

Housing Authority of the City of Monroe

Monroe, Louisiana



Annual Comprehensive Financial Report

For the Year Ended June 30, 2023

**Housing Authority of the City of Monroe
Monroe, Louisiana**

Annual Comprehensive Financial Report

For the Year Ended June 30, 2023

**William Smart
Executive Director**

**Janet Sanderford
Accounting Director**

Prepared by the Accounting Department

Housing Authority of the City of Monroe

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Housing Authority of the City of Monroe

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(concluded)

INTRODUCTORY SECTION



March 8, 2024

Hal Hinchliffe, Chairman
and Members of the Board
Housing Authority of the City of Monroe
Monroe, Louisiana

Dear Board Members:

The Annual Comprehensive Financial Report of the Housing Authority of the City of Monroe for the year ended June 30, 2023 is submitted herewith. This report has been prepared by the Accounting Department personnel following the guidelines recommended by the Government Finance Officers Association of the United States and Canada. Additional information on the Housing Authority's financial condition is included in the management's discussion and analysis.

A. Management Responsibility Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Housing Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Housing Authority. All disclosures necessary to enable the reader to gain an understanding of the Housing Authority's financial activities have been included.

B. Annual Report The Annual Comprehensive Financial Report consists of three parts:

- (1) The Introductory Section. This section includes a transmittal letter, information on financial reporting achievements, the Housing Authority's organizational structure, recognition of the appointed officials of the Housing Authority and a list of selected administrative officials.
- (2) The Financial Section. The financial section consists of management's discussion and analysis and basic financial statements. Various statements are also used to demonstrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements.
- (3) The Statistical Section. Included in this section are a number of tables of unaudited data depicting the financial history, demographics and other miscellaneous information of the Housing Authority for the past ten years.

The Housing Authority is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the Uniform Guidance. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings, and recommendations, if applicable, and auditor's reports on internal control and compliance with applicable laws and regulations. The single audit report is issued separately from this Annual Comprehensive Financial Report.

The primary objective of the Housing Authority is to provide affordable housing for families which, due to economic hardship, are unable to obtain housing in the private real estate market. A second goal is to assist these families in achieving self-sufficiency. To accomplish these objectives, the Housing Authority participates in a number of programs which are discussed in the Notes to the Financial Statements included in this report.

- C. Reporting Entity** This report includes all funds of the Housing Authority, the primary government. The Housing Authority is an independent governmental entity created by the State of Louisiana. 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. Although it maintains close ties with the City of Monroe in several respects, the Housing Authority is not a component unit of the City as defined by the pronouncements of the Governmental Accounting Standards Board since it is not financially accountable for the operations of the Housing Authority, has no responsibility to fund deficits or rights to receive surpluses, and has not guaranteed the Housing Authority's debt.

The governing body of the Housing Authority is its Board of Commissioners comprised of five members appointed by the Mayor of the City. The Board appoints an Executive Director to administer the affairs of the Housing Authority. The primary source of funding for the Housing Authority is the U.S. Department of Housing and Urban Development (HUD), which oversees the expenses of most of the funds.

Monroe Housing Facilities Corporation and Monroe Housing Affordable Homeownership are included by blended presentation in the Housing Authority's financial statements. These corporations are legally separate entities governed by the same Board as the Housing Authority.

Claiborne Creek Inc. and South Pointe IV are included by discrete presentation in the Housing Authority's financial statements. These corporations are legally separate entities; however, there is a financial burden or benefit to the primary government. Additionally, although these legally separate entities are not government by the same Board as the Housing Authority, the Housing Authority's Board does assist in the selection of the members of the Board that governs these corporations.

D. Major Initiatives

- The last available PHAS score reflects that the Housing Authority has maintained its designation of "High Performer" from the Department of Housing and Urban Development. This is a result of a dedicated caring staff and management's decision to set a High Performer rating as one of their highest goals.
- The Housing Authority has rental assistance programs that were created under Section 8 of the 1974 Federal Housing and Community Development Act. Under these programs, the Housing Authority provides subsidies to local landlords on behalf of low-income families and individuals living in privately-owned housing in the City of Monroe. The Department of Housing & Urban Development assesses Section 8 programs thru its SEMAP assessment. The last available score posted for Monroe Housing Authority was 95%.

- The Housing Authority has completed exterior renovation projects at Frances Tower and McKeen plaza as well as security camera upgrades at Lock Breece, Johnson Carver, Foster Heights, Robinson Place and Miller Square. Our current projects include storage building renovations at Johnson Carver Terrace and Burg Jones Plaza, an interior modernization project at Miller Square, and a water heater and boiler flue replacement at Frances Tower. Upcoming projects include office and community room upgrades at Lock Breece, a new mail center and parking lot expansion at Miller Square, construction of maintenance shops at Johnson Carver and Foster Heights, and plumbing upgrades at Robinson Place, Foster Heights, Johnson Carver, and Lock Breece.
 - The Housing Authority now manages 6 Section 202 properties consisting of a total of 286 units of elderly housing as well as 5 tax credit properties, with a total of 335 units, all of which are elderly housing. We operate 16 units designed for handicapped families. Another tax credit property that we manage is a group of 50 single-family homes within our Robinson Place Community. Construction was completed on 23 single-family homes around 3rd and 4th street. We are working with community partners to offer homeownership programs to applicants in hopes of equipping them to purchase these homes once the 5-year compliance period is fulfilled. Our goal is to turn this blighted area back into a thriving neighborhood.
 - For our adult residents, MHA continues to provide HSET (GED) training and testing, career training and job readiness skills services through partnerships with Delta Community College, ULM, Opportunities Industrialization Center of Ouachita (OIC), and NOVA Workforce Institute of Northeast Louisiana.
 - The 4-year \$2.3 million Jobs Plus grant has been extended another year, which the expected end date is December 31, 2024. We were one of 7 Housing Authorities in the United States to be awarded this special grant. This grant is designed to benefit our residents in our Burg Jones Community, emphasizing work force development and helping them to achieve self-sufficiency.
 - Through partnerships with the Ouachita Council on Aging, Senior Care Service, and numerous health care and fitness organizations, MHA continues to provide our senior residents with programs and supportive services designed to allow them to age in place with dignity and respect.
 - We also partner with organizations like the Children’s Coalition and INK to bring on-site Early Head Start and Head Start Centers and with OIC to bring site-based quality afterschool enrichment programs for our resident children and families.
- E. Long Term Financial Planning** The Housing Authority is founded on the belief that affordable housing is central to the physical and emotional health, the productivity, and the self-esteem of the people it serves. Recognizing its responsibility to maintain physical properties while affording dignity and respect to every individual, the objective of the Housing Authority is to improve the quality of life through a community partnership. HUD has made major changes to the operating subsidy calculation and requires housing authorities to manage their properties according to an asset management model. This requires project-based management, project-based budgeting, and project-based accounting. All of these changes must be accomplished while maintaining the overall mission of the Housing Authority as stated above.

F. Internal Control Management of the Housing Authority is responsible for establishing and maintaining internal control designed to ensure that the assets of the Housing Authority are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. We believe the Housing Authority's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state, and local financial assistance, the Housing Authority also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

As a part of the Housing Authority's single audit described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the Housing Authority has complied with applicable laws and regulations.

G. Budgetary Controls In addition, the Housing Authority maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Housing Authority. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. Revisions to the budget enacted require Housing Authority approval. As demonstrated by the statements and schedules included in the financial section of this report, the Housing Authority continues to meet its responsibility for sound financial management.

H. Independent Audits The report of our independent certified public accountants, Rector, Reeder and Lofton PC, follows as an integral component of this report. Their audit of the financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the Housing Authority's system of budgetary and accounting controls.

I. Award The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting to governments for their Annual Comprehensive Financial Report. To be awarded this certificate, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. This certificate is valid for a period of one year only. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants. The Housing Authority has received the GFOA Certificate since 1998.

Management believes that the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023, which will be submitted to GFOA for review, will conform to the principles and standards of this organization.

K. Acknowledgments We feel that the staff of Monroe Housing Authority meets the challenges of the ongoing COVID environment and continues to make this Housing Authority one of the premier Housing Authorities in the nation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our entire staff but especially those of the Accounting Department. We want to express our appreciation to them for their assistance. We also thank the members of the Housing Authority for their interest and support in planning and conducting the financial operations of the Housing Authority in a responsible and progressive manner.



William Smart
Executive Director



Janet Sanderford
Accounting Director

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Housing Authority of the City of Monroe
Louisiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

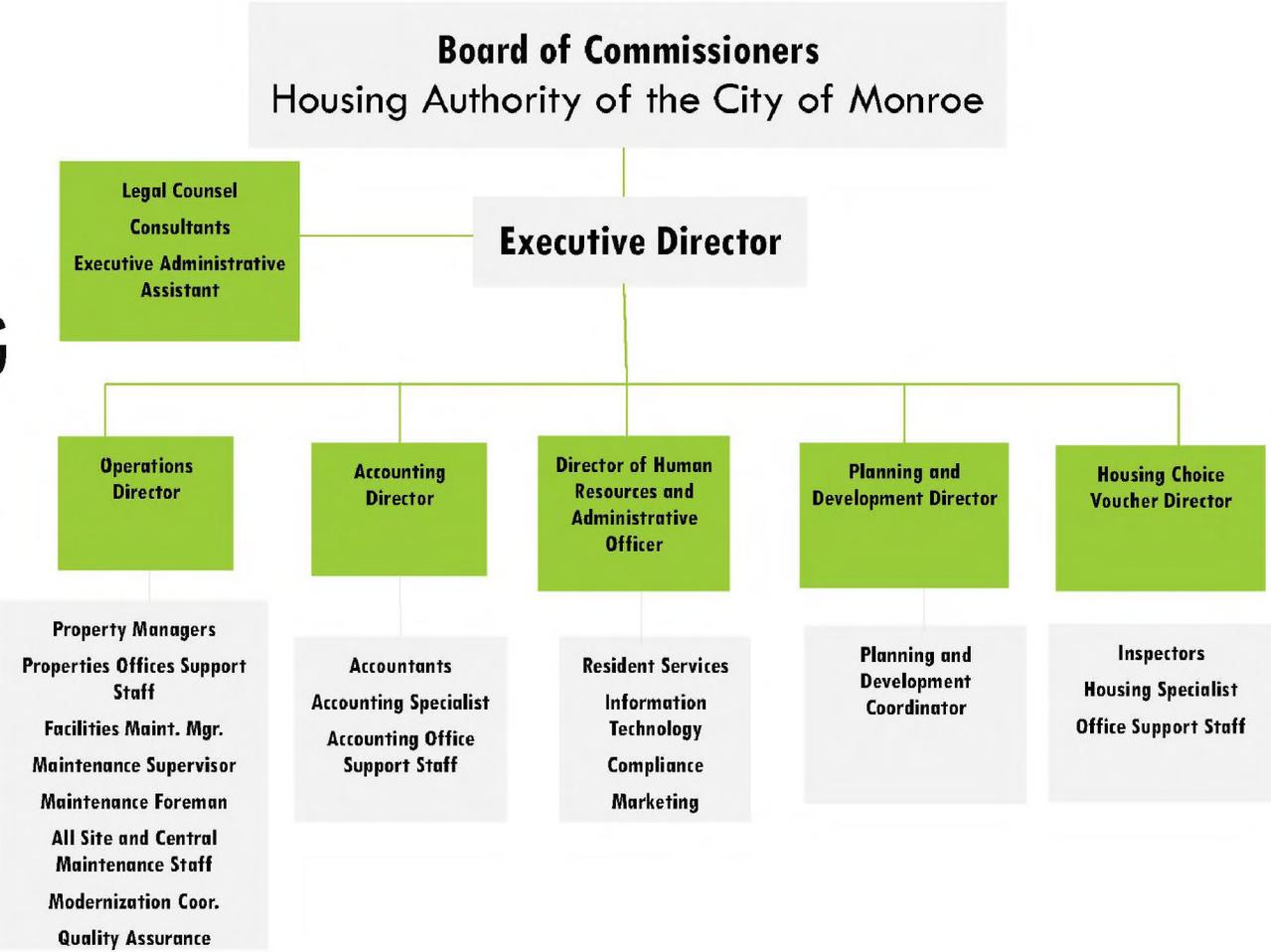
Housing Authority of the City of Monroe

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Housing Authority of the City of Monroe



**MONROE HOUSING
AUTHORITY
ORGANIZATION
CHART**



Housing Authority of the City of Monroe

Appointed Officials Board of Commissioners

Mr. Hal Hinchliffe, Chairman

Mr. Rick Miller, Vice Chairman

Mr. Joe Farr

Ms. Angelina Jones

Ms. Beverly V. Lewis

Selected Administrative Officials

Mr. William Smart

Executive Director

Cheryl Farmer

Operations Director

Janet Sanderford

Accounting Director

Shelva Thomas

Director of Human Resources and
Administrative Officer

Heath Fruge

Planning and Development Director

Naomi Jackson

Housing Choice Voucher Director

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

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

HUD – New Orleans Office
501 Magazine 9th Floor
New Orleans, Louisiana 70130

Report on the Audit of Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregately discretely presented component units of the Housing Authority of the City of Monroe as of and for the year ended June 30, 2023, and the related notes to the financial statements which collectively comprise the Housing Authority of the City of Monroe's basic financial statements as listed in the table of contents.

The Authority's basic financial statements include the operations of the Claiborne Creek, Inc., Preservation Mills, South Pointe IV, Inc., Passman Plaza, Inc., Passman Plaza II, Inc., Passman Plaza III, LP, Robinson Place II, LP, Ouachita Grand Plaza, South Pointe Housing, Inc., South Pointe Phase II, Inc., South Pointe Phase III, Inc., which represent 39 percent of total consolidated assets and 15 percent of total revenues of the Housing Authority of the City of Monroe. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Claiborne Creek, Inc., Preservation Mills, South Pointe IV, Inc., Passman Plaza, Inc., Passman Plaza II, Inc., Passman Plaza III, LP, Robinson Place II, LP, Ouachita Grand Plaza, South Pointe Housing, Inc., South Pointe Phase II, Inc., South Pointe Phase III, Inc., is based solely on the report of the other auditors.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Housing Authority of the City of Monroe, as of June 30, 2023, 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.

Basis for Opinions

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

Responsibilities of Management for Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Monroe's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as well as the Financial Data Schedules required by the U.S. Department of Housing and Urban Development, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the Financial Data Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 8, 2024, on our consideration of the Housing Authority of the City of Monroe'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 Housing Authority of the City of Monroe's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Housing Authority of the City of Monroe's internal control over financial reporting and compliance.

Rector, Reeder & Lofton, P.C.
Certified Public Accountants

Loganville, Georgia
March 8, 2024

Housing Authority of the City of Monroe

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REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)

Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2023

As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report. The following information is for the primary government. Contact Monroe Housing Authority for copies of the financial reports related to the discretely presented component units.

FINANCIAL HIGHLIGHTS In fiscal year 2023, the Housing Authority had the following changes:

- The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$55,410,210 (*net position*). Of this amount, \$35,667,103 may be used to meet the government's ongoing obligations to citizens and creditors.
- The Housing Authority's total net position increased by \$1,951,247 for current year which is mostly attributable to monies received from capital fund program.
- At the end of the current fiscal year, unrestricted net position for the general fund was \$25,108,598 or 189% of the general fund total operating expenses.
- The Housing Authority continues to operate without the need for debt borrowings during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS This discussion and analysis is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority's basic financial statements comprise two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Housing Authority is a special-purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

FUND FINANCIAL STATEMENTS 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 state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Housing Authority are reported as proprietary funds.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show information about the Housing Authority's most significant funds – such as the Housing Authority's General fund, Tenant-based Section 8 fund, Management Fees fund, Monroe Housing Facilities fund and Monroe Homeownership.

Our auditors have provided assurance in their independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditors regarding the supplementary information and other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2023

The Introductory Section and the Statistical Section were prepared by the Housing Authority without association by the independent auditors. Accordingly, the Housing Authority assumes full responsibility for the accuracy of these two sections.

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:

Proprietary funds – All of the Housing Authority's services are reported in enterprise funds. These 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, liabilities and deferred outflows/inflows of resources associated with the operation of these funds are included on the statement of net position.

FINANCIAL ANALYSIS

The Housing Authority's net position was \$55,410,210 at June 30, 2023. Of this amount, \$35,667,103 was unrestricted. Restricted net position is reported separately to show legal constraints from U. S. Department of Housing and Urban Development regulations that limit the Housing Authority to use these funds only for housing assistance payments (HAP) and forfeited family self- sufficiency escrow (FSS) of the Section 8 Tenant Based program, which was \$20,834 for the fiscal year end, in which the full balance related to FSS escrow forfeitures.

As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. The general fund is used to account for the public housing, capital fund, resident opportunities and supportive services, economic development programs, and the Central Office Cost Center. The tenant-based Section 8 fund accounts for the Section 8 Housing Choice Voucher program, the Disaster Voucher program, the DHAP program and the Emergency Housing Voucher program. The Monroe Housing Facilities and Management Fees earned on properties managed by the Housing Authority are accounted for in separate funds. Additionally, the Housing Authority operates the Monroe Homeownership fund for homes that will be eventually sold to assist residents in self-sufficiency. Our analysis below focuses on the net position and the change in net position of the primary government as a whole.

**Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2023**

Table 1

**Net Position
June 30,**

	2023	2022	Variance	% Change
Current assets	\$ 36,486,815	\$ 33,918,463	\$ 2,568,352	7.57%
Capital assets	21,238,128	20,350,536	887,592	4.36%
Other noncurrent assets	2,497,909	2,638,025	(140,116)	-5.31%
Total assets	60,222,852	56,907,024	3,315,828	5.83%
Current liabilities	2,552,320	2,479,575	72,745	2.93%
Noncurrent liabilities	2,260,322	968,486	1,291,836	133.39%
Total liabilities	4,812,642	3,448,061	1,364,581	39.58%
Net position				
Net investment in capital assets	19,722,273	20,350,536	(628,263)	-3.09%
Restricted	20,834	79,078	(58,244)	-73.65%
Unrestricted	35,667,103	33,029,349	2,637,754	7.99%
Total net position	\$ 55,410,210	\$ 53,458,963	\$ 1,951,247	3.65%

Total assets increased by \$3,315,828 or 5.83%. This increase was due to the following:

- Current assets increased by \$2,568,352 or 7.57% mainly due to overall operations. The amounts reported in cash and investments, unrestricted, increased from \$28,764,525 to \$31,950,675, due to the increase in net position. See Table 2 for additional information. It is noted; however, accounts receivable for the year decreased \$678,271 due to an increase of allowance for doubtful accounts.
- Capital assets increased \$887,592 or 4.36% for 2023, which mainly due to the inclusion of the activity for the ten units of the Preservation Mills development that is owned by the Monroe Homeownership program.

