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January 29, 2024

Board of Directors
Housing Authority of the City of Lafayette
Tippecanoe County, Indiana

We have reviewed the audit report of the Housing Authority of the City of Lafayette, which was opined upon by Henderson & Pilleteri, LLC, Independent Public Accountants, for the period April 1, 2022 to March 31, 2023. *Per the Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of the Housing Authority of the City of Lafayette, as of March 31, 2023 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Henderson & Pilleteri, LLC, prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

The audit report is filed with this letter in our office as a matter of public record.

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE

**FINANCIAL STATEMENTS
&
SUPPLEMENTAL INFORMATION**

YEAR ENDED MARCH 31, 2023

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
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HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
MANAGEMENT'S DISCUSSION & ANALYSIS
YEAR ENDED MARCH 31, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (the "MD&A") is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Housing Authority of the City of Lafayette's, (the "Authority") financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent years' challenges), and (d) identify issues or concerns. This will now be presented at the front of each year's financial statements.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- Net position at March 31, 2023, decreased to \$942,756. Since the Authority engages only in business-type activities, the decreased is all in the category of business-type net position. Net position was \$1,018,232 for 2022.
- The business-type activities operating revenues at March 31, 2023, increased to \$9,478,748. Total operating revenues were \$8,032,364 for 2022.
- The total operating expenses of all programs for March 31, 2023, increased to \$9,548,259. Total operating expenses were \$8,482,499 for 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity.

This MD&A is intended to serve as an introduction to the Authority's basic financial statements.

The following statements are included:

- Statement of Net Position – reports current financial resources (short-term expendable resources) with capital assets and long-term obligations.
- Statement of Revenue, Expenses, and Changes in Fund Net Position – reports operating and nonoperating revenue, by major source along with operating and nonoperating expenses and capital contributions.
- Statement of Cash Flows – reports cash flows from operating, investing, capital, non-capital activities.

PROGRAMS

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Authority contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions funding to enable the Authority to structure a lease that sets the participant's rent at 30% or up 40% of household income.

Mainstream Program – Vouchers enable families having a person with disabilities to lease affordable private housing of their choice. Mainstream program vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market. The Mainstream program provides 137 vouchers to disabled families.

Emergency Housing Voucher Program – Vouchers assist individuals and families that are homeless, at risk of homelessness, fleeing, attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability. The EHV program provides 38 vouchers to disabled families.

Section 8 Homeownership Vouchers – A subset of the HCVP, the Housing Authority administers a Homeownership program to qualified Section 8 Housing Assistance participants to purchase a home. This program is conducted in partnership with Lafayette Homestead Consulting Services.

Tenant Based Rental Assistance Vouchers (TBRA) – The Tenant Based Rental Assistance program funding is provided by HUD's HOME funds through contract with the Lafayette Housing Consortium. TBRA vouchers provide the assistance to households for the first year on the program and then the household is transferred to the Section 8 Housing Choice Voucher program in a seamless manner. This allows the housing authority to assist an additional 12 households from the waiting list annually.

Project Based Voucher Program – Project-based vouchers are a component of a public housing agencies (PHAs) housing choice voucher program. A PHA can attach up to 20 percent of its voucher assistance to specific housing units if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set aside a portion of units in an existing development. In March of 2011, the Housing Authority has contracted with Lafayette Transitional Housing to cover 24 units at Lincoln Center, 24 units at the Singles Program and 11 units at the Families Program for an initial period of fifteen years. All 3 programs provide assistance for chronically homeless persons with high barriers. The Housing Authority Project bases 24 units at Friendship House, a senior housing development beginning in November 2021.

Veterans Affairs Supportive Housing (VASH) – The HUD-VASH program combines Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). The VASH program provides 43 vouchers to house homeless Veterans.

Inspection Fees – Since August 1998, the Housing Authority conducts inspections for the City of Lafayette homes that are part of city-funded rehabilitation loans. Annual inspections are required throughout the duration of each loan's term. As these loans expire, the number of inspections required will decrease until which time all loans are complete.

