		\$7,033
96140 All Other Insurance	\$3,124		\$3,124		\$3,124
96100 Total insurance Premiums	\$36,468	\$0	\$36,468	\$0	\$36,468
96200 Other General Expenses					
96210 Compensated Absences	\$8,920		\$8,920		\$8,920
96300 Payments in Lieu of Taxes	\$14,761		\$14,761		\$14,761
96400 Bad debt - Tenant Rents	\$33,403		\$33,403		\$33,403
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$57,084	\$0	\$57,084	\$0	\$57,084
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$387,223	\$4,440	\$391,663	\$0	\$391,663
97000 Excess of Operating Revenue over Operating Expenses	\$264,459	\$0	\$264,459	\$0	\$264,459
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$110,606		\$110,606		\$110,606
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$497,829	\$4,440	\$502,269	\$0	\$502,269

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2020

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
10010 Operating Transfer In	\$331,871		\$331,871	-\$331,871	\$0
10020 Operating transfer Out	-\$331,871		-\$331,871	\$331,871	\$0
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$153,853	\$0	\$153,853	\$0	\$153,853
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$1,163,004	\$0	\$1,163,004		\$1,163,004
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$0		\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	701		701		701
11210 Number of Unit Months Leased	693		693		693
11270 Excess Cash	\$309,499		\$309,499		\$309,499
11610 Land Purchases	\$0		\$0		\$0
11620 Building Purchases	\$0		\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0		\$0		\$0
11650 Leasehold Improvements Purchases	\$0		\$0		\$0
11660 Infrastructure Purchases	\$0		\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0		\$0