Total liabilities increased by \$1,364,581 or 39.58%. This increase is mainly due to the inclusion of the activity for the ten units of the Preservation Mills development that is owned by the Monroe Homeownership program. The Housing Authority received funds \$1,323,673 under the Neighborhood Landlord Rental Program with Louisiana Housing Corporation (LHC) for construction of ten units in the Preservation Mills development. The terms and conditions of the agreement state that Monroe Homeownership must rent these units to qualified households, meeting certain income requirements, for a period of five years. As long as Monroe Homeownership meets the terms and conditions for the qualified period, then the loan is forgiven.

**Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2023**

Table 2

**Changes in Net Position
For the Years Ended June 30,**

	2023	2022	Variance	% Change
Revenues:				
Tenant revenue	\$ 4,218,934	\$ 4,181,678	\$ 37,256	0.89%
Federal grants	18,927,070	20,846,451	(1,919,381)	-9.21%
Interest earnings	390,618	183,854	206,764	112.46%
Other income	1,990,672	1,256,327	734,345	58.45%
Total revenues	<u>25,527,294</u>	<u>26,468,310</u>	<u>(941,016)</u>	-3.56%
Expenses:				
Administration	3,519,405	3,376,044	143,361	4.25%
Tenant services	273,063	320,703	(47,640)	-14.85%
Utilities	540,627	443,507	97,120	21.90%
Ordinary maintenance and operations	5,120,408	5,331,764	(211,356)	-3.96%
Protective services	123,851	80,769	43,082	53.34%
General expenses	2,487,084	1,810,111	676,973	37.40%
Housing assistance payments	8,402,905	7,929,987	472,918	5.96%
Depreciation	2,908,900	2,772,778	136,122	4.91%
Interest expense	44,297	-	44,297	100.00%
Total expenses	<u>23,420,540</u>	<u>22,065,663</u>	<u>1,354,877</u>	6.14%
Increase (decrease) in net position	<u>2,106,754</u>	<u>4,402,647</u>	<u>(2,295,893)</u>	-52.15%
Beginning net position, as originally stated	53,458,963	48,958,465	4,500,498	9.19%
Prior period adjustment	(155,507)	97,852	(253,359)	100.00%
Beginning net position, as restated	<u>53,303,456</u>	<u>49,056,316</u>	<u>4,247,140</u>	8.66%
Ending net position	\$ 55,410,210	\$ 53,458,963	\$ 1,951,247	3.65%

Total revenues decreased \$941,016 or 3.56%. The significant changes are as follows:

- The total federal grants, which includes both operating and capital contributions, decreased \$1,919,381 or 9.21%. This decrease is mainly due to a decrease in capital contributions of \$1,599,745. Several capital fund projects had ended during the year such as the Frances Tower and McKeen weatherproofing project. Although the Housing Authority does have new capital fund projects in place, very few had much work performed in 2023.
- Interest earnings increased \$206,764 or 112.46% due to several certificates of deposit renewed in the current year with approximately a 5% interest rate earnings whereas in 2022 these rates were between .15% and .25%.
- Other income increased \$734,345 or 58.45% mainly due to the Housing Authority received \$781,026 in insurance proceeds for damage related to the tornado damage a few years ago to roofs at Miller Square and fire damage to three units within our Foster Heights and Johnson Carver.

**Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2023**

Total expenses increased \$1,354,877 or 6.14%. These significant changes in expenses are as follows:

- The general expenses increased \$676,973 or 37.40%. This increase is due to increased allowance for doubtful accounts of \$508,766 established for those receivables that are owed to the Housing Authority from its' affiliates. The remaining increase is related to increased property and general liability insurances that the state of Louisiana is still experiencing as a result of several tornados and hurricanes in 2020.
- The housing assistance payments increased \$472,918 or 5.96% due to increase of lease-up for the Section 8 Housing Choice Voucher Program as well as increased fair market rents for the Monroe area. The average monthly vouchers leased increased from 1,530 to 1,569.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the Housing Authority had \$21,238,128 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of \$612,855 or 3%, from last year.

**Table 3
Capital Assets at Year-end**

	2023	2022***
Land	\$ 2,625,864	\$ 2,625,864
Buildings and site improvements, net	16,522,223	12,402,350
Furniture and equipment, net	448,782	324,782
Construction in progress	1,641,259	6,534,567
Totals	\$ 21,238,128	\$ 21,887,563

***The beginning balances were increased \$1,537,027 to include the Monroe Homeownership fund's activity.

This year's additions to capital assets totaled \$2,262,915, which included the complete of the weatherproofing McKeen Plaza and Francis Towers, HVAC project at Francis Towers and security cameras being installed at each development. However, the costs associated with the projects was offset by current year depreciation of \$2,908,900. The net change in capital assets for the year was a decrease of \$649,435.

We present more detailed information on capital assets in Note 5 in the notes to the financial statements.

Debt

Our long-term debt includes a mortgage/grant payable to LHC of \$1,323,673. This obligation to LHC is forgiven in 5 years from lease-up if the Housing Authority meets the terms and conditions of leasing. We present more detail about our long-term liabilities in Note 10 in the notes to the financial statements.

**Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2023**

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 the Federal budget than by local economic conditions.

The capital fund programs are multiple year budgets and have remained relatively stable. Capital fund programs 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 Janet Sanderford, Accounting Director, at the Housing Authority of the City of Monroe, 300 Harrison Street, Monroe, Louisiana 71201, telephone number (318) 998-3761.

Housing Authority of the City of Monroe

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BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF MONROE

**ENTERPRISE FUNDS
Statement of Net Position
June 30, 2023**

	Total Primary Government	Statement A Total Discretely Presented Component Units
	<u> </u>	<u> </u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents - unrestricted	\$ 7,497,491	\$ 887,572
Cash and cash equivalents - restricted	429,825	3,907,485
Investments - unrestricted	24,453,184	982,471
Investments - restricted	-	42,265
Accounts receivable, net	3,260,763	1,314,455
Notes receivable - due from component unit - current	176,593	-
Prepaid items and other assets	656,821	406,367
Inventory	12,138	-
	<u> </u>	<u> </u>
TOTAL CURRENT ASSETS	36,486,815	7,540,615
	<u> </u>	<u> </u>
NONCURRENT ASSETS:		
Capital Assets, net		
Land and construction in progress	4,267,123	2,042,971
Buildings and equipment, net	16,971,005	27,818,786
Notes receivable - noncurrent	-	368,563
Notes receivable - due from component unit - noncurrent	2,497,909	-
Syndication costs, net	-	32,125
	<u> </u>	<u> </u>
TOTAL NONCURRENT ASSETS	23,736,037	30,262,445
	<u> </u>	<u> </u>
TOTAL ASSETS	\$ 60,222,852	\$ 37,803,060
	<u> </u>	<u> </u>

(continued)

HOUSING AUTHORITY OF THE CITY OF MONROE

**ENTERPRISE FUNDS
Statement of Net Position
June 30, 2023**

Statement A

	<u>Total Primary Government</u>	<u>Total Discretely Presented Component Units</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts and other payables	\$ 646,603	\$ 1,560,028
Accrued liabilities	633,056	1,683,574
Unearned revenue	124,445	32,565
Current portion of compensated absences payable	745,038	-
Current portion of notes payable	-	1,118,629
 Current Liabilities Paid with Restricted Assets:		
Deposits due others	<u>403,178</u>	<u>211,318</u>
 TOTAL CURRENT LIABILITIES	<u>2,552,320</u>	<u>4,606,114</u>
 NONCURRENT LIABILITIES		
Compensated absences payable	927,848	-
Mortgage/grant payable - LHC	1,323,673	-
Notes payable - noncurrent	-	24,047,970
Other noncurrent liabilities	<u>8,801</u>	<u>2,366,295</u>
 TOTAL NONCURRENT LIABILITIES	<u>2,260,322</u>	<u>26,414,265</u>
 TOTAL LIABILITIES	<u>4,812,642</u>	<u>31,020,379</u>
 NET POSITION		
Net investment in capital assets	19,722,273	4,695,158
Restricted	20,834	3,732,143
Unrestricted	<u>35,667,103</u>	<u>(1,644,620)</u>
 TOTAL NET POSITION	<u>\$ 55,410,210</u>	<u>\$ 6,782,681</u>

(concluded)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF MONROE

ENTERPRISE FUNDS

**Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2023**

		Statement B
	Total Primary Government	Total Discretely Presented Component Units
OPERATING REVENUES		
Dwelling rental income	\$ 4,218,934	\$ 4,301,981
Other	1,972,513	140,411
Federal grants	16,767,332	-
TOTAL OPERATING REVENUES	<u>22,958,779</u>	<u>4,442,392</u>
OPERATING EXPENSES		
Administration	3,519,405	1,141,613
Tenant services	273,063	1,986
Utilities	540,627	294,025
Ordinary maintenance & operations	5,120,408	1,700,335
Protective services	123,851	24,857
General expenses	2,487,084	677,049
Housing assistance payments	8,402,905	-
Depreciation	2,908,900	1,203,502
TOTAL OPERATING EXPENSES	<u>23,376,243</u>	<u>5,043,367</u>
Income (loss) from Operations	<u>(417,464)</u>	<u>(600,975)</u>
NONOPERATING REVENUES (EXPENSES)		
Investment earnings and gains/losses	390,618	125,468
Interest expense	(44,297)	(582,737)
Gains/losses on disposal of capital assets	18,159	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>364,480</u>	<u>(457,269)</u>
Net income (loss) before capital contributions	(52,984)	(1,058,244)
Capital grant contributions	2,159,738	-
Change in net position	2,106,754	(1,058,244)
NET POSITION - BEGINNING, ORIGINALLY STATED	53,458,963	7,840,925
Prior period adjustment	(155,507)	-
NET POSITION - BEGINNING, AS RESTATED	<u>53,303,456</u>	<u>7,840,925</u>
NET POSITION - ENDING	<u>\$ 55,410,210</u>	<u>\$ 6,782,681</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF MONROE

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended June 30, 2023**

	Statement C
	Total Primary Government
CASH FLOWS FROM OPERATING ACTIVITIES	
Rental receipts	\$ 4,248,796
Other receipts	2,486,923
Payments to vendors	(10,355,185)
Payments to employees	(2,156,664)
Payments to private landlords	(8,379,344)
Payments to others	(25,000)
Federal grants	<u>17,308,412</u>
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>3,127,938</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase capital assets	(3,796,492)
Proceeds from loan/grant related to capital	1,323,673
Interest for loan/grant related to capital financing	(44,297)
Proceeds from sale of capital assets	18,159
Capital contributions	<u>2,159,738</u>
 NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	 <u>(339,219)</u>
 CASH FLOW FROM INVESTING ACTIVITIES	
Proceeds from notes receivable	91,824
Investment earnings and gains/losses	390,618
Purchase of investments	<u>(5,296,019)</u>
 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	 <u>(4,813,577)</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 <u>(2,024,858)</u>
CASH AND CASH EQUIVALENTS - BEGINNING, ORIGINALLY STATED	10,107,681
PRIOR PERIOD ADJUSTMENT	<u>(155,507)</u>
CASH AND CASH EQUIVALENTS - BEGINNING, RESTATED	<u>9,952,174</u>
CASH AND CASH EQUIVALENTS - ENDING	<u><u>\$ 7,927,316</u></u>

(continued)

HOUSING AUTHORITY OF THE CITY OF MONROE

ENTERPRISE FUNDS

Statement of Cash Flows

For the Year Ended June 30, 2023

	Statement C
	Total Primary Government
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (417,464)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	2,908,900
Change in assets and liabilities:	
Accounts receivable, net	726,630
Interfund receivables	(4,147)
Inventories	5,251
Prepaid items and other assets	(136,219)
Accounts payable	(107,189)
Accrued expenses	(125,988)
Unearned revenue	(7,489)
Interfund payables	4,080
Deposits due others	(9,262)
Compensated absences	290,835
	\$ 3,127,938
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
	(concluded)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

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Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority 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 affordable housing. 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 Monroe, serve a staggered term of four years.

The Housing Authority has the following units:

		<u>No. of Units</u>
PHA Owned Housing	FW 2006	1518
Section 8		
Housing Choice Vouchers	FW 2072 (VO)	1558
Monroe Homeownership		10

GASB Standards establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these Standards, 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 Standards, 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.

The Housing Authority is a related organization of the City of Monroe since the City of Monroe appoints a voting majority of the Housing Authority's governing board. The City of Monroe 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 Monroe. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Monroe.

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 criterion 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:

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.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government and a financial benefit or burden is present.
3. Organizations for which the reporting entity’s 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 the following component unit should be considered as part of the Housing Authority reporting entity.

Blended Component Units:

Monroe Housing Facilities Corporation (“Corporation”) is a legally separate entity. The Board is the same as the Board of Commissioners of the Housing Authority. The Corporation is fiscally dependent on the Housing Authority because operations and administration of the Corporation are handled by the same personnel of the Housing Authority, and no costs are being charged to the Corporation for these services. Based on the above, it has been determined that the Corporation is a component unit of the Housing Authority and should be included in the Housing Authority’s financial statements through blended presentation. The Corporation does not issue separate financial statements.

Monroe Affordable Homeownership Community Housing Development Organization, Inc. (“Homeownership”) is a legally separate entity. The Board is the same as the Board of Commissioners of the Housing Authority. The Homeownership is fiscally dependent on the Housing Authority because operations and administration of the Homeownership are handled by the same personnel of the Housing Authority, and no costs are being charged for these services. Based on the above, it has been determined that Homeownership is a component unit of the Housing Authority and should be included in the Housing Authority’s financial statements through blended presentation. Homeownership owns ten units of the Preservation Mills development. Also, Homeownership does not issue separate financial statements.

Discretely Presented Component Units:

The Housing Authority manages various tax credit properties and Section 202 properties. A review of the activities associated with these managed properties revealed eleven entities that are considered to be discretely presented component units of the Housing Authority. These properties are as follows:

Managing Agent (Section 202 Elderly Housing Projects and Tax Credit Projects)

Fiscal year ends June 30 th :	<u>No. of Units</u>
Ouachita Grand Plaza, Inc.	91
Passman Plaza, Inc.	41
Passman Plaza II, Inc.	39
South Pointe, LLP	37
South Pointe II, LLP	44
South Pointe III, LLP	36
South Pointe IV, LLP	
South Pointe IV	6
Alabama Place, LLP	16
Preservation Mills	10

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

Fiscal year ends December 31st:

Claiborne Creek Inc	
Claiborne Creek Apartments, LLP	72
Claiborne Creek II, LLP	60
Chauvin Pointe, LLP	74
Chauvin Pointe II, LLP	65
Preservation Mills	3
Passman Plaza III, Inc.	60
Robinson Place II	50
Preservation Mills, Nonprofit	

The Board of Directors that oversee these organizations are appointed by the Board of the Housing Authority. Additionally, these organizations provide a financial benefit/burden to the Housing Authority. Based on this criteria, it is determined that these organizations should be included in the Housing Authority’s financial statements through discrete presentation. These organizations issue separate audited financial statements and can be obtained by contacting the Housing Authority.

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 is maintained consistent with legal and managerial requirements.

All funds of the Housing Authority are classified as proprietary. The general fund accounts for the transactions of the public housing low rent program, the capital fund program, the resident opportunities and supportive services program, the economic development program, and the Central Office Cost Center. The tenant-based Section 8 fund accounts for the tenant-based Section 8 programs. The management fees fund accounts for the activity of Section 202 elderly housing projects and tax credit properties for which the Housing Authority is the managing agent. The Monroe housing facilities fund accounts for the activity of the Monroe Housing Facilities Corporation and the Monroe homeownership fund accounts for the activity of the Monroe Affordable Homeownership Community Housing Development Organization, Inc., which includes the ten units owned of the Preservation Mills development.

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, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the statement of net position.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

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

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits 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.

E. INVESTMENTS Investments are limited by LSA-R.S. 33:2955 and the Housing Authority's 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 fair value except for the following which are required/permitted per GASB Statement No. 31:

1. 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.
2. The Housing Authority reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

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

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the statement of net position. Short-term interfund loans are classified as interfund receivables/payables.

G. INVENTORY All purchased inventory items are valued at cost using just-in-time method. Materials and supplies at the project level are expensed as they are purchased.

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

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$5,000 for any movable items. The capitalization threshold for intangible assets is \$200,000. Donated capital assets are recorded at their acquisition value. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

Any expenditures incurred for purposes of improving any buildings or structure or any site improvement will be expensed up to \$100,000, excluding repairs that involve returning an asset to its existing state (roof repairs where shingles are being replaced and the replacement of rotten wood where found).

Straight line depreciation is used based on the following estimated useful lives using a full-year convention method:

Site improvements	15 years
Buildings	30 years
Furniture and equipment	5 - 7 years

J. UNEARNED REVENUES The Housing Authority reports unearned revenues on its statement of net position. Unearned 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 unearned revenue is removed from the statement of net position and the revenue is recognized.

K. COMPENSATED ABSENCES Although the Housing Authority is no longer under Louisiana Civil Service, the Housing Authority still follows Louisiana Civil Service policies for accumulated annual, compensatory, 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. The Board may approve payment of one-half of sick leave if the employee has been with the Housing Authority for ten years and is 55 years of age. Compensatory leave credited to an employee may be used by the employee or may be paid out to the employee at any time. The Board may approve employees' extended time off prior to their retirement, to use accumulated leave balances above the compensated absence payout policy.

L. RESTRICTED NET POSITION Net position is reported as restricted when constraints placed on net position use are 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 position is available. The restricted net position for family self-sufficiency (FSS) of \$20,834 reported in the Statement of Net Position is restricted by enabling legislation.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

M. INTERFUND ACTIVITY Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate. Services provided, deemed to be at market, or near market rates, are treated as revenues and expenses.

All other interfund transfers are reported as transfers. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

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 statement 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 - CASH AND CASH EQUIVALENTS

Primary Government

The Housing Authority's deposits are recorded at cost. The carrying amount of deposits totaled \$32,380,500, which includes \$24,453,184 held in certificates of deposit that are classified as investments and \$429,825 in deposits due others classified as restricted deposits.

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

Credit Rate Risk: The Housing Authority's investments are in certificates of deposit, which do not have credit ratings; however, the Housing Authority's policy does not address credit rate risk.

Custodial Credit Risk-Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2023 the Housing Authority bank balance was \$32,639,336 in which \$1,750,000 was covered with federal depository insurance (GASB Category 1) and the remaining balance of \$30,889,336 was collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Housing Authority's name (GASB Category 3). Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon request. The Housing Authority's policy does not address custodial credit risk.

Component Unit

Money Market Checking/Savings accounts	<u>\$ 4,795,057</u>
--	---------------------

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

Restricted cash and cash equivalents: Restricted cash and cash equivalents at June 30, 2023, consisted of the following:

Primary Government

Security deposits	\$ 400,190
FSS Forfeitures	20,834
FSS Escrow	<u>8,801</u>
	<u>\$ 429,825</u>

Component Unit

Restricted Cash	
Security deposits	\$ 217,607
Development & escrow funds	<u>3,689,878</u>
	<u>\$ 3,907,485</u>
 Investments	
Unrestricted Investments	\$ 982,471
Restricted Investments	<u>42,265</u>
Total Investments	<u>\$ 1,024,736</u>

NOTE 3 - ACCOUNTS RECEIVABLE The receivables at June 30, 2023, are as follows:

Primary Government

Class of Receivables	Total
Local sources:	
Tenants, net of allowance of \$26,446	\$ 64,388
Other governments	3,052
Affiliates & management properties, net of allowance of \$1,130,379	1,318,125
Fraud recovery, net of allowance of \$127,674	4,748
Accrued interest receivable - Robinson Place II, LP	142,007
Other	46,544
Federal sources:	
Due from HUD	<u>1,681,899</u>
Total	<u>\$ 3,260,763</u>

The accounts receivable for affiliates and management properties are balances due from other entities the Housing Authority manages or are in development and accounts receivable for fraud repayment agreements for fraudulently reporting wrong income amounts for past rental calculations. The accounts receivable – other is amounts owed as refund from the Housing Authority’s insurance company. The Housing Authority had established \$1,284,449 in allowance for doubtful as of June 30, 2023, in which General fund is \$590,701, Tenant Based Section 8 is \$84,943 and Monroe Housing Facilities is \$608,855.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

Component Unit

Class of Receivables	Total
Tenants, net of allowance of \$3	\$ 21,836
HUD projects	164,057
Development projects & miscellaneous	1,128,562
Total	\$ 1,314,455

NOTE 4 - NOTES RECEIVABLE The Housing Authority entered into a note receivable during the year ended June 30, 2013. The note receivable was between Monroe Housing Facilities and Alabama Place for cost incurred with the construction of the property in the amount of \$541,648 at an interest rate of 3%. The amount of the note receivable at June 30, 2023 was \$208,168. Of this amount, \$39,177 is due within a year to Monroe Housing Facilities.

During the fiscal year ended June 30, 2017, the Housing Authority's Monroe Housing Facilities fund entered into two notes receivables. One note was with Claiborne Creek I for \$877,731 and the other note was with Claiborne Creek II for \$691,560, in order to provide a bridge loan until permanent financing could be arranged, at an interest rate of 3%. The amount of these notes receivable at June 30, 2023 was \$1,016,334 in which \$100,937 is due within one year.

During the fiscal year ended June 30, 2019, the Housing Authority had approved for the Monroe Housing Facilities fund to enter into a notes receivable with Robinson Place II Development up to \$2,000,000 to facilitate financing to construct the new development at an interest rate of 4%; however, the amount of the note receivable used was \$1,450,000. The amount of this notes receivable at June 30, 2023 was \$1,450,000 in which \$36,479 is due within one year.

The Housing Authority expects to receive the notes receivable in full; and therefore, no allowance for doubtful accounts was recorded.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

NOTE 5 - CAPITAL ASSETS The balances and changes in capital assets are as follows:

Primary Government

	Balance Beginning ***	Additions	Deletions	Ending Balance
Capital Assets, nondepreciable				
Land	\$ 2,625,864	\$ -	\$ -	\$ 2,625,864
Construction in progress	6,534,567	2,159,738	7,053,046	1,641,259
Total capital assets, non depreciable	<u>9,160,431</u>	<u>2,159,738</u>	<u>7,053,046</u>	<u>4,267,123</u>
Capital assets, depreciable				
Buildings and site improvements	96,159,784	6,918,221	-	103,078,005
Furniture and equipment	1,992,023	238,002	62,330	2,167,695
Total capital assets, depreciable	<u>98,151,807</u>	<u>7,156,223</u>	<u>62,330</u>	<u>105,245,700</u>
Less accumulated depreciation				
Buildings and site improvements	83,757,432	2,798,348	-	86,555,780
Furniture and equipment	1,667,243	110,552	58,880	1,718,915
Total	<u>85,424,675</u>	<u>2,908,900</u>	<u>58,880</u>	<u>88,274,695</u>
Net Depreciable Assets	<u>12,727,132</u>	<u>4,247,323</u>	<u>3,450</u>	<u>16,971,005</u>
Total capital assets, net	<u>\$ 21,887,563</u>	<u>\$ 6,407,061</u>	<u>\$ 7,056,496</u>	<u>\$ 21,238,128</u>

***The beginning balances were restated for the inclusion of Monroe Homeownership for the ten units of the Preservation Mills development. The adjustments were as follows:

Land - increase	\$ 34,000
Construction in progress - increase	1,482,618
Building and site improvements - increase	16,087
Furniture and equipment - increase	4,322
Total	<u>\$ 1,537,027</u>

See Note 19 to the financial statements for additional information.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

Component Unit

	Balance Ending
Capital Assets, nondepreciable	
Land	\$ 2,042,971
Construction in progress	-
Buildings and site improvements	48,098,065
Furniture and equipment	2,583,331
Total capital assets, depreciable	52,724,367
Less accumulated depreciation	(22,862,610)
Total capital assets, net	\$ 29,861,757

NOTE 6 - RETIREMENT SYSTEM The Housing Authority participates in the Housing-Renewal and Local Agency Retirement Plan, administered by Broussard, Bush & Hurst, 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 regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment. Plan provisions and changes to plan contributions are determined by the Board of the Housing Authority. The Housing Authority does not have any assets in a trust to fund pension benefits.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 14.0 percent of each participant's basic (excludes overtime) compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account are 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 used to offset future contributions of the Housing Authority.

Normal retirement date shall be the first day of the month following the employee's 65th birthday or after 10 years of participation in the plan.

The Housing Authority's contributions were calculated using the base salary amount of \$3,416,938. The members' contributions were \$5,922 for the year ended June 30, 2023. The Housing Authority made the required contributions of \$389,649 for the year ended June 30, 2023.

During the fiscal year ended June 30, 2023, the Housing Authority had \$0 in forfeitures that was recognized in the current year pension expense. At June 30, 2023, the Housing Authority had \$0 in payables to the retirement plan for the June 2023 employee and employer required contributions.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

NOTE 7 - ACCOUNTS AND OTHER PAYABLES The payables at June 30, 2023, are as follows:

Primary Government

Vendors	\$ 128,978
Other governments - PILOT	328,839
Contractor payable	146,083
Housing assistance payable	42,703
	<u>\$ 646,603</u>

Component Unit

Vendors and contractors payable	\$ 1,560,028
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NOTE 8 - ACCRUED LIABILITIES The accrued liabilities at June 30, 2023, are as follows:

Primary Government

Salaries and benefits	\$ 123,035
Retainage	66,030
Payables to affiliates	443,991
Total	<u>\$ 633,056</u>

Component Unit

Payables to affiliates	\$ 1,683,574
------------------------	--------------

NOTE 9 - COMPENSATED ABSENCES At June 30, 2023, employees of the Housing Authority have accumulated and vested \$1,672,886 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. In the past, the liability has been liquidated by the General fund and Tenant Based Section 8 fund.

NOTE 10 - LONG-TERM LIABILITES The following is a summary of the long-term liabilities for the year ended June 30, 2023:

Primary Government

	Balance July 1, 2022***	Increases	Decreases	Balance June 30, 2023	Current Portion of Balance
Compensated Absences	\$ 1,382,050	\$ 482,880	\$ (192,044)	\$ 1,672,886	\$ 745,038
Construction Loan Payable	1,410,888	-	(1,410,888)	-	-
Mortgage/Grant Payable	-	1,323,673	-	1,323,673	-
Fss Escrow Deposits	27,521	5,509	(24,229)	8,801	-
	<u>\$ 2,820,459</u>	<u>\$ 1,812,062</u>	<u>\$ (1,627,161)</u>	<u>\$ 3,005,360</u>	<u>\$ 745,038</u>

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

***The beginning balances were restated for the inclusion of Monroe Homeownership for the ten units of the Preservation Mills development. The adjustment was for the construction loan that was paid off with the Mortgage/Grant from Louisiana Housing Corporation.

In May 2019, Monroe Homeownership signed a permanent loan agreement under the Neighborhood Landlord Rental Program with Louisiana Housing Corporation (LHC) for construction of ten units in the Preservation Mills development. The loan agreement was to pay the construction loan and other construction associated with the ten units, in the amount up to \$1,477,191. The terms and conditions of the agreement state that Monroe Homeownership must rent these units to qualified households, meeting certain income requirements, for a period of five years. As long as Monroe Homeownership meets the terms and conditions for the qualified period, then the loan is forgiven. However, if the terms and conditions are not met, then the full balance is owed at 0% interest, in five years from the initial lease up of an eligible tenant. Additionally, in the agreement, Monroe Homeownership listed the Monroe Housing Facilities Corporation as the guarantor of the loan. During the fiscal year ended June 30, 2023, the Housing Authority received \$1,323,673 from LHC, which was used to pay the construction loan in full with Progressive Bank. The first unit leased within this development was in December 2020. Therefore, the expected end date of the compliance period is December 2025.

See Notes 11 and 19 to the financial statements for additional information.

Component Unit

Notes & Mortgages payable for the Component Units are summarized below. More detail can be found in the individual entity audit reports.

	Ending Balances
Claiborne Creek Inc.	\$ 3,088,670
South Pointe Housing Inc.	2,020,200
South Pointe Phase II, Inc.	2,615,100
South Pointe Phase III, Inc.	3,097,300
South Pointe Phase IV, Inc.	1,785,672
Passman Plaza, Inc.	2,052,000
Passman Plaza II, Inc.	1,997,500
Passman Plaza III, LP	1,394,141
Robinson Place II, LP	4,705,325
Ouachita Grand Plaza	2,410,691
Total Notes & Mortgages Payable	25,166,599
Less Current Maturities	1,118,629
Total Noncurrent Notes & Mortgages Payable	\$ 24,047,970

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Litigation At June 30, 2023, the Housing Authority was involved in various litigation. It is the opinion of the legal advisor of the Housing Authority that this litigation would not have a material effect on the financial statements.

Grant Disallowances The Housing Authority participates in a number of state and 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. The Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Loan Guarantor In May 2019, the Housing Authority and its affiliates signed permanent loan agreements under the Neighborhood Landlord Rental Program with Louisiana Housing Council for the construction of twenty-three units for the Preservation Mills Development. Ten units are owned by South Pointe IV Inc., ten units owned by Monroe Affordable Homeownership Community Housing Development Organization, Inc. and three units owned by Claiborne Creek Inc. Based on the agreements, these units are required to be housed for a period of five years to qualified low-income residents. If the compliance is met for the five-year period, then each entity is forgiven for the loan; however, if the compliance is not met, then these entities will be required to pay the full principal balance at 0% interest. In all three entity agreements, Monroe Housing Facility Corporation is named as the guarantor of the loan.

Although the maximum principal balance of the three agreements is \$3,399,037, that amount received from LHC as of June 30, 2023 for this program was \$3,039,350.

Construction Commitments There are certain construction contracts at June 30, 2023. The Housing Authority had three open contracts at fiscal year end for repairs and renovations. The contracts outstanding at June 30, 2023 are as follows:

<u>Contactor</u>	<u>Project</u>	<u>Contract Amt</u>	<u>Work To Date</u>	<u>Remaining Balance</u>
Don Leach Construction	Johnson Carver Storage Building Renovation	\$ 495,590	\$ 137,285	\$ 358,305
Don Leach Construction	Burg Jones Storage Building Renovation	664,410	10,615	653,795
DSC Security	Robinson Place Security Cameras	44,995	39,710	5,285
D & L of Ouachita	Miller Square Renovation	2,545,620	-	2,545,620
Brynes Mechanical Contractors	Frances Tower HVAC Conversion	1,064,877	1,063,367	1,510
Brynes Mechanical Contractors	Frances Tower Water Heater/Boiler Flue Project	516,650	272,450	244,200
		<u>\$ 5,332,142</u>	<u>\$ 1,523,427</u>	<u>\$ 3,808,715</u>

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

NOTE 12 - 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 through the Louisiana Housing Council Authorities Group Self-Insurance Trust; however, the Housing Authority does not carry flood insurance except for on one property. This self-insurance program is a public entity risk pool, which has been approved by both the State of Louisiana Insurance Commission and the Department of Housing and Urban Development. The Trust operates as any other commercial insurance company. Five insurance companies currently share the excess coverage insurance. No additional assessments can be made against the Housing Authority. The Housing Authority is responsible only for the premium payments. The current policy limits on most commercial coverage has been in effect for multiple years. Settled claims have not exceeded commercial excess coverage in any of the last three years. The Housing Authority has not made any significant reductions in insurance coverage.

In June 2019, the Board of Commissioners approved for the Housing Authority to establish a self-insurance fund to cover future flooding costs in the amount of \$2,000,000. However, as of June 30, 2023, no action has been taken regarding the resolution.

NOTE 13 - ECONOMIC DEPENDENCE Due to the amount of funding received, the Housing Authority is economically dependent on the Department of Housing and Urban Development. The Department of Housing and Urban Development provided \$18,927,070 to the Housing Authority, which represents approximately 74% of the Housing Authority's total revenue for the year.

NOTE 14 - SUBSEQUENT EVENTS The Housing Authority's Cooley Homes Development consists of five homes. The Housing Authority received HUD approval to dispose of the homes, in which three of the homes were sold in August 2023 in the amount of \$658,000 and the remaining two homes were sold in December 2023 in the amount of \$435,000.

NOTE 15 - RESERVES HELD WITH HUD Due to HUD operating the Section 8 Housing Choice Voucher (HCV) Program and the Emergency Housing Voucher (EHV) Program under cash management, HUD maintains reserves for the Housing Authority that have not been utilized. As of June 30, 2023, the Housing Authority had \$930,574 in HUD-Held Reserves for the HCV Program and \$32,840 in HUD-Held Reserves for the EHV Program.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

NOTE 16 - RELATED PARTY TRANSACTIONS The following entities are managed by the Housing Authority and considered to be affiliates. The related entities have officers who are on the Housing Authority Board and some who are employees of the Housing Authority. As noted in these notes to financial statements, accounts receivable from these entities were \$1,336,279 as of June 30, 2023, notes receivable and accrued interest due from these entities were \$2,674,502 and \$142,007 respectively as of June 30, 2023. Additionally, the Housing Authority billed \$399,100 in management fees to these entities during the year.

Tax Credit

Claiborne Creek Apartments, I
Claiborne Creek Apartments, II
Robinson Place II, LP
Alabama Place

Other Managed Entities

Preservation Mills
St. John Plaza
Ouachita Grand Plaza, Inc.
Passman Plaza, I
Passman Plaza, II
South Pointe I
South Pointe II
South Pointe III

NOTE 17 - NEW GASB STANDARDS In the current fiscal year, the Housing Authority implemented Statement No. 94 – Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA). This statement provides accounting and financial reporting guidance for PPPs and APAs. A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The implementation of this standard had no effect on the Housing Authority's financial statements or notes to the financial statements.

In the current fiscal year, the Housing Authority also implemented GASB Statement No. 96 – Subscription-Based Technology Arrangements (SBITAS). This statement provides guidance on the accounting and financial reporting for SBITAS for governments. The statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. To the extent relevant, the standards for SBITAs are

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2023

based on the standards established in Statement No. 87, Leases, as amended. The implementation of this standard had no effect on the Housing Authority's financial statements or notes to the financial statements.

NOTE 18 - INSURANCE PROCEEDS In the fiscal year ended June 30, 2023, the Housing Authority received \$781,026 in insurance proceeds from tornado damage of Miller Square roof and burned units at Johnson Carver and Foster Heights, which is classified as other income in the statement of revenues, expenses, and changes in fund net position.

NOTE 19 - PRIOR PERIOD ADJUSTMENT In May 2019, the Housing Authority's affiliates signed permanent loan agreements under the Neighborhood Landlord Rental Program with Louisiana Housing Council for the construction of twenty-three units for the Preservation Mills Development. However, the accounting department had not obtained all the documentation regarding the development until the current fiscal year, at which that time was realized that a dormant blended component unit had partial ownership of the development. Therefore, a prior period adjustment was recorded to include the Monroe Homeownership activity for this development. The more significant corrections resulted in an increase in capital assets of \$1,537,027 and an increase in long-term liabilities of \$1,410,888. There were other such costs of operations over the years, in which the net result caused a deficit in net position of \$155,507 reporting in the statement of revenues, expenses and changes in net position. See note 5 and for additional information.

Housing Authority of the City of Monroe

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OTHER SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF MONROE

ENTERPRISE FUNDS

**Combining Statement of Net Position for the Discretely Presented Component Units
June 30, 2023**

	<u>Claiborne Creek Inc.</u>	<u>South Pointe Housing Inc.</u>	<u>South Pointe Phase II, Inc.</u>	<u>South Pointe Phase III, Inc.</u>	<u>South Pointe IV, Inc.</u>
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents - unrestricted	\$ 324,003	\$ 3,743	\$ 685	\$ 15,282	\$ 187,804
Cash and cash equivalents - restricted	1,438,242	130,300	165,368	145,023	8,790
Investments - unrestricted	982,471	-	-	-	-
Investments - restricted	-	-	-	-	-
Accounts receivable, net	65,201	11,377	44,292	16,546	119,924
Notes receivable	-	-	-	-	-
Due from primary government	-	-	-	-	-
Prepaid items and other assets	65,088	27,475	25,897	22,226	27,458
TOTAL CURRENT ASSETS	<u>2,875,005</u>	<u>172,895</u>	<u>236,242</u>	<u>199,077</u>	<u>343,976</u>
NONCURRENT ASSETS:					
Capital Assets, net					
Land and construction in progress	861,091	132,500	138,624	37,190	80,599
Buildings and equipment, net	7,628,989	805,167	1,279,711	1,887,188	3,380,028
Notes receivable	368,563	-	-	-	-
Syndication costs, net	21,000	-	-	-	-
TOTAL NONCURRENT ASSETS	<u>8,879,643</u>	<u>937,667</u>	<u>1,418,335</u>	<u>1,924,378</u>	<u>3,460,627</u>
TOTAL ASSETS	<u>11,754,648</u>	<u>1,110,562</u>	<u>1,654,577</u>	<u>2,123,455</u>	<u>3,804,603</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts and other payables	21,479	237,180	110,206	97,177	409,723
Accrued liabilities	149	-	-	-	805
Unearned revenue	14,205	1,487	375	338	1,917
Current portion of notes payable	894,755	-	-	-	32,684
Current Liabilities Paid with Restricted Assets:					
Deposits due others	93,750	9,499	10,553	9,008	8,790
TOTAL CURRENT LIABILITIES	<u>1,024,338</u>	<u>248,166</u>	<u>121,134</u>	<u>106,523</u>	<u>453,919</u>
NONCURRENT LIABILITIES					
Notes & Mortgage payable - noncurrent	2,193,915	2,020,200	2,615,100	3,097,300	1,752,988
Other noncurrent obligations	1,087,705	-	-	-	-
TOTAL NONCURRENT LIABILITIES	<u>3,281,620</u>	<u>2,020,200</u>	<u>2,615,100</u>	<u>3,097,300</u>	<u>1,752,988</u>
TOTAL LIABILITIES	<u>4,305,958</u>	<u>2,268,366</u>	<u>2,736,234</u>	<u>3,203,823</u>	<u>2,206,907</u>
NET POSITION					
Net Investment in capital assets	5,401,410	(1,082,533)	(1,196,765)	(1,172,922)	1,674,955
Restricted	1,346,200	120,857	154,501	135,585	-
Unrestricted	701,080	(196,128)	(39,393)	(43,031)	(77,259)
TOTAL NET POSITION	<u>\$ 7,448,690</u>	<u>\$ (1,157,804)</u>	<u>\$ (1,081,657)</u>	<u>\$ (1,080,368)</u>	<u>\$ 1,597,696</u>

Exhibit 1

Passman Plaza, Inc.	Passman Plaza II, Inc.	Passman Plaza III LP	Robinson Place II, LP	Ouachita Grand Plaza	Preservation Mills	Total Discretely Presented Component Units
\$ 16,454	\$ 2,429	\$ 65,920	\$ 227,627	\$ 39,428	\$ 4,197	\$ 887,572
435,697	612,855	339,795	246,818	384,597	-	3,907,485
-	-	-	-	-	-	982,471
42,265	-	-	-	-	-	42,265
92,521	90	691	12,840	1,169	949,804	1,314,455
-	-	-	-	-	-	-
-	-	-	-	-	-	-
30,923	23,225	15,836	20,237	107,519	40,483	406,367
<u>617,860</u>	<u>638,599</u>	<u>422,242</u>	<u>507,522</u>	<u>532,713</u>	<u>994,484</u>	<u>7,540,615</u>
252,500	130,000	246,467	130,000	-	34,000	2,042,971
665,977	740,920	3,516,008	7,207,802	706,996	-	27,818,786
-	-	-	-	-	-	368,563
-	-	8,000	3,125	-	-	32,125
<u>918,477</u>	<u>870,920</u>	<u>3,770,475</u>	<u>7,340,927</u>	<u>706,996</u>	<u>34,000</u>	<u>30,262,445</u>
<u>1,536,337</u>	<u>1,509,519</u>	<u>4,192,717</u>	<u>7,848,449</u>	<u>1,239,709</u>	<u>1,028,484</u>	<u>37,803,060</u>
236,894	172,457	18,481	15,365	241,066	-	1,560,028
-	-	275,552	367,181	10,553	1,029,334	1,683,574
1,562	750	2,258	8,673	1,000	-	32,565
-	-	89,726	22,068	79,396	-	1,118,629
<u>10,178</u>	<u>10,853</u>	<u>18,783</u>	<u>14,881</u>	<u>25,023</u>	<u>-</u>	<u>211,318</u>
<u>248,634</u>	<u>184,060</u>	<u>404,800</u>	<u>428,168</u>	<u>357,038</u>	<u>1,029,334</u>	<u>4,606,114</u>
2,052,000	1,997,500	1,304,415	4,683,257	2,331,295	-	24,047,970
-	-	295,251	983,339	-	-	2,366,295
<u>2,052,000</u>	<u>1,997,500</u>	<u>1,599,666</u>	<u>5,666,596</u>	<u>2,331,295</u>	<u>-</u>	<u>26,414,265</u>
<u>2,300,634</u>	<u>2,181,560</u>	<u>2,004,466</u>	<u>6,094,764</u>	<u>2,688,333</u>	<u>1,029,334</u>	<u>31,020,379</u>
(1,133,523)	(1,126,580)	2,368,334	2,632,477	(1,703,695)	34,000	4,695,158
466,143	601,728	316,504	231,825	358,800	-	3,732,143
(96,917)	(147,189)	(496,587)	(1,110,617)	(103,729)	(34,850)	(1,644,620)
<u>\$ (764,297)</u>	<u>\$ (672,041)</u>	<u>\$ 2,188,251</u>	<u>\$ 1,753,685</u>	<u>\$ (1,448,624)</u>	<u>\$ (850)</u>	<u>\$ 6,782,681</u>

HOUSING AUTHORITY OF THE CITY OF MONROE

ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

For the Discretely Presented Component Units

For the Year Ended June 30, 2023

	<u>Claiborne Creek Inc.</u>	<u>South Pointe Housing Inc.</u>	<u>South Pointe Phase II, Inc.</u>	<u>South Pointe Phase III, Inc.</u>	<u>South Pointe IV, Inc.</u>
OPERATING REVENUES					
Dwelling related income	\$ 1,636,631	\$ 179,960	\$ 202,958	\$ 172,807	\$ 196,751
Other income	25,365	-	-	-	3,557
Total operating revenues	<u>1,661,996</u>	<u>179,960</u>	<u>202,958</u>	<u>172,807</u>	<u>200,308</u>
OPERATING EXPENSES					
Administration	441,565	65,792	71,823	62,304	49,197
Tenant services	-	40	47	38	4
Utilities	105,188	8,591	9,011	15,245	2,912
Ordinary maintenance and operations	706,005	110,217	116,982	98,620	98,709
Protective services	-	-	-	-	-
General expenses	219,835	33,778	29,793	27,006	53,847
Depreciation and amortization	384,196	44,205	81,339	89,196	-
Total operating expenses	<u>1,856,789</u>	<u>262,623</u>	<u>308,995</u>	<u>292,409</u>	<u>204,669</u>
Income (loss) from operations	<u>(194,793)</u>	<u>(82,663)</u>	<u>(106,037)</u>	<u>(119,602)</u>	<u>(4,361)</u>
NONOPERATING REVENUES (EXPENSES)					
Interest earnings	114,465	544	780	643	81
Interest expense	(118,935)	-	-	-	(44,154)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(4,470)</u>	<u>544</u>	<u>780</u>	<u>643</u>	<u>(44,073)</u>
Change in net position	(199,263)	(82,119)	(105,257)	(118,959)	(48,434)
NET POSITION - BEGINNING	<u>7,647,953</u>	<u>(1,075,685)</u>	<u>(976,400)</u>	<u>(961,409)</u>	<u>1,646,130</u>
NET POSITION AT END OF YEAR	<u>\$ 7,448,690</u>	<u>\$ (1,157,804)</u>	<u>\$ (1,081,657)</u>	<u>\$ (1,080,368)</u>	<u>\$ 1,597,696</u>

Exhibit 2

Passman Plaza, Inc.	Passman Plaza II, Inc.	Passman Plaza III LP	Robinson Place II, LP	Ouachita Grand Plaza	Preservation Mills	Total Discretely Presented Component Units
\$ 193,561	\$ 143,122	\$ 382,357	\$ 408,857	\$ 784,977	\$ -	\$ 4,301,981
-	-	-	111,489	-	-	140,411
<u>193,561</u>	<u>143,122</u>	<u>382,357</u>	<u>520,346</u>	<u>784,977</u>	<u>-</u>	<u>4,442,392</u>
67,444	56,341	91,468	69,374	166,305	-	1,141,613
226	220	339	-	1,072	-	1,986
7,569	7,727	25,049	1,223	111,510	-	294,025
80,511	84,363	108,929	75,235	220,764	-	1,700,335
-	-	-	-	24,857	-	24,857
33,181	27,104	73,005	90,987	88,513	-	677,049
49,151	52,929	144,063	250,988	107,435	-	1,203,502
<u>238,082</u>	<u>228,684</u>	<u>442,853</u>	<u>487,807</u>	<u>720,456</u>	<u>-</u>	<u>5,043,367</u>
<u>(44,521)</u>	<u>(85,562)</u>	<u>(60,496)</u>	<u>32,539</u>	<u>64,521</u>	<u>-</u>	<u>(600,975)</u>
3,416	3,115	358	1,055	1,011	-	125,468
-	-	(75,584)	(228,286)	(115,778)	-	(582,737)
<u>3,416</u>	<u>3,115</u>	<u>(75,226)</u>	<u>(227,231)</u>	<u>(114,767)</u>	<u>-</u>	<u>(457,269)</u>
(41,105)	(82,447)	(135,722)	(194,692)	(50,246)	-	(1,058,244)
<u>(723,192)</u>	<u>(589,594)</u>	<u>2,323,973</u>	<u>1,948,377</u>	<u>(1,398,378)</u>	<u>(850)</u>	<u>7,840,925</u>
<u>\$ (764,297)</u>	<u>\$ (672,041)</u>	<u>\$ 2,188,251</u>	<u>\$ 1,753,685</u>	<u>\$ (1,448,624)</u>	<u>\$ (850)</u>	<u>\$ 6,782,681</u>

HOUSING AUTHORITY OF THE CITY OF MONROE

**ENTERPRISE FUNDS
Combing Statement of Net Position
June 30, 2023**

Exhibit 3

	GENERAL	TENANT BASED SECTION 8	MANAGEMENT FEES	BLENDED COMPONENT UNITS	ELIMIN.	TOTAL PRIMARY GOVERNMENT
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents - unrestricted	\$ 4,123,805	\$ 974,988	\$ 1,253,804	\$ 1,144,894	\$ -	\$ 7,497,491
Cash and cash equivalents - restricted	400,190	29,635	-	-	-	429,825
Investments - unrestricted	19,795,375	-	-	4,657,809	-	24,453,184
Accounts receivable, net	2,573,126	103,393	28,390	555,854	-	3,260,763
Interfund receivable	6,543	-	-	-	(6,543)	-
Notes receivable - due from component unit - current	-	-	-	176,593	-	176,593
Prepaid items and other assets	654,986	-	-	1,835	-	656,821
Inventory	12,138	-	-	-	-	12,138
TOTAL CURRENT ASSETS	27,566,163	1,108,016	1,282,194	6,536,985	(6,543)	36,486,815
NONCURRENT ASSETS:						
Capital Assets, net						
Land and construction in progress	3,704,163	-	-	562,960	-	4,267,123
Buildings and equipment, net	15,393,646	40,850	-	1,536,509	-	16,971,005
Notes receivable - due from component unit - noncurrent	-	-	-	2,497,909	-	2,497,909
TOTAL NONCURRENT ASSETS	19,097,809	40,850	-	4,597,378	-	23,736,037
TOTAL ASSETS	46,663,972	1,148,866	1,282,194	11,134,363	(6,543)	60,222,852
LIABILITIES						
CURRENT LIABILITIES						
Accounts and other payables	602,074	44,529	-	-	-	646,603
Interfund payable	-	-	-	6,543	(6,543)	-
Accrued liabilities	177,800	11,107	-	444,149	-	633,056
Unearned revenue	87,695	36,750	-	-	-	124,445
Current portion of compensated absences payable	615,953	129,085	-	-	-	745,038
Current Liabilities Paid with Restricted Assets:						
Deposits due others	400,190	-	-	2,988	-	403,178
TOTAL CURRENT LIABILITIES	1,883,712	221,471	-	453,680	(6,543)	2,552,320
NONCURRENT LIABILITIES						
Compensated absences payable	766,035	161,813	-	-	-	927,848
Mortgage/grant payable - LHC	-	-	-	1,323,673	-	1,323,673
Other noncurrent liabilities	-	8,801	-	-	-	8,801
TOTAL CURRENT LIABILITIES	766,035	170,614	-	1,323,673	-	2,260,322
TOTAL LIABILITIES	2,649,747	392,085	-	1,777,353	(6,543)	4,812,642
NET POSITION						
Net investment in capital assets	18,905,627	40,850	-	775,796	-	19,722,273
Restricted for FSS	-	20,834	-	-	-	20,834
Unrestricted	25,108,598	695,097	1,282,194	8,581,214	-	35,667,103
TOTAL NET POSITION	\$ 44,014,225	\$ 756,781	\$ 1,282,194	\$ 9,357,010	\$ -	\$ 55,410,210

**The Elimin. Column is to eliminate internal balances for primary government reporting

HOUSING AUTHORITY OF THE CITY OF MONROE

ENTERPRISE FUNDS

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2023**

Exhibit 4

	<u>GENERAL</u>	<u>TENANT BASED SECTION 8</u>	<u>MANAGEMENT FEES</u>	<u>BLENDED COMPONENT UNITS</u>	<u>ELIMIN.</u>	<u>TOTAL PRIMARY GOVERNMENT</u>
OPERATING REVENUES						
Dwelling related income	\$ 4,179,399	\$ -	\$ -	\$ 39,535	\$ -	\$ 4,218,934
Other	1,636,724	262,436	399,100	31,006	(356,753)	1,972,513
Federal grants	7,432,521	9,334,811	-	-	-	16,767,332
TOTAL OPERATING REVENUES	<u>13,248,644</u>	<u>9,597,247</u>	<u>399,100</u>	<u>70,541</u>	<u>(356,753)</u>	<u>22,958,779</u>
OPERATING EXPENSES						
Administration	2,743,977	1,021,923	96,807	13,451	(356,753)	3,519,405
Tenant services	271,624	1,439	-	-	-	273,063
Utilities	520,437	-	-	20,190	-	540,627
Ordinary maintenance & operations	5,018,598	36,867	-	64,943	-	5,120,408
Protective services	123,851	-	-	-	-	123,851
General expenses	1,866,251	195,036	89,740	336,057	-	2,487,084
Housing assistance payments	-	8,402,905	-	-	-	8,402,905
Depreciation	2,713,951	8,598	-	186,351	-	2,908,900
TOTAL OPERATING EXPENSES	<u>13,258,689</u>	<u>9,666,768</u>	<u>186,547</u>	<u>620,992</u>	<u>(356,753)</u>	<u>23,376,243</u>
Income (loss) from Operations	<u>(10,045)</u>	<u>(69,521)</u>	<u>212,553</u>	<u>(550,451)</u>	<u>-</u>	<u>(417,464)</u>
NONOPERATING REVENUES (EXPENSES)						
Investment earnings and gains/losses	247,359	254	-	143,005	-	390,618
Interest expense	-	-	-	(44,297)	-	(44,297)
Gains/losses on disposal of capital assets	18,159	-	-	-	-	18,159
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>265,518</u>	<u>254</u>	<u>-</u>	<u>98,708</u>	<u>-</u>	<u>364,480</u>
Net income (loss) before capital contributions and transfers	255,473	(69,267)	212,553	(451,743)	-	(52,984)
Capital contributions	2,159,738	-	-	-	-	2,159,738
Transfers in	200,000	-	-	-	(200,000)	-
Transfers out	-	-	(200,000)	-	200,000	-
TOTAL CONTRIBUTIONS AND TRANSFERS	<u>2,359,738</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>2,159,738</u>
Change in net position	<u>2,615,211</u>	<u>(69,267)</u>	<u>12,553</u>	<u>(451,743)</u>	<u>-</u>	<u>2,106,754</u>
NET POSITION - BEGINNING, ORIGINALLY STATED	41,399,014	826,048	1,269,641	9,964,260	-	53,458,963
Prior period adjustment	-	-	-	(155,507)	-	(155,507)
NET POSITION - BEGINNING, AS RESTATED	<u>41,399,014</u>	<u>826,048</u>	<u>1,269,641</u>	<u>9,808,753</u>	<u>-</u>	<u>53,303,456</u>
NET POSITION - ENDING	<u>\$ 44,014,225</u>	<u>\$ 756,781</u>	<u>\$ 1,282,194</u>	<u>\$ 9,357,010</u>	<u>\$ -</u>	<u>\$ 55,410,210</u>

**The Elim. Column is to eliminate internal balances for primary government reporting

HOUSING AUTHORITY OF THE CITY OF MONROE

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended June 30, 2023**

Exhibit 5

	<u>GENERAL</u>	<u>TENANT BASED SECTION 8</u>	<u>MANAGEMENT FEES</u>	<u>BLENDED COMPONENT UNITS</u>	<u>TOTAL PRIMARY GOVERNMENT</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Rental receipts	\$ 4,208,474	\$ -	\$ -	\$ 40,322	\$ 4,248,796
Other receipts	1,745,414	272,516	389,472	79,521	2,486,923
Payments to vendors	(9,216,495)	(1,049,655)	(120,561)	31,526	(10,355,185)
Payments to employees	(1,905,053)	(191,400)	(41,810)	(18,401)	(2,156,664)
Payments to private landlords	-	(8,379,344)	-	-	(8,379,344)
Payments to others	-	-	(25,000)	-	(25,000)
Federal grants	8,075,921	9,232,491	-	-	17,308,412
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>2,908,261</u>	<u>(115,392)</u>	<u>202,101</u>	<u>132,968</u>	<u>3,127,938</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in/out	200,000	-	(200,000)	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase capital assets	(2,218,069)	(41,396)	-	(1,537,027)	(3,796,492)
Proceeds from loan/grant related to capital	-	-	-	1,323,673	1,323,673
Interest for loan/grant related to capital finan	-	-	-	(44,297)	(44,297)
Proceeds from sale of capital assets	18,159	-	-	-	18,159
Capital contributions	2,159,738	-	-	-	2,159,738
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(40,172)</u>	<u>(41,396)</u>	<u>-</u>	<u>(257,651)</u>	<u>(339,219)</u>
CASH FLOW FROM INVESTING ACTIVITIES					
Proceeds from notes receivable	-	-	-	91,824	91,824
Investment earnings and gains/losses	247,359	254	-	143,005	390,618
Purchase of investments	(5,247,357)	-	-	(48,662)	(5,296,019)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>\$ (4,999,998)</u>	<u>\$ 254</u>	<u>\$ -</u>	<u>\$ 186,167</u>	<u>\$ (4,813,577)</u>

(continued)

HOUSING AUTHORITY OF THE CITY OF MONROE

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended June 30, 2023**

Exhibit 5

	<u>GENERAL</u>	<u>TENANT BASED SECTION 8</u>	<u>MANAGEMENT FEES</u>	<u>BLENDED COMPONENT UNITS</u>	<u>TOTAL PRIMARY GOVERNMENT</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (2,131,909)	\$ (156,534)	\$ 2,101	\$ 61,484	\$ (2,024,858)
CASH AND CASH EQUIVALENTS - BEGINNING, ORI	6,455,904	1,161,157	1,251,703	1,238,917	10,107,681
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>(155,507)</u>	<u>(155,507)</u>
CASH AND CASH EQUIVALENTS - BEGINNING, RES	<u>6,455,904</u>	<u>1,161,157</u>	<u>1,251,703</u>	<u>1,083,410</u>	<u>9,952,174</u>
CASH AND CASH EQUIVALENTS - ENDING	<u><u>4,323,995</u></u>	<u><u>1,004,623</u></u>	<u><u>1,253,804</u></u>	<u><u>1,144,894</u></u>	<u><u>7,927,316</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	(10,045)	(69,521)	212,553	(550,451)	(417,464)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	2,713,951	8,598	-	186,351	2,908,900
Change in assets and liabilities:					
Accounts receivable, net	779,731	(89,787)	(9,628)	46,314	726,630
Interfund receivables	(4,147)	-	-	-	(4,147)
Inventories	5,251	-	-	-	5,251
Prepaid items and other assets	(136,165)	-	-	(54)	(136,219)
Accounts payable	(572,101)	21,745	(824)	443,991	(107,189)
Accrued expenses	(112,175)	(13,562)	-	(251)	(125,988)
Unearned revenue	(5,036)	(2,453)	-	-	(7,489)
Interfund payables	-	-	-	4,080	4,080
Deposits due others	6,470	(18,720)	-	2,988	(9,262)
Compensated absences	<u>242,527</u>	<u>48,308</u>	<u>-</u>	<u>-</u>	<u>290,835</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 2,908,261</u></u>	<u><u>\$ (115,392)</u></u>	<u><u>\$ 202,101</u></u>	<u><u>\$ 132,968</u></u>	<u><u>\$ 3,127,938</u></u>

(concluded)

Housing Authority of the City of Monroe

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2023**

Exhibit 6

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

Mr. Hal Hinchliffe, Chairman

Mr. Rick Miller, Vice Chairman

Mr. Joe Farr

Ms. Angelina Jones

Ms. Beverly V. Lewis

Housing Authority of the City of Monroe

Schedule of Compensation, Benefits, and Other Payments to Agency Head (Executive Director)
For the Year Ended June 30, 2023

Exhibit 7

Agency Head Name: William Smart, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$154,108
Benefits-insurance	17,765
Benefits-retirement	21,575
Benefits-FICA	11,993
Benefits-performance incentive	11,610
Car allowance	9,000
Travel	661
Cell phone	640
Dues	55
Total	<u>\$227,407</u>

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
NET POSITION ACCOUNTS
JUNE 30, 2023

FDS Line#	Account Description	Public Housing 14.850	Blended Component Unit	Housing Choice Vouchers 14.871	Jobs - Plus Pilot Initiative 14.895	DHAP-IKE 14.IKE	Resident Opportunity and Supportive Services 14.870
ASSETS & DEFERRED OUTFLOWS:							
CURRENT ASSETS:							
Cash:							
111	Cash - unrestricted	\$ 3,128,252	\$ 1,144,894	\$ 755,388	\$ 0	\$ 100,318	\$ 0
112	Cash - restricted modernization & development	0	0	0	0	0	0
113	Cash - other restricted	0	0	8,801	0	0	0
114	Cash - tenant security deposits	400,190	0	0	0	0	0
115	Cash - restricted for payment of current liabilities	0	0	0	0	0	0
100	Total Cash	<u>3,528,442</u>	<u>1,144,894</u>	<u>764,189</u>	<u>0</u>	<u>100,318</u>	<u>0</u>
Accounts and notes receivable:							
121	Accounts receivable - PHA projects	0	0	0	0	0	0
122	Accounts receivable - HUD other projects	192,183	0	95,154	1,332,667	0	57,182
124	Accounts receivable - other government	0	0	3,052	0	0	0
125	Accounts receivable - miscellaneous	0	1,020,501	0	0	0	0
126	Accounts receivable - tenants rents	88,159	2,201	474	0	0	0
126.1	Allowance for doubtful accounts - tenants	(26,446)	0	0	0	0	0
126.2	Allowance for doubtful accounts - other	0	(608,855)	0	0	0	0
127	Notes receivable - current	0	176,593	0	0	0	0
128	Accounts receivable - fraud	47,479	0	84,943	0	0	0
128.1	Allowance for doubtful accounts-fraud	(42,731)	0	(84,943)	0	0	0
129	Accrued interest receivable	0	142,007	0	0	0	0
120	Total receivables - net	<u>258,644</u>	<u>732,447</u>	<u>98,680</u>	<u>1,332,667</u>	<u>0</u>	<u>57,182</u>
Other current assets:							
131	Investments - unrestricted	19,795,375	4,657,809	0	0	0	0
132	Investments - restricted	0	0	0	0	0	0
135	Investments - restricted for pymt of current liability	0	0	0	0	0	0
142	Prepaid expenses and other assets	9,066	1,835	0	0	0	0
143	Inventories	0	0	0	0	0	0
143.1	Allowance for obsolete inventories	0	0	0	0	0	0
144	Interprogram due from	1,326,918	0	0	0	0	0
150	TOTAL CURRENT ASSETS	<u>24,918,445</u>	<u>6,536,985</u>	<u>862,869</u>	<u>1,332,667</u>	<u>100,318</u>	<u>57,182</u>
NONCURRENT ASSETS:							
Capital Assets:							
161	Land	2,062,904	562,960	0	0	0	0
162	Buildings	100,105,519	2,911,627	0	0	0	0
163	Furniture & equipment - dwellings	0	0	0	0	0	0
164	Furniture & equipment - admin	1,463,803	11,083	91,120	0	0	0
165	Leasehold improvements	0	60,859	0	0	0	0
166	Accumulated depreciation	(86,282,761)	(1,447,060)	(50,270)	0	0	0
167	Construction in process	1,641,259	0	0	0	0	0
160	Total capital assets - net	<u>18,990,724</u>	<u>2,099,469</u>	<u>40,850</u>	<u>0</u>	<u>0</u>	<u>0</u>
171	Notes receivable - noncurrent	0	2,497,909	0	0	0	0
172	Notes receivable - noncurrent - past due	0	0	0	0	0	0
173	Grants receivable - noncurrent	0	0	0	0	0	0
174	Other assets	0	0	0	0	0	0
180	TOTAL NONCURRENT ASSETS	<u>18,990,724</u>	<u>4,597,378</u>	<u>40,850</u>	<u>0</u>	<u>0</u>	<u>0</u>
200	Deferred Outflows of Resources	0	0	0	0	0	0
290	TOTAL ASSETS & DEFERRED OUTFLOWS	<u>\$ 43,909,169</u>	<u>\$ 11,134,363</u>	<u>\$ 903,719</u>	<u>\$ 1,332,667</u>	<u>\$ 100,318</u>	<u>\$ 57,182</u>

Exhibit 8

Disaster Housing Assistant Grant 97.109	Business Activities	COCC	FSS Escrow Forfeiture 14.EFA	Emergency Housing Voucher 14.EHV	Elimination	Primary Government Total	Discretely Presented Component Unit	Grand Total
\$ 81,051	\$ 1,253,804	\$ 995,553	\$ 0	\$ 38,231	\$ 0	\$ 7,497,491	\$ 887,572	\$ 8,385,063
0	0	0	0	0	0	0	0	0
0	0	0	20,834	0	0	29,635	3,689,878	3,719,513
0	0	0	0	0	0	400,190	217,607	617,797
0	0	0	0	0	0	0	0	0
<u>81,051</u>	<u>1,253,804</u>	<u>995,553</u>	<u>20,834</u>	<u>38,231</u>	<u>0</u>	<u>7,927,316</u>	<u>4,795,057</u>	<u>12,722,373</u>
0	0	0	0	0	0	0	0	0
0	0	0	0	4,713	0	1,681,899	164,057	1,845,956
0	0	0	0	0	0	3,052	0	3,052
0	28,390	1,446,157	0	0	0	2,495,048	1,128,562	3,623,610
0	0	0	0	0	0	90,834	21,839	112,673
0	0	0	0	0	0	(26,446)	(3)	(26,449)
0	0	(521,524)	0	0	0	(1,130,379)	0	(1,130,379)
0	0	0	0	0	0	176,593	0	176,593
0	0	0	0	0	0	132,422	0	132,422
0	0	0	0	0	0	(127,674)	0	(127,674)
0	0	0	0	0	0	142,007	0	142,007
<u>0</u>	<u>28,390</u>	<u>924,633</u>	<u>0</u>	<u>4,713</u>	<u>0</u>	<u>3,437,356</u>	<u>1,314,455</u>	<u>4,751,811</u>
0	0	0	0	0	0	24,453,184	982,471	25,435,655
0	0	0	0	0	0	0	42,265	42,265
0	0	0	0	0	0	0	0	0
0	0	645,920	0	0	0	656,821	406,367	1,063,188
0	0	12,138	0	0	0	12,138	0	12,138
0	0	0	0	0	0	0	0	0
0	0	56,840	0	0	(1,383,758)	0	0	0
<u>81,051</u>	<u>1,282,194</u>	<u>2,635,084</u>	<u>20,834</u>	<u>42,944</u>	<u>(1,383,758)</u>	<u>36,486,815</u>	<u>7,540,615</u>	<u>44,027,430</u>
0	0	0	0	0	0	2,625,864	2,042,971	4,668,835
0	0	0	0	0	0	103,017,146	48,098,065	151,115,211
0	0	0	0	0	0	0	2,486,174	2,486,174
0	0	601,689	0	0	0	2,167,695	97,157	2,264,852
0	0	0	0	0	0	60,859	0	60,859
0	0	(494,604)	0	0	0	(88,274,695)	(22,862,610)	(111,137,305)
0	0	0	0	0	0	1,641,259	0	1,641,259
<u>0</u>	<u>0</u>	<u>107,085</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>21,238,128</u>	<u>29,861,757</u>	<u>51,099,885</u>
0	0	0	0	0	0	2,497,909	0	2,497,909
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	400,688	400,688
<u>0</u>	<u>0</u>	<u>107,085</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>23,736,037</u>	<u>30,262,445</u>	<u>53,998,482</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 81,051</u>	<u>\$ 1,282,194</u>	<u>\$ 2,742,169</u>	<u>\$ 20,834</u>	<u>\$ 42,944</u>	<u>\$ (1,383,758)</u>	<u>\$ 60,222,852</u>	<u>\$ 37,803,060</u>	<u>\$ 98,025,912</u>

(continued)

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
NET POSITION ACCOUNTS
June 30, 2023

FDS Line#	Account Description	Public Housing 14.850	Blended Component Unit	Housing Choice Vouchers 14.871	Jobs - Plus Pilot Initiative 14.895	DHAP-IKE 14.IKE	Resident Opportunity and Supportive Services 14.870
LIABILITIES, DEFERRED INFLOWS & NET POSITION:							
LIABILITIES:							
CURRENT LIABILITIES:							
311	Cash overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
312	Accounts payable <= 90 days	92,559	0	1,826	5,521	0	5,345
313	Accounts payable > 90 days	0	0	0	0	0	0
321	Accrued salaries/payroll withholding	35,584	158	11,107	228	0	1,540
322	Accrued compensated absences - current	215,987	0	129,085	0	0	0
325	Accrued interest payable	0	0	0	0	0	0
331	Accounts payable - HUD PHA programs	0	0	0	0	0	0
332	Accounts payable - PHA projects	0	0	0	0	0	0
333	Accounts payable - other gov.	328,839	0	0	0	0	0
341	Tenant security deposits	400,190	2,988	0	0	0	0
342	Unearned revenue	87,695	0	0	0	0	0
343	Current portion of L-T debt - capital projects	0	0	0	0	0	0
344	Current portion of L-T debt - operating borrowings	0	0	0	0	0	0
345	Other current liabilities	0	0	0	0	0	0
346	Accrued liabilities - other	212,113	443,991	42,703	0	0	0
347	Interprogram (due to)	0	6,543	0	1,326,918	0	50,297
348	Loan Liability - current	0	0	0	0	0	0
310	TOTAL CURRENT LIABILITIES	<u>1,372,967</u>	<u>453,680</u>	<u>184,721</u>	<u>1,332,667</u>	<u>0</u>	<u>57,182</u>
NONCURRENT LIABILITIES:							
351	Long-term debt, net of current - capital projects	0	1,323,673	0	0	0	0
352	Long-term debt, net of current - operating borrowings	0	0	0	0	0	0
353	Noncurrent liabilities - other	0	0	8,801	0	0	0
354	Accrued comp. absences - long term	285,491	0	161,813	0	0	0
355	Loan liability - noncurrent	0	0	0	0	0	0
356	FASB 5 liabilities	0	0	0	0	0	0
357	Accrued pensions & OPEB liabilities	0	0	0	0	0	0
350	TOTAL NONCURRENT LIABILITIES	<u>285,491</u>	<u>1,323,673</u>	<u>170,614</u>	<u>0</u>	<u>0</u>	<u>0</u>
300	TOTAL LIABILITIES	<u>1,658,458</u>	<u>1,777,353</u>	<u>355,335</u>	<u>1,332,667</u>	<u>0</u>	<u>57,182</u>
400	Deferred Inflow of Resources	0	0	0	0	0	0
NET POSITION:							
508.4	Net Investment in Capital Assets	18,798,542	775,796	40,850	0	0	0
511.4	Restricted	0	0	0	0	0	0
512.4	Unrestricted	23,452,169	8,581,214	507,534	0	100,318	0
513	TOTAL NET POSITION	<u>42,250,711</u>	<u>9,357,010</u>	<u>548,384</u>	<u>0</u>	<u>100,318</u>	<u>0</u>
600	TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION	<u>\$ 43,909,169</u>	<u>\$ 11,134,363</u>	<u>\$ 903,719</u>	<u>\$ 1,332,667</u>	<u>\$ 100,318</u>	<u>\$ 57,182</u>

Exhibit 8

Disaster Housing Assistant Grant 97.109	Business Activities	COCC	FSS Escrow Forfeiture 14.EFA	Emergency Housing Voucher 14.EHV	Elimination	Primary Government Total	Discretely Presented Component Unit	Grand Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	23,727	0	0	0	128,978	1,560,028	1,689,006
0	0	0	0	0	0	0	0	0
0	0	74,418	0	0	0	123,035	0	123,035
0	0	399,966	0	0	0	745,038	0	745,038
0	0	0	0	0	0	0	294,161	294,161
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	328,839	0	328,839
0	0	0	0	0	0	403,178	211,318	614,496
0	0	0	0	36,750	0	124,445	32,565	157,010
0	0	0	0	0	0	0	1,118,629	1,118,629
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	1,389,413	1,389,413
0	0	0	0	0	0	698,807	0	698,807
0	0	0	0	0	(1,383,758)	0	0	0
0	0	0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>498,111</u>	<u>0</u>	<u>36,750</u>	<u>(1,383,758)</u>	<u>2,552,320</u>	<u>4,606,114</u>	<u>7,158,434</u>
0	0	0	0	0	0	1,323,673	24,047,970	25,371,643
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	8,801	2,366,295	2,375,096
0	0	480,544	0	0	0	927,848	0	927,848
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>480,544</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>480,544</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,260,322</u>	<u>26,414,265</u>	<u>28,674,587</u>
0	0	978,655	0	36,750	(1,383,758)	4,812,642	31,020,379	35,833,021
0	0	0	0	0	0	0	0	0
0	0	107,085	0	0	0	19,722,273	4,695,158	24,417,431
0	0	0	20,834	0	0	20,834	3,732,143	3,752,977
<u>81,051</u>	<u>1,282,194</u>	<u>1,656,429</u>	<u>0</u>	<u>6,194</u>	<u>0</u>	<u>35,667,103</u>	<u>(1,644,620)</u>	<u>34,022,483</u>
<u>81,051</u>	<u>1,282,194</u>	<u>1,763,514</u>	<u>20,834</u>	<u>6,194</u>	<u>0</u>	<u>55,410,210</u>	<u>6,782,681</u>	<u>62,192,891</u>
<u>\$ 81,051</u>	<u>\$ 1,282,194</u>	<u>\$ 2,742,169</u>	<u>\$ 20,834</u>	<u>\$ 42,944</u>	<u>\$ (1,383,758)</u>	<u>\$ 60,222,852</u>	<u>\$ 37,803,060</u>	<u>\$ 98,025,912</u>

(continued)

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGES IN NET POSITION ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2023

FDS Line#	Account Description	Public Housing 14.850	Blended Component Unit	Housing Choice Vouchers 14.871	Jobs - Plus Pilot Initiative 14.895	DHAP-IKE 14.IKE	Resident Opportunity and Supportive Services 14.870
REVENUES:							
70300	Net tenant rental revenue	\$ 3,765,849	\$ 38,950	\$ 0	\$ 0	\$ 0	\$ 0
70400	Tenant revenue - other	413,550	585	0	0	0	0
70500	Total tenant revenue	4,179,399	39,535	0	0	0	0
70600	HUD PHA grants - operating	6,916,359	0	9,244,036	329,048	0	187,114
70610	HUD PHA grants - capital	2,159,738	0	0	0	0	0
70710	Management fee	0	0	0	0	0	0
70720	Asset management fee	0	0	0	0	0	0
70730	Bookkeeping fee	0	0	0	0	0	0
70700	Total fee revenue	0	0	0	0	0	0
70800	Other government grants	0	0	0	0	0	0
71100	Investment income - unrestricted	247,359	59,895	254	0	0	0
71200	Mortgage interest income	0	83,110	0	0	0	0
71400	Fraud recovery	68,390	0	95,520	0	0	0
71500	Other revenue	963,201	31,006	146,082	0	0	0
71600	Gain/(loss) on disposition	0	0	0	0	0	0
72000	Investment income - restricted	0	0	0	0	0	0
70000	TOTAL REVENUES	\$ 14,534,446	\$ 213,546	\$ 9,485,892	\$ 329,048	\$ 0	\$ 187,114
EXPENSES:							
Administrative							
91100	Administrative salaries	\$ 598,457	\$ 7,291	\$ 406,850	\$ 6,714	\$ 0	\$ 56,883
91200	Auditing fees	30,746	0	11,181	0	0	0
91300	Management fees	1,607,807	0	217,644	0	0	0
91310	Bookkeeping fees	132,872	0	136,028	0	0	0
91400	Advertising & marketing	6,637	0	571	0	0	0
91500	Employee benefits - administrative	243,424	2,482	143,548	2,214	0	19,698
91600	Office expense	115,777	1,355	91,305	10,258	0	0
91700	Legal expense	3,847	0	0	0	0	0
91800	Travel expense	4,153	225	694	0	0	0
91900	Other operating - administrative	68,828	2,098	4,870	2,658	0	9,120
91000	Total Administrative Expense	2,812,548	13,451	1,012,691	21,844	0	85,701
92000	Asset management fee	182,160	0	0	0	0	0
Tenant services							
92400	Other tenant services	77,849	0	0	92,362	0	101,413
92500	Total Tenant Services	77,849	0	0	92,362	0	101,413
Utilities							
93100	Water	44,276	4,868	0	0	0	0
93200	Electricity	385,624	13,169	0	0	0	0
93300	Gas	69,529	1,928	0	0	0	0
93600	Sewer	0	0	0	0	0	0
93800	Other utilities expense	15,719	225	0	0	0	0
93000	Total Utilities Expense	515,148	20,190	0	0	0	0
Ordinary Maintenance & Operation							
94100	Labor	1,025,002	6,932	0	0	0	0
94200	Materials	957,056	6,961	5,739	0	0	0
94300	Contracts	2,256,588	49,605	30,817	0	0	0
94300-010	Contract Costs - Garbage & Trash Removal	107,015	235	0	0	0	0
94300-020	Contract Costs - Heating & Cooling	135,499	0	0	0	0	0
94300-040	Contract Costs - Elevator Maintenance	28,864	1,736	0	0	0	0
94300-050	Contract Costs - Landscape & Grounds	267,272	21,072	0	0	0	0
94300-060	Contract Costs - Unit Turnaround	278,353	0	0	0	0	0
94300-070	Contract Costs - Electrical	66,229	500	0	0	0	0
94300-080	Contract Costs - Plumbing	80,705	0	0	0	0	0
94300-090	Contract Costs - Extermination	56,399	0	0	0	0	0
94300-100	Contract Costs - Janitorial	13,202	0	0	0	0	0
94300-110	Contract Costs - Routine Maintenance	112,299	3,095	0	0	0	0
94300-120	Contract Costs - Other	1,110,751	22,967	30,817	0	0	0
94500	Employee benefit contributions	267,654	1,445	0	0	0	0
94000	Total Ordinary Maintenance & Operation	4,506,300	64,943	36,556	0	0	0
Protective services							
95100	Protective services - salaries	86,830	0	0	0	0	0
95200	Protective services - other contract costs	29,739	0	0	0	0	0
95500	Employee benefits - protective services	7,282	0	0	0	0	0
95000	Total Protective Services	123,851	0	0	0	0	0

Exhibit 8

Disaster Housing Assistant Grant 97.109	Business Activities	COCC	FSS Escrow Forfeiture 14.EFA	Emergency Housing Voucher 14.EHV	Elimination	Primary Government Total	Discretely Presented Component Unit	Grand Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,804,799	\$ 4,247,245	\$ 8,052,044
0	0	0	0	0	0	414,135	54,736	468,871
0	0	0	0	0	0	4,218,934	4,301,981	8,520,915
0	0	0	0	90,775	0	16,767,332	0	16,767,332
0	0	0	0	0	0	2,159,738	0	2,159,738
0	0	1,798,307	0	0	(1,798,307)	0	0	0
0	0	182,160	0	0	(182,160)	0	0	0
0	0	270,085	0	0	(270,085)	0	0	0
0	0	2,250,552	0	0	(2,250,552)	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	307,508	5,612	313,120
0	0	0	0	0	0	83,110	0	83,110
0	0	0	0	0	0	163,910	0	163,910
0	399,100	591,735	20,834	0	(343,355)	1,808,603	140,411	1,949,014
0	0	18,159	0	0	0	18,159	0	18,159
0	0	0	0	0	0	0	119,856	119,856
\$ 0	\$ 399,100	\$ 2,860,446	\$ 20,834	\$ 90,775	\$ (2,593,907)	\$ 25,527,294	\$ 4,567,860	\$ 30,095,154
\$ 0	\$ 41,810	\$ 885,699	\$ 0	\$ 4,093	\$ 0	\$ 2,007,797	\$ 348,506	\$ 2,356,303
0	0	18,273	0	0	0	60,200	92,543	152,743
0	0	0	0	1,896	(1,798,307)	29,040	331,695	360,735
0	0	0	0	1,185	(270,085)	0	0	0
0	2,500	2,267	0	3	0	11,978	5,421	17,399
0	10,594	323,261	0	1,165	0	746,386	133,942	880,328
0	28,718	206,284	0	667	0	454,364	38,402	492,766
0	0	8,914	0	0	0	12,761	14,396	27,157
0	0	31,752	0	6	0	36,830	464	37,294
0	13,185	59,073	0	217	0	160,049	176,244	336,293
0	96,807	1,535,523	0	9,232	(2,068,392)	3,519,405	1,141,613	4,661,018
0	0	0	0	0	(182,160)	0	0	0
0	0	0	0	1,439	0	273,063	1,986	275,049
0	0	0	0	1,439	0	273,063	1,986	275,049
0	0	442	0	0	0	49,586	124,547	174,133
0	0	3,383	0	0	0	402,176	130,825	533,001
0	0	1,283	0	0	0	72,740	19,313	92,053
0	0	0	0	0	0	0	19,340	19,340
0	0	181	0	0	0	16,125	0	16,125
0	0	5,289	0	0	0	540,627	294,025	834,652
0	0	323,222	0	0	0	1,355,156	323,361	1,678,517
0	0	50,411	0	50	0	1,020,217	340,155	1,360,372
0	0	119,065	0	261	(343,355)	2,112,981	909,676	3,022,657
0	0	0	0	0	0	107,250	67,993	175,243
0	0	0	0	0	0	135,499	2,867	138,366
0	0	0	0	0	0	30,600	0	30,600
0	0	0	0	0	0	288,344	153,966	442,310
0	0	0	0	0	0	278,353	0	278,353
0	0	0	0	0	0	66,729	0	66,729
0	0	0	0	0	0	80,705	0	80,705
0	0	0	0	0	0	56,399	1,232	57,631
0	0	0	0	0	0	13,202	0	13,202
0	0	0	0	0	(343,355)	(227,961)	0	(227,961)
0	0	119,065	0	261	0	1,283,861	683,618	1,967,479
0	0	144,085	0	0	0	413,184	127,143	540,327
0	0	636,783	0	311	(343,355)	4,901,538	1,700,335	6,601,873
0	0	0	0	0	0	86,830	0	86,830
0	0	0	0	0	0	29,739	24,857	54,596
0	0	0	0	0	0	7,282	0	7,282
0	0	0	0	0	0	123,851	24,857	148,708

(continued)

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGES IN NET POSITION ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2023

<u>FDS Line#</u>	<u>Account Description</u>	<u>Public Housing</u> <u>14.850</u>	<u>Blended Component</u> <u>Unit</u>	<u>Housing Choice Vouchers</u> <u>14.871</u>	<u>Jobs - Plus Pilot Initiative</u> <u>14.895</u>	<u>DHAP-IKE</u> <u>14.IKE</u>	<u>Resident Opportunity and Supportive Services</u> <u>14.870</u>
	Insurance Premiums						
96110	Property insurance	\$ 488,299	\$ 27,247	\$ 0	\$ 0	\$ 0	\$ 0
96120	Liability insurance	107,706	0	1,358	0	0	0
96130	Workmen's compensation	7,006	33	1,987	0	0	0
96140	Insurance - other	37,665	11	6,994	0	0	0
96100	Total Insurance Premiums	<u>640,676</u>	<u>27,291</u>	<u>10,339</u>	<u>0</u>	<u>0</u>	<u>0</u>
	General Expenses						
96200	Other general expense	0	0	122,348	0	0	0
96210	Compensated absences	179,128	0	60,814	0	0	0
96300	Payments in lieu of taxes	328,839	0	0	0	0	0
96400	Bad debt - tenant rents	211,919	0	0	0	0	0
96600	Bad debt - other	0	308,766	0	0	0	0
96800	Severance expense	0	0	0	0	0	0
96000	Total General Expenses	<u>719,886</u>	<u>308,766</u>	<u>183,162</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Financial Expenses						
96710	Interest expense - mortgage payable	0	44,297	0	0	0	0
96730	Amortization expense	0	0	0	0	0	0
96700	Total Financial Expenses	<u>0</u>	<u>44,297</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
96900	TOTAL OPERATING EXPENSE	<u>9,578,418</u>	<u>478,938</u>	<u>1,242,748</u>	<u>114,206</u>	<u>0</u>	<u>187,114</u>
97000	EXCESS OPERATING REVENUE	<u>4,956,028</u>	<u>(265,392)</u>	<u>8,243,144</u>	<u>214,842</u>	<u>0</u>	<u>0</u>
	Other Expenses						
97100	Extraordinary maintenance	0	0	0	0	0	0
97200	Casualty losses	218,870	0	0	0	0	0
97300	Housing assistance payments	0	0	8,196,345	0	0	0
97350	HAP portability-in	0	0	105,617	0	0	0
97400	Depreciation expense	2,683,854	186,351	8,598	0	0	0
97500	Fraud losses	0	0	0	0	0	0
97800	Dwelling units rents expense	0	0	0	0	0	0
	Total Other Expenses	<u>2,902,724</u>	<u>186,351</u>	<u>8,310,560</u>	<u>0</u>	<u>0</u>	<u>0</u>
90000	TOTAL EXPENSES	<u>\$ 12,481,142</u>	<u>\$ 665,289</u>	<u>\$ 9,553,308</u>	<u>\$ 114,206</u>	<u>\$ 0</u>	<u>\$ 187,114</u>
10010	Operating transfer in	214,842	0	0	0	0	0
10020	Operating transfer out	0	0	0	(214,842)	0	0
10030	Operating transfers from/to primary gov't	0	0	0	0	0	0
10040	Operating transfers from/to comp. unit	0	0	0	0	0	0
10094	Transfers between project & program - out	0	0	0	0	0	0
10100	Total other financing sources (uses)	<u>214,842</u>	<u>0</u>	<u>0</u>	<u>(214,842)</u>	<u>0</u>	<u>0</u>
10000	EXCESS OF REVENUE OVER EXPENSES	<u>\$ 2,268,146</u>	<u>\$ (451,743)</u>	<u>\$ (67,416)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
11020	Required annual debt principal payment	0	0	0	0	0	0
11030	Beginning Net Position	39,982,565	9,964,260	615,800	0	100,318	0
11040-010	Prior period adjustments	0	(155,507)	0	0	0	0
11040-070	Equity transfers	0	0	0	0	0	0
11090	Changes -doubtful accounts - other	0	0	0	0	0	0
	Ending Net Position	<u>\$ 42,250,711</u>	<u>\$ 9,357,010</u>	<u>\$ 548,384</u>	<u>\$ 0</u>	<u>\$ 100,318</u>	<u>\$ 0</u>
11170	Administrative fee equity	0	0	548,384	0	0	0
11180	Housing assistance payments equity	0	0	0	0	0	0
11190	Units Available	18,048	120	18,720	0	0	0
11210	Units Leased	17,715	114	18,666	0	0	0
11270	Excess Cash	22,805,090	0	0	0	0	0
	Prior year excess cash	20,013,928	0	0	0	0	0
11610	Land purchases	0	0	0	0	0	0
11620	Building purchases	2,140,138	0	0	0	0	0
11630	Furniture & equipment - dwelling	10,000	0	0	0	0	0
11640	Furniture & equipment - admin	9,600	0	0	0	0	0

Exhibit 8

	Disaster Housing Assistant Grant 97.109	Business Activities	COCC	FSS Escrow Forfeiture 14.EFA	Emergency Housing Voucher 14.EHV	Elimination	Primary Government Total	Discretely Presented Component Unit	Grand Total
\$	0	\$ 0	\$ 24,538	\$ 0	\$ 0	\$ 0	\$ 540,084	\$ 622,763	\$ 1,162,847
	0	64,740	130	0	9	0	173,943	0	173,943
	0	0	1,896	0	42	0	10,964	8,339	19,303
	0	0	36,185	0	61	0	80,916	755	81,671
	0	64,740	62,749	0	112	0	805,907	631,857	1,437,764
	0	25,000	0	0	1,423	0	148,771	31,677	180,448
	0	0	242,940	0	0	0	482,882	0	482,882
	0	0	0	0	0	0	328,839	0	328,839
	0	0	0	0	0	0	211,919	13,515	225,434
	0	0	200,000	0	0	0	508,766	0	508,766
	0	0	0	0	0	0	0	0	0
	0	25,000	442,940	0	1,423	0	1,681,177	45,192	1,726,369
	0	0	0	0	0	0	44,297	582,737	627,034
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	44,297	582,737	627,034
	0	186,547	2,683,284	0	12,517	(2,593,907)	11,889,865	4,422,602	16,312,467
	0	212,553	177,162	20,834	78,258	0	13,637,429	145,258	13,782,687
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	218,870	0	218,870
	0	0	0	0	100,943	0	8,297,288	0	8,297,288
	0	0	0	0	0	0	105,617	0	105,617
	0	0	30,097	0	0	0	2,908,900	1,203,502	4,112,402
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
	0	0	30,097	0	100,943	0	11,530,675	1,203,502	12,734,177
\$	0	186,547	2,713,381	0	113,460	(2,593,907)	23,420,540	5,626,104	29,046,644
	0	0	0	0	0	(214,842)	0	0	0
	0	0	0	0	0	214,842	0	0	0
	0	0	200,000	0	0	(200,000)	0	0	0
	0	(200,000)	0	0	0	200,000	0	0	0
	0	0	0	0	0	0	0	0	0
	0	(200,000)	200,000	0	0	0	0	0	0
\$	0	12,553	347,065	20,834	(22,685)	0	2,106,754	(1,058,244)	1,048,510
	0	0	0	0	0	0	0	0	0
	81,051	1,269,641	1,416,449	0	28,879	0	53,458,963	7,840,925	61,299,888
	0	0	0	0	0	0	(155,507)	0	(155,507)
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
\$	81,051	1,282,194	1,763,514	20,834	6,194	0	55,410,210	6,782,681	62,192,891
	0	0	0	0	0	0	548,384	0	548,384
	0	0	0	0	0	0	0	0	0
	0	0	0	0	252	0	37,140	8,484	45,624
	0	0	0	0	163	0	36,658	8,313	44,971
	0	0	0	0	0	0	22,805,090	0	22,805,090
	0	0	0	0	0	0	20,013,928	0	20,013,928
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	2,140,138	0	2,140,138
	0	0	0	0	0	0	10,000	0	10,000
	0	0	53,940	0	0	0	63,540	0	63,540

(concluded)

Housing Authority of the City of Monroe

HOUSING AUTHORITY OF THE CITY OF MONROE

**ACTUAL CAPITAL FUND
COST CERTIFICATE - CFP
June 30, 2023**

Exhibit 9-1

1. The actual Capital Fund costs is as follows:

	PROJECT LA-48 P006 501-19
Funds Approved	\$ 3,839,274
Funds Expended	<u>3,839,274</u>
Excess of Funds Approved	<u><u>-</u></u>
Funds Advanced	3,839,274
Funds Expended	<u>3,839,274</u>
Excess of Funds Advanced	<u><u>\$ -</u></u>

2. The distribution of costs by project as shown on the final schedule of Capital Fund expenditures dated September 28, 2022 accompanying the actual Capital Fund cost certificate submitted to HUD for approval is in agreement with the PHA's records.

3. All Capital Fund costs have been paid and all related liabilities have been discharged through payment.

Housing Authority of the City of Monroe

HOUSING AUTHORITY OF THE CITY OF MONROE

**ACTUAL CAPITAL FUND
COST CERTIFICATE - CFP
June 30, 2023**

Exhibit 9-2

1. The actual Capital Fund costs is as follows:

	PROJECT LA-48 P006 501-20
Funds Approved	\$ 4,115,210
Funds Expended	<u>4,115,210</u>
Excess of Funds Approved	<u><u>-</u></u>
Funds Advanced	4,115,210
Funds Expended	<u>4,115,210</u>
Excess of Funds Advanced	<u><u>\$ -</u></u>

2. The distribution of costs by project as shown on the final schedule of Capital Fund expenditures dated August 28, 2023 accompanying the actual Capital Fund cost certificate submitted to HUD for approval is in agreement with the PHA's records.

3. All Capital Fund costs have been paid and all related liabilities have been discharged through payment.

Housing Authority of the City of Monroe

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STATISTICAL SECTION

Housing Authority of the City of Monroe
Statistical Section
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This schedule contains information to help the reader assess the Housing Authority's most significant revenue source.		
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These schedules contain service and infrastructure data to help the reader understand how the information in the Housing Authority's financial report relates to the services the Housing Authority provides and the activities it performs.		
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HOUSING AUTHORITY OF THE CITY OF MONROE

Net Position by Component
 Fiscal Years Ended June 30, 2014 through June 30, 2023
 (Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Investment in capital assets	\$ 35,463,463	\$ 34,469,168	\$ 31,363,390	\$ 27,990,631	\$ 24,445,087	\$ 21,296,068	\$ 19,404,617	\$ 18,468,106	\$ 20,350,536	\$ 19,722,273
Restricted	18,807	154,626	189,160	-	32,506	-	156,718	-	79,078	20,834
Unrestricted	16,211,688	18,032,211	18,927,674	20,028,458	23,272,156	25,440,283	27,084,297	30,490,359	33,029,349	35,667,103
Total net position	\$ <u>51,693,958</u>	\$ <u>52,656,005</u>	\$ <u>50,480,224</u>	\$ <u>48,019,089</u>	\$ <u>47,749,749</u>	\$ <u>46,736,351</u>	\$ <u>46,645,632</u>	\$ <u>48,958,465</u>	\$ <u>53,458,963</u>	\$ <u>55,410,210</u>

Unaudited - See accompanying independent auditors' report.

Table 2

HOUSING AUTHORITY OF THE CITY OF MONROE

Changes in Net Position
Fiscal Years Ended June 30, 2014 through June 30, 2023
(Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Revenues										
Dwelling rental	\$ 3,964,000	\$ 4,100,781	\$ 4,379,807	\$ 4,488,026	\$ 4,339,245	\$ 4,262,243	\$ 4,029,075	\$ 3,998,857	\$ 4,181,678	\$ 4,218,934
Other	1,565,857	1,468,057	1,555,778	1,645,904	2,283,420	1,793,060	1,561,893	2,038,891	1,241,864	1,972,513
Federal grants	11,823,604	12,907,171	14,255,814	13,869,425	14,047,767	17,057,332	16,750,478	16,197,603	17,086,968	16,767,332
Total operating revenues	17,353,461	18,476,009	20,191,399	20,003,355	20,670,432	23,112,635	22,341,446	22,235,351	22,510,510	22,958,779
Operating Expenses										
Administration	3,138,980	3,197,155	3,280,757	3,297,853	3,352,856	3,386,971	3,315,236	3,569,220	3,376,045	3,519,405
Tenant services	117,279	172,699	104,674	157,778	76,852	237,654	613,081	729,350	320,703	273,063
Utilities	409,961	369,884	378,956	445,305	400,631	409,800	426,565	472,118	443,507	540,627
Ordinary maintenance & operations	3,270,470	3,007,479	7,232,949	6,417,456	4,428,833	8,078,301	6,649,936	4,671,097	5,331,764	5,120,408
Protective services	158,283	111,922	87,420	77,286	78,996	81,215	81,681	77,813	80,769	123,851
General expenses	1,307,706	1,200,209	1,400,380	1,512,129	1,605,396	1,606,854	1,768,175	2,123,381	1,810,111	2,487,084
Housing assistance payments	6,749,646	6,988,936	6,674,689	7,092,256	7,473,548	7,454,201	7,941,402	7,825,506	7,929,987	8,402,905
Depreciation	3,721,468	3,676,837	3,653,570	3,540,824	3,639,900	3,297,220	2,948,152	2,756,152	2,772,778	2,908,900
Total operating expenses	18,873,793	18,725,121	22,813,395	22,540,887	21,057,012	24,552,216	23,744,228	22,224,637	22,065,664	23,376,243
Income (Loss) from Operations	(1,520,332)	(249,112)	(2,621,996)	(2,537,532)	(386,580)	(1,439,581)	(1,402,782)	10,714	444,846	(417,464)
Nonoperating Revenues (Expenses)										
Investment earnings and gains/losses	43,311	28,936	30,025	31,226	109,589	353,980	421,175	184,075	183,854	390,618
Interest expense	-	-	-	-	-	-	-	-	-	(44,297)
Gain (loss) disposal of capital assets	10,590	(230,021)	(59,089)	12,174	7,651	22,870	-	-	14,463	18,159
Total nonoperating revenues (expenses)	53,901	(201,085)	(29,064)	43,400	117,240	376,850	421,175	184,075	198,317	364,480
Net Income (Loss) before Contributions	(1,466,431)	(450,197)	(2,651,060)	(2,494,132)	(269,340)	(1,062,731)	(981,607)	194,789	643,163	(52,984)
Capital Contributions	1,732,105	1,412,244	475,279	33,000	-	49,333	890,888	2,118,044	3,759,483	2,159,738
Change in Net Position	\$ 265,674	\$ 962,047	\$ (2,175,781)	\$ (2,461,132)	\$ (269,340)	\$ (1,013,398)	\$ (90,719)	\$ 2,312,833	\$ 4,402,646	\$ 2,106,754

Unaudited - See accompanying independent auditors' report.

Table 3

HOUSING AUTHORITY OF THE CITY OF MONROE

General Fund Revenues by Source
Fiscal Years Ended June 30, 2014 Through 2023

Fiscal Year	Dwelling rentals		Federal sources (2)		Interest earnings		Other (1)		Total	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
2014	\$ 3,964,000	40.38%	\$ 4,820,440	49.10%	\$ 22,070	0.22%	\$ 1,010,272	10.29%	\$ 9,816,782	100%
2015	4,100,781	40.92%	4,986,086	49.75%	7,714	0.08%	928,058	9.26%	10,022,639	100%
2016	4,379,807	36.38%	6,726,774	55.87%	7,481	0.06%	926,220	7.69%	12,040,282	100%
2017	4,488,026	38.39%	6,191,333	52.97%	8,257	0.07%	1,002,097	8.57%	11,689,713	100%
2018	4,339,245	37.04%	5,717,414	48.81%	30,174	0.26%	1,627,033	13.89%	11,713,866	100%
2019	4,262,243	29.14%	8,910,436	60.92%	228,990	1.57%	1,223,670	8.37%	14,625,339	100%
2020	4,029,075	31.04%	7,750,435	59.70%	311,971	2.40%	890,656	6.86%	12,982,137	100%
2021	3,998,857	31.03%	7,313,024	56.75%	113,401	0.88%	1,460,443	11.34%	12,885,725	100%
2022	3,761,766	28.50%	7,970,806	60.39%	30,003	0.23%	1,436,622	10.89%	13,199,197	100%
2023	4,179,399	30.93%	7,432,521	55.00%	247,359	1.83%	1,654,883	12.26%	13,514,162	100%

Source: Annual Comprehensive Financial Reports of the Housing Authority of the City of Monroe.

(1) The other amount column includes maintenance charges, late charges, other miscellaneous revenue and gain on sale of capital assets.

(2) The federal sources do not include capital contributions.

Unaudited - See accompanying independent auditors' report.

Table 4

HOUSING AUTHORITY OF THE CITY OF MONROE

**Tenant Demographics:
Occupancy Ratios by Program
Fiscal Years Ended June 30, 2014 Through June 30, 2023**

Fiscal Year	General Fund			Section 8 Program			Total		
	Number of Units	Average occupied units	Occupied ratio	Number of units	Average occupied units	Occupied ratio	Number of Units	Average occupied units	Occupied ratio
2014	1,518	1,502	98.95%	1,548	1,487	96.06%	3,066	2,989	97.49%
2015	1,518	1,497	98.62%	1,548	1,534	99.10%	3,066	3,031	98.86%
2016	1,499	1,480	98.73%	1,558	1,514	97.18%	3,057	2,994	97.94%
2017	1,462	1,429	97.74%	1,561	1,547	99.10%	3,023	2,976	98.45%
2018	1,514	1,492	98.55%	1,560	1,570	100.64%	3,074	3,062	99.61%
2019	1,511	1,491	98.68%	1,558	1,529	98.14%	3,069	3,020	98.40%
2020	1,516	1,496	98.68%	1,560	1,557	99.81%	3,076	3,053	99.25%
2021	1,516	1,494	98.55%	1,560	1,530	98.08%	3,076	3,024	98.31%
2022	1,519	1,484	97.70%	1,579	1,530	96.90%	3,098	3,014	97.29%
2023	1,519	1,476	97.17%	1,579	1,569	99.37%	3,098	3,045	98.29%

(1) General Fund total number of units reduced in 2016 due to significant flooding in March 2016 and units were temporarily off line while repair were made.

(2) Section 8 Program includes the Housing Choice Voucher Program and the Emergency Housing Voucher Program.

Unaudited - See accompanying independent auditors' report.

Table 5

**HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana**

**Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Population (1)	Personal Income	Per Capita Personal Income (2)	Unemployment Rate (3)
2014	49,761	\$ 1,765,619,802	\$ 35,482	6.8 %
2015	49,601	1,800,169,093	36,293	6.6
2016	49,598	1,806,607,150	36,425	6.6
2017	49,367	1,787,776,538	36,214	6.1
2018	49,361	1,871,472,954	37,914	5.3
2019	47,877	1,883,816,319	39,347	5.9
2020	47,294	1,978,071,550	41,825	6.7
2021	48,241	2,183,001,732	45,252	7.4
2022	47,284	2,202,536,004	46,581	4.8
2023	47,631	2,221,414,578	46,638	4.8

1. Population estimate data obtained from USA towns in profile
2. Per capita personal income obtained from US Bureau of Economic Analysis
3. Unemployment data obtained from Home Facts

Unaudited - See accompanying independent auditors' report.

Table 6

**HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana**

Principal Employers

	2023			2014		
	<u>Rank</u>	<u>Number of Employees</u>	<u>% of Total Employment</u>	<u>Rank</u>	<u>Number of Employees</u>	<u>% of Total Employment</u>
Ouachita Parish School Board	1	2,688	3.44%	1	2,999	3.69%
St. Francis Medical Center	2	1,800	2.30%	3	2,219	2.73%
State of Louisiana Civil Service	3	1,363	1.74%			
Graphic Packaging	4	1,106	1.41%	6	1,167	1.44%
JP Morgan Chase Bank	5	1,100	1.41%	4	2,100	2.58%
IASIS Healthcare Corporation (Glenwood Hospital)	6	951	1.22%	10	950	1.17%
Walmart Stores	7	912	1.17%	9	1,006	1.24%
University of Monroe	8	880	1.13%	8	1,061	1.31%
City Monroe	9	851	1.09%	7	1,150	1.41%
Lumen (formerly Century Link)	10	800	1.02%	2	2,300	2.83%
Monroe City School Board				5	1,387	1.71%

Source:
North La. Economic Partnership
City of Monroe

Unaudited - See accompanying independent auditors' report.

Table 7

HOUSING AUTHORITY OF THE CITY OF MONROE

Monroe, Louisiana

Property Characteristics and Dwelling Unit Composition

June 30, 2023

Project Number	Name of Development	Address	Year built or acquired	Bedroom Composition						Total
				Zero	One	Two	Three	Four	Five	
LA006-001	Lock - Breece	306 Winnsboro Road	31-Oct-51		26	66	43	15	0	150
LA006-002	Johnson-Carver Terrace	Texas Ave. (31 Carroll Dr.)	31-Mar-52		38	87	66	29	3	223
LA006-005	Foster Heights	Swayze and Louberta Sts.	30-Sep-54		8	89	77	6	2	182
LA006-006	Burg Jones Lane	2601 Burg Jones Lane	30-Jun-73		10	80	122	71	18	301
LA006-009	Robinson Place	1207 Milliken Drive	30-Sep-73		0	28	78	68	37	211
LA006-010	Miller Square	4200 Matthew Street	30-Apr-73		0	0	74	111	7	192
LA006-011	Frances Tower	300 Harrison Street	31-Aug-78		129	0	0	0	0	129
LA006-013	McKeen Plaza I	1500 McKeen Place	31-Jan-80		100	0	0	0	0	100
LA006-014	Group Homes (scattered sites)	Scattered Sites	31-Aug-84		0	0	0	0	30	30
	Total Units				311	350	460	300	97	1,518
	Managed Units									
064-EH150	Ouachita Grand Plaza, Inc. (Mgr. Apt.)	501 South Grand	15-Jun-89	21	70	0	0	0	0	91
064-EE037	Passman Plaza, Inc. (Mgr. Apt.)	230 DeSiard Plaza Dr., #101-141	1-Nov-96		40	1	0	0	0	41
064-EE050	Passman Plaza II, Inc.	230 DeSiard Plaza Dr.	1-Nov-98		39	0	0	0	0	39
Tax Credit Dev.	Passman Plaza III, Inc.	235 Lake Passman Dr.	1-Mar-08		0	60	0	0	0	60
Tax Credit Dev.	Claiborne Creek Apartments, LP	200 Claiborne Dr., West Monroe	1-Oct-97		60	12	0	0	0	72
Tax Credit Dev.	Claiborne Creek II, LP	200 Claiborne Dr., West Monroe	1-Oct-99		50	10	0	0	0	60
Tax Credit Dev.	Chauvin Pointe I	325 Chauvin Pointe Drive, Monroe	1-Nov-01		24	50	0	0	0	74
Tax Credit Dev.	Chauvin Pointe II	325 Chauvin Pointe Drive, Monroe	1-Apr-04		2	63	0	0	0	65
064-EE100	South Pointe I (Mgr. Apt.)	100 South Pointe Drive, Monroe	1-May-02		37	0	0	0	0	37
064-EE137	South Pointe II	100 South Pointe Drive, Monroe	1-Jun-04		44	0	0	0	0	44
N/A	South Pointe III	100 South Pointe Drive, Monroe	1-Mar-10		36	0	0	0	0	36
N/A	South Pointe IV	100 South Pointe Drive, Monroe	1-Jun-10		0	4	2	0	0	6
N/A	Alabama Place	3202 Alabama, Monroe	1-Dec-12		0	1	15	0	0	16
N/A	Franciscan Apts.	109 South 4th Street. Monroe	7-Dec-14		8	0	0	0	0	8
N/A	Robinson Place II	Scattered Sites	1-May-19		0	0	50	0	0	50
N/A	Preservation Mills		1-Oct-20		0	0	24	0	0	24
	Total Managed Units			21	410	201	91	0	0	723

Source: Records of the Housing Authority of the City of Monroe.

Unaudited - See accompanying independent auditors' report.

Table 8

**HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana**

**Government Employees
For Calendar Years 2022 and 2013**

	2022			2013		
	Full Time	Part Time	Total	Full Time	Part Time	Total
Administrative	41	8	49	36	13	49
Maintenance	30	0	30	27	8	35
Security Attendants	0	11	11	0	12	12
Trash Pick-Up	1	4	5	0	5	5
Students	0	0	0	0	12	12
	72	23	95	63	50	113

Source: Records of the Housing Authority of the City of Monroe.

Unaudited - See accompanying independent auditors' report.

**HOUSING AUTHORITY OF
THE CITY OF MONROE
MONROE, LOUISIANA**

**SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2023**

Housing Authority of the City of Monroe

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

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

HUD – New Orleans Office
501 Magazine 9th Floor
New Orleans, Louisiana 70130

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the City of Monroe, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Monroe's basic financial statements, and have issued our report thereon dated March 8, 2024.

The Authority's basic financial statements include the operations of the Claiborne Creek, Inc., Preservation Mills, South Pointe IV, Inc., Passman Plaza, Inc., Passman Plaza II, Inc., Passman Plaza III, LP, Robinson Place II, LP, Ouachita Grand Plaza, South Pointe Housing, Inc., South Pointe Phase II, Inc., South Pointe Phase III, Inc., which represent 39 percent of total consolidated assets and 15 percent of total revenues of the Housing Authority of the City of Monroe. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Claiborne Creek, Inc., Preservation Mills, South Pointe IV, Inc., Passman Plaza, Inc., Passman Plaza II, Inc., Passman Plaza III, LP, Robinson Place II, LP, Ouachita Grand Plaza, South Pointe Housing, Inc., South Pointe Phase II, Inc., South Pointe Phase III, Inc., is based solely on the report of the other auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Monroe's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Monroe's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Monroe'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 Housing Authority of the City of Monroe's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

Authority's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Rector, Reeder & Lofton, PC
Certified Public Accountants

Loganville, Georgia
March 8, 2024



INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

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

HUD – New Orleans Office
501 Magazine 9th Floor
New Orleans, Louisiana 70130

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the Housing Authority of the City of Monroe’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Monroe's major federal programs for the year ended June 30, 2023. The Housing Authority of the City of Monroe's major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on 14.850 Low Rent Public Housing Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2023.

Basis for Qualified and Unmodified Opinions

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

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

Matter(s) Giving Rise to Qualified Opinion on 14.850 Low Rent Public Housing Program

As described in the accompanying schedule of findings and questioned costs, the Authority did not comply with requirements regarding 14.850 Low Rent Public Housing as described in finding number 2023-003 for eligibility.

Compliance with such requirements is necessary, in our opinion, for the Authority to comply with requirements applicable to that program.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error; as fraud may involve override of internal control. Non-compliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

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

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

Other Matters

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

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance

and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-003, to be significant deficiencies.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Rector, Reeder & Lofton, PC
Certified Public Accountants

Loganville, Georgia
March 8, 2024

**HOUSING AUTHORITY OF THE CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

	Type	Federal Assistance <u>Listing Number</u>	<u>Expenditures</u>
FEDERAL GRANTOR			
<u>U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:</u>			
Public Housing:			
Low Rent Public Housing - subsidy	A - Major	14.850	\$ 6,107,849
Capital Fund Program	A - Major	14.872	2,968,248
Section 8 Housing Assistance Program:			
Housing Choice Voucher	A - Major	14.871	9,244,036
Emergency Housing Voucher	A - Major	14.EHV	90,775
Total Housing Choice Voucher			9,334,811
Other Programs:			
Resident Opportunity and Supportive Services	B - Nonmajor	14.870	187,114
Jobs-Plus Pilot Initiative	B - Nonmajor	14.895	329,048
TOTAL FEDERAL FINANCIAL AWARDS			\$ 18,927,070
Threshold for Type A & Type B			\$ 750,000

The accompanying notes are an integral part of this schedule.

**HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE A - BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Authority under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

NOTE B - 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE C - INDIRECT COST RATE:

The Authority did not elect to use the 10% de minimis cost rate.

NOTE D - SUBRECIPIENTS:

The Authority provided no federal awards to subrecipients during the fiscal year ending June 30, 2023.

NOTE E - DISCLOSURE OF OTHER FORMS OF ASSISTANCE:

- The Housing Authority of the Town of Monroe received no federal awards of non-monetary assistance that are required to be disclosed for the year ended June 30, 2023.
- The Housing Authority of the Town of Monroe had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the fiscal year ended June 30, 2023.
- The Housing Authority of the Town of Monroe maintains the following limits of insurance as of June 30, 2023:

Property	\$ 142,007,729
Liability	\$ 10,000,000
Commercial Auto	\$ 1,000,000
Worker Compensation	Regulatory
Public Officials Liability	\$ 1,000,000
Fidelity Bond	\$ 200,000

Settled claims have not exceeded the above commercial insurance coverage limits over the past three years.



Monroe Housing Authority of the City of Monroe
Monroe, Louisiana

Status of Prior Audit Findings and Questioned Costs
Fiscal Year Ended June 30, 2023

The audit report for the period ended June 30, 2022, contained one formal audit finding. The status of this finding is as follows:

Finding 2022-001 – Public Housing Tenant Files – Eligibility – Rent Calculations

Noncompliance & Significant Deficiency

Public Housing Program – ALN 14.850, Grant Year 2021 & 2022

Condition & cause:

Our review of seventy-five (75) Public Housing Tenant Files revealed the following discrepancies:

- There were eight (8) instances of income miscalculations. We noted that the income miscalculations were mainly related to wage calculation or child support calculations. We extrapolated the total potential error and found it to be material to the financial statements at both the total and singular AMP level.
- There was one (1) instance of a file missing required childcare deduction verification.

Current Status:

The current audit revealed that this issue or noncompliance still exists at the agency. Consequently, this finding continues as Finding No. 2023-003.

Respectfully submitted,

William Smart
Executive Director

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Monroe Housing Authority | 300 Harrison Street Monroe, LA 71201
318-388-1500 | TDD/TYY 1-800-545-1833 ext. 872 | monroehousing.com

William V. Smart, Executive Director | Hal Hinchliffe, Chairman
Rick Miller, Vice Chair | Commissioners: Joe Farr | Beverly Lewis | Angelina Jones

**HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor’s Results:

Financial Statements

Type of report issued on the financial statements:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	Yes
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal controls over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	Yes

Type of report issued on the compliance for major programs:	Qualified
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Any audit findings disclosed that are required to be reported under 2 CFR §200.516(a)?	Yes
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Identification of major program(s):

 CFDA #14.850 – Low Rent Public Housing – Subsidy
 CFDA #14.872 – Capital Fund Program
 CFDA #14.871 – Housing Choice Voucher Program

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
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Low Risk Auditee under 2 CFR §200.520?	No
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HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II – Financial Statement Findings

Findings related to financial statements in accordance with GAGAS:

**Finding 2023-001 – Entity reporting – financial statement reporting
Significant Deficiency**

Condition & cause:

In review of the component unit search and review of related entities we determined that the Housing Authority should consider adding several properties to the consolidated financial statements. Upon reviewing the amounts due from PHA affiliates and in reviewing certain activity we determined that the Housing Authority has financial obligations and potential benefit from several entities.

The Housing Authority disclosed to us that there are 23 homes, owned by three different corporations, in which the Louisiana Housing Corporation has loaned funds for the acquisition and renovations. These loans are all guaranteed and managed by the Housing Authority administration. In reviewing the criteria for inclusion into the consolidated financial statements, the Housing Authority concluded that these entities should be added to the Component Units reported at the end of the year. Furthermore, the Housing Authority has related tax credits which are owned by one of the nonprofits that owns 3 of the houses mentioned above. Because this nonprofit entity also wholly owns four tax credit properties, each one of the properties along with the Corporation should be added to the Component Units reported to HUD. Additionally, there are other tax credit properties which could have material significance to the Housing Authority through potential economic burden or benefit.

As of June 30, 2023, we noted that there is a balance of Notes Receivable from affiliated Tax Credit properties of \$2,674,502. Additionally, there is a balance in accounts receivable from affiliated Tax Credit and managed properties of \$2,257,898, with a corresponding allowance for doubtful account of \$963,620. As a part of the receivable, there is a balance of \$842,115 from Preservation Mills which doesn't have an audited financial statement, and it appears that the amount is not collectable. Our review of the related entities revealed inadequate unrestricted cash to fund the receivables. The Housing Authority is currently reviewing each property and requesting residual receipts and replacement reserve funds to be transferred to operations in hope of repaying amounts back to the Housing Authority. Because of the impact of these transactions and the makeup of the entity Board, members being made up of current Housing Authority Board members and some Housing Authority employees, we believe that appropriate transparency would result in these entities being included in the consolidated financial statements.

Criteria:

The Code of Federal regulations, specifically **§ 5.801 Uniform financial reporting standards**, require that each Housing Authority submit financial statements to HUD which are done in accordance with Generally Accepted Accounting Principles. Pursuant to these requirements, the Housing Authority should be submitting all programs and entities into the consolidated financial statements that meet the criteria of the Government Accounting Standards Board pronouncements. Accordingly, GASB Pronouncement No. 61 gives the criteria for inclusion into the consolidated financial statements of certain component units. As a part of the criteria, both with GASB 14 and GASB 61 common board members which can exercise control over related entities, and now with GASB 61 certain "organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship would need to present between the primary government and that organization for it to be included in the reporting entity as a component unit."

HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Finding 2023-001 – Entity reporting – financial statement reporting (Cont’d)
Significant Deficiency

Effect:

As a result of inclusion of all the required entities within the consolidated financial statements, the total combined Assets were \$98,025,912, which includes \$37,803,060 of Assets from Discretely Presented Component Units. Additionally, there was a nonprofit corporation omitted from the Blended Component Units which includes approximately \$1,446,571 in Assets. The Monroe Homeownership Corporation had offsetting Mortgage Payable obligations for the acquired properties which were previously not reported by the Housing Authority to HUD/REAC.

Recommendation:

We recommend that the Housing Authority annually review all entities for possible relationship and inclusion in the consolidated financial statements. We further recommend that any obligation or guarantee of funding or financing be appropriately communicated to individuals and consultants who are responsible for preparing the year-end financial statements.

Questioned Costs: None

Repeat Finding: No

Finding 2023-002 – Late Submission of Audit Report to the Legislative Auditor
Significant Deficiency

Condition & cause:

In reviewing the related financial entities along with an analysis of GASB 61, the Housing Authority determined that the financial statements needed to include audits of affiliated entities in the consolidated financial statements for the fiscal year ended June 30, 2023. However, these entities did not have their audits completed as of the end of the reporting period.

Criteria:

Louisiana Statute R.S. 24:513 A (5)(a)(i) requires that “...audits shall be completed within six months of the close of the entity’s fiscal year.” The Housing Authority’s audit report should be submitted to the Louisiana Legislative Auditor by December 31st each year.

Effect:

The Housing Authority did not meet state compliance requirements regarding financial reporting.

Recommendation:

We recommend that the Agency reach out to the component auditors and ensure that their financial reports are issued in sufficient time to be included in the year-end financial statements.

Questioned Costs: None

Repeat Finding: No

**HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)**

Section III – Federal Award Findings and Questioned Costs

Findings and questioned costs for Federal Awards as defined in 2 CFR §200.516(a):

**Finding 2023-003 – Public Housing Tenant Files – Eligibility – Rent Calculations
Noncompliance & Significant Deficiency**

Public Housing Program – ALN 14.850, Grant Year 2022 & 2023

Condition & cause:

We reviewed seventy-five (75) Public Housing Tenant Files and noted seven (7) files not in compliance, or 9.3%. We noted the following discrepancies:

- Two (2) files with no verification of income;
- Two (2) files that relied on tenant declaration without documenting the reason for not obtaining third-party verification; and
- Three (3) miscalculations of annual income.

The income calculation and verification deficiencies were the result of employee errors and failure by the Agency to properly review and correct the errors. We were able to extrapolate the total potential misstatement and found it to be immaterial to the financial statements. However, due to the percentage of files not in compliance, we feel the Agency has a significant deficiency in this area.

Criteria:

The Code of Federal regulations, the Housing Authority Admissions and Occupancy Plan and specific HUD guidelines in documenting and maintaining Public Housing tenant files.

Effect:

Improper calculation and documentation of tenant income can result in misstatement of the financial statements, improper calculation of operating subsidy, and noncompliance with Federal provisions governing the Public Housing program.

Recommendation:

We recommend that the Agency conduct a thorough tenant file audit of existing tenants to determine whether there are additional deficiencies. We also recommend that the Agency increase their quality control review to adequately monitor compliance with local and federal regulations as it pertains to the maintenance of the tenant files.

Questioned Costs: None

Repeat Finding: Yes

Was sampling statistically valid? Yes



Monroe Housing Authority of the City of Monroe
Monroe, Louisiana

Corrective Action Plan for Current Year Audit Findings and Questioned Costs
Fiscal Year Ended June 30, 2023

The audit report for the period ended June 30, 2023, contained three formal audit findings. The corrective action plan for the identified findings are as follows:

Finding 2023-001 **Entity reporting – financial statement reporting**

Condition & cause:

In review of the component unit search and review of related entities we determined that the Housing Authority should consider adding several properties to the consolidated financial statements. Upon reviewing the amounts due from PHA affiliates and in reviewing certain activity we determined that the Housing Authority has financial obligations and potential benefit from several entities.

The Housing Authority disclosed to us that there are 23 homes, owned by three different corporations, in which the Louisiana Housing Corporation has loaned funds for the acquisition and renovations. These loans are all guaranteed and managed by the Housing Authority administration. In reviewing the criteria for inclusion into the consolidated financial statements, the Housing Authority concluded that these entities should be added to the Component Units reported at the end of the year. Furthermore, the Housing Authority has related tax credits which are owned by one of the nonprofits that owns 3 of the houses mentioned above. Because this nonprofit entity also wholly owns four tax credit properties, each one of the properties along with the Corporation should be added to the Component Units reported to HUD. Additionally, there are other tax credit properties which could have material significance to the Housing Authority through potential economic burden or benefit.

As of June 30, 2023, we noted that there is a balance of Notes Receivable from affiliated Tax Credit properties of \$2,674,502. Additionally, there is a balance in accounts receivable from affiliated Tax Credit and managed properties of \$2,257,898, with a corresponding allowance for doubtful account of \$963,620. As a part of the receivable, there is a balance of \$842,115 from Preservation Mills which doesn't have an audited financial statement, and it appears that the amount is not collectable. Our review of the related entities revealed inadequate unrestricted cash to fund the receivables. The Housing Authority is currently

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William V. Smart, Executive Director | Hal Hinchliffe, Chairman
Rick Miller, Vice Chair | Commissioners: Joe Farr | Beverly Lewis | Angelina Jones

**Corrective Action Plan for Current Year Audit Findings and Questioned Costs (cont.)
Fiscal Year Ended June 30, 2023**

reviewing each property and requesting residual receipts and replacement reserve funds to be transferred to operations in hope of repaying amounts back to the Housing Authority. Because of the impact of these transactions and the makeup of the entity Board, members being made up of current Housing Authority Board members and some Housing Authority employees, we believe that appropriate transparency would result in these entities being included in the consolidated financial statements.

Corrective action planned:

Monroe Housing Authority will continue to report the discretely presented component units as a part of the reporting entity and include these entities in the audited financial statements going forward. Additionally, the Housing Authority will continue to work with the managed properties in maintaining current receivables as well as review the ending receivable balances annually to determine if any additional allowance for doubtful accounts need to be established.

Person responsible for corrective action:

Mr. William Smart, Executive Director
Housing Authority of the City of Monroe Telephone: (318) 388-1500
300 Harrison St. Fax: (318) 329-1397
Monroe, LA 71201

Anticipated completion date: June 30, 2024

Finding 2023-002 Late Submission of Audit Report to the Legislative Auditor

Condition & cause:

In reviewing the related financial entities along with an analysis of GASB 61, the Housing Authority determined that the financial statements needed to include audits of affiliated entities in the consolidated financial statements for the fiscal year ended June 30, 2023. However, these entities did not have their audits completed as of the end of the reporting period.

Condition & cause:

Corrective action planned:

Monroe Housing Authority will continue to report the discretely presented component units as a part of the reporting entity and include these entities in the audited financial statements going forward. Additionally, the Housing Authority will establish procedures to ensure all component unit audits are completed in a timely manner.

**Corrective Action Plan for Current Year Audit Findings and Questioned Costs (cont.)
Fiscal Year Ended June 30, 2023**

Person responsible for corrective action:

Mr. William Smart, Executive Director
Housing Authority of the City of Monroe Telephone: (318) 388-1500
300 Harrison St. Fax: (318) 329-1397
Monroe, LA 71201

Anticipated completion date: June 30, 2024

Finding 2023-003 Public Housing Tenant Files – Eligibility – Rent Calculations

Federal Program: Public Housing Program – ALN 14.850, Grant Year 2022 & 2023

Condition & cause:

We reviewed seventy-five (75) Public Housing Tenant Files and noted seven (7) files not in compliance, or 9.3%. We noted the following discrepancies:

- Two (2) files with no verification of income;
- Two (2) files that relied on tenant declaration without documenting the reason for not obtaining third-party verification; and
- Three (3) miscalculations of annual income.

The income calculation and verification deficiencies were the result of employee errors and failure by the Agency to properly review and correct the errors. We were able to extrapolate the total potential misstatement and found it to be immaterial to the financial statements. However, due to the percentage of files not in compliance, we feel the Agency has a significant deficiency in this area.

Corrective action planned:

Monroe Housing Authority will continue to develop more effective processes for measuring, monitoring, and reducing errors in subsidy payments due to rent calculation and tenant underreporting of income. Implementations and strategies to include:

- Resolution of income and rent issues identified in the report and communication to Tenants where applicable.
- Development and implementation of an ongoing quality control review process of income at initial certification and re-examination to mitigate wage/income calculation errors to PHA and tenants by:
 - Hiring (1) FTE to perform quality control review of verification of income (upfront and/or a third party), and Tenant files upon new lease and re-examinations.
 - Developing a Tenant File Review checklist to document the result of file reviews.
- Partner with the National Association of Housing and Redevelopment Officials (NAHRO) and other agencies, where applicable, to train staff on Public Housing Occupancy, Eligibility, Income and Rent training to accurately calculate Tenant Rent and avoid common errors in occupancy and eligibility functions in addition to understanding updates to the HUD-50058.

**Corrective Action Plan for Current Year Audit Findings and Questioned Costs (cont.)
Fiscal Year Ended June 30, 2023**

Person responsible for corrective action:

Mr. William Smart, Executive Director
Housing Authority of the City of Monroe Telephone: (318) 388-1500
300 Harrison St. Fax: (318) 329-1397
Monroe, LA 71201

Anticipated completion date: June 30, 2024

Respectfully Submitted,



William Smart
Executive Director



March 8, 2024

To the Board of Commissioners
Housing Authority of the City of Monroe

We have audited the financial statements of the **Housing Authority of the City of Monroe** for the year ended **June 30, 2024**, and have issued our report thereon dated **March 8, 2024**. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have included this information in this letter dated **March 8, 2024**. Professional standards also require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As a part of our audit, we considered the internal control structure of the **Housing Authority of the City of Monroe**. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning the internal control structure of the agency.

Qualitative Aspects of Accounting Practices

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the **Housing Authority of the City of Monroe** are described in Note A to the financial statements. We noted no transactions entered into by the Organization during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus. No new accounting policies were adopted and the application of existing policies was not changed during the year.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

There were no difficulties encountered in conducting the audit of the **Housing Authority of the City of Monroe** for the year ended **June 30, 2023**.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

Disagreements with Management

For the purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated **March 8, 2024**.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

The following other matters or concerns came to our attention, during the course of our audit:

1. Section 8 Tenant Files

We reviewed seventy-five (75) tenant files from the Section 8 program, and we noted two (2) instances of understated annual income. In both cases, the tenant was paid weekly, and annual income was determined with a biweekly frequency. This resulted in an overstatement of HAP expense of approximately \$5,575 during the fiscal year. We extrapolated the total potential misstatement and found it to be immaterial to the financial statements.

2. Jobs Plus Grant Program

Currently the Housing Authority has \$1,332,667 in amounts due from HUD as of June 30, 2023, which have not been received as of October 12, 2023. As a result of this failure to not draw down funds on a consistent basis, the Jobs Plus Grant program has borrowed \$1,326,918 from the Public Housing Program. Large receivables and interfunds reported to HUD through the FASPHA system, or Financial Data Schedule, are reviewed and questioned by the Financial Analyst. The Grant Agreement is not straight forward regarding what expenditures will be disallowed, questioned or approved. It appears that the expenditures are in accordance with the revised budget and in keeping with the program requirements. However, it also appears from the fact that the requests for funds have NOT been approved, that they appear to be out of compliance. We noted that the agency has reached out to HUD to collect and resolve this receivable. There has been nothing received by the Monroe Housing Authority to indicate that these funds will not be ultimately collected as they become available in eLoccs. We believe that the expenditures incurred are eligible expenditures under the Public Housing Program and the costs should not be questioned, but the HUD funding under this grant may not be realized until they are under full compliance.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the Organization that could potentially cause future financial statements to be materially misstated. For the purposes of reporting, we noted no adjustments that would be considered material to the primary government financial statements. However, we did note that the inclusion of the Discrete Component Units into the consolidated financial statements increased the total Assets from \$60,222,852 to \$98,025,912.

Current Year Findings, Significant Deficiencies and Material Weaknesses

The current audit period for **June 30, 2023**, reported one audit finding for a significant deficiency and noncompliance, published as Finding Number 2023-002, and one finding for a significant deficiency for financial reporting as noted in the published financial statements as Finding Number 2023-001. The details of this finding are not duplicated in this document and the published financial statements should be reviewed for the information.

This information is intended solely for the use of the Audit Committee, Board of Commissioners, applicable government agencies and the management of the ***Housing Authority of the City of Monroe*** and should not be used for any other purpose.

Very truly yours,

Rector, Reeder & Lofton, P.C.
Certified Public Accountants



Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

Housing Authority of the City of Monroe

**INDEPENDENT ACCOUNTANT’S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors of the Housing Authority of the Town of Ruston and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Housing Authority of the City of Monroe (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA’s Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Entity’s management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity’s operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

N/A - There is no debt service at the agency.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Finding – The Disaster Recovery Policy does not address the use of antivirus software or the timely application of patches and updates.

- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternately, for those entities reporting on the nonprofit accounting model, observe that

the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Bank Reconciliations

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

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

8. Obtain a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- b) At least two employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
- e) Only employees/official authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

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

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

21. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Debt Service

22. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

23. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

N/A – There is no debt service at the agency.

Fraud Notice

24. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

25. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

N/A – There was none noted during the year.

Information Technology Disaster Recovery/Business Continuity

26. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

- c. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
27. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #18. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Prevention of Sexual Harassment

28. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
29. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
30. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
- a. Number and percentage of public servants in the agency who have completed the training requirements;
 - b. Number of sexual harassment complaints received by the agency;
 - c. Number of complaints which resulted in a finding that sexual harassment occurred;
 - d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e. Amount of time it took to resolve each complaint.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Rector, Reeder & Lofton, P.C.
Certified Public Accountants

Loganville, Georgia
March 8, 2024



March 8, 2024

To the Board of Commissioners
Housing Authority of the City of Monroe

We have audited the financial statements of the **Housing Authority of the City of Monroe** for the year ended **June 30, 2024**, and have issued our report thereon dated **March 8, 2024**. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have included this information in this letter dated **March 8, 2024**. Professional standards also require that we provide you with the following information related to our audit.

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There were no difficulties encountered in conducting the audit of the **Housing Authority of the City of Monroe** for the year ended **June 30, 2023**.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

Disagreements with Management

For the purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated **March 8, 2024**.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

The following other matters or concerns came to our attention, during the course of our audit:

1. Section 8 Tenant Files

We reviewed seventy-five (75) tenant files from the Section 8 program, and we noted two (2) instances of understated annual income. In both cases, the tenant was paid weekly, and annual income was determined with a biweekly frequency. This resulted in an overstatement of HAP expense of approximately \$5,575 during the fiscal year. We extrapolated the total potential misstatement and found it to be immaterial to the financial statements.

2. Jobs Plus Grant Program

Currently the Housing Authority has \$1,332,667 in amounts due from HUD as of June 30, 2023, which have not been received as of October 12, 2023. As a result of this failure to not draw down funds on a consistent basis, the Jobs Plus Grant program has borrowed \$1,326,918 from the Public Housing Program. Large receivables and interfunds reported to HUD through the FASPHA system, or Financial Data Schedule, are reviewed and questioned by the Financial Analyst. The Grant Agreement is not straight forward regarding what expenditures will be disallowed, questioned or approved. It appears that the expenditures are in accordance with the revised budget and in keeping with the program requirements. However, it also appears from the fact that the requests for funds have NOT been approved, that they appear to be out of compliance. We noted that the agency has reached out to HUD to collect and resolve this receivable. There has been nothing received by the Monroe Housing Authority to indicate that these funds will not be ultimately collected as they become available in eLoccs. We believe that the expenditures incurred are eligible expenditures under the Public Housing Program and the costs should not be questioned, but the HUD funding under this grant may not be realized until they are under full compliance.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the Organization that could potentially cause future financial statements to be materially misstated. For the purposes of reporting, we noted no adjustments that would be considered material to the primary government financial statements. However, we did note that the inclusion of the Discrete Component Units into the consolidated financial statements increased the total Assets from \$60,222,852 to \$98,025,912.

Current Year Findings, Significant Deficiencies and Material Weaknesses

The current audit period for **June 30, 2023**, reported one audit finding for a significant deficiency and noncompliance, published as Finding Number 2023-002, and one finding for a significant deficiency for financial reporting as noted in the published financial statements as Finding Number 2023-001. The details of this finding are not duplicated in this document and the published financial statements should be reviewed for the information.

This information is intended solely for the use of the Audit Committee, Board of Commissioners, applicable government agencies and the management of the ***Housing Authority of the City of Monroe*** and should not be used for any other purpose.

Very truly yours,

Rector, Reeder & Lofton, P.C.
Certified Public Accountants