HOME Investment Partnership Program (HOME) and Community Development Block Grant (CDBG) – A Memorandum of Understanding (MOU) was signed in 2015 for the Lafayette Housing Authority to manage both the HOME and CDBG programs for the City of Lafayette. The HOME program funds a wide range of activities including building, buying and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low -income people. The CDBG program provides communities with resources to address a wide range of unique community development needs benefiting low-income people.

FINANCIAL ANALYSIS

The following tables focus on the net position and the change in net position of the primary government as a whole.

TABLE 1 – STATEMENT OF NET POSITION

	<u>2023</u>	<u>2022</u>	<u>Variance</u>	<u>% Change</u>
Current Assets	\$ 842,905	\$ 888,772	\$ (45,867)	-5.16%
Capital Assets, Net	349,411	385,357	(35,946)	-9.33%
Total Assets	<u>1,192,316</u>	<u>1,274,129</u>	<u>(81,813)</u>	-6.42%
Deferred Outflows of Resources	<u>277,035</u>	<u>287,631</u>	<u>(10,596)</u>	-3.68%
Current Liabilities	72,809	117,104	(44,295)	-37.83%
Noncurrent Liabilities	<u>427,041</u>	<u>236,695</u>	<u>190,346</u>	80.42%
Total Liabilities	<u>499,850</u>	<u>353,799</u>	<u>146,051</u>	41.28%
Deferred Inflows of Resources	<u>26,745</u>	<u>189,729</u>	<u>(162,984)</u>	-85.90%
Net Position				
Net Investment in Capital Assets	227,322	257,672	(30,350)	-11.78%
Restricted	47,693	225,893	(178,200)	-78.89%
Unrestricted	<u>667,741</u>	<u>534,667</u>	<u>133,074</u>	24.89%
Total Net Position	<u>\$ 942,756</u>	<u>\$ 1,018,232</u>	<u>\$ (75,476)</u>	-7.41%

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

Current assets decreased by \$45,867 due to the decreases in restricted cash and accounts receivable, partially offset by increases in unrestricted cash, fraud recovery, and prepaid expenses.

Capital assets decreased by \$35,946 due to normal depreciation exceeding modernization work and capital asset purchases.

Current liabilities decreased by \$44,295, primarily due to a decrease in deferred revenues, slightly offset by increases in the current portion of accrued compensated absences, accounts payable to vendors, and accrued payroll taxes payable.

TABLE 2 – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

The following schedule compares the revenue and expenses for the current and previous fiscal years. The Authority is engaged only in business-type activities.

	<u>2023</u>	<u>2022</u>	<u>Variance</u>	<u>% Change</u>
Operating Revenues				
Federal Grants	\$ 9,156,726	\$ 7,704,085	\$ 1,452,641	18.86%
Other	<u>322,022</u>	<u>328,279</u>	<u>(6,257)</u>	-1.91%
Total Operating Revenues	<u>9,478,748</u>	<u>8,032,364</u>	<u>1,446,384</u>	18.01%
Operating Expenses				
Administration	1,033,276	949,523	83,753	8.82%
Tenant Services	58,433	4,560	53,873	1181.43%
Utilities	11,203	9,591	1,612	16.81%
Maintenance	32,428	37,239	(4,811)	-12.92%
General	41,318	60,143	(18,825)	-31.30%
Housing Assistance Payments	8,322,465	7,353,579	968,886	13.18%
Other Operating Expenses - Fraud Loss	-	6,518	(6,518)	-100.00%
Depreciation	<u>49,136</u>	<u>61,346</u>	<u>(12,210)</u>	-19.90%
Total Operating Expenses	<u>9,548,259</u>	<u>8,482,499</u>	<u>1,065,760</u>	12.56%
Operating Income (loss)	<u>(69,511)</u>	<u>(450,135)</u>	<u>380,624</u>	-84.56%
Nonoperating revenues (expenses)				
Interest Revenue	285	302	(17)	-5.63%
Interest Expense	<u>(6,250)</u>	<u>(5,809)</u>	<u>(441)</u>	7.59%
Total Nonoperating Activity	<u>(5,965)</u>	<u>(5,507)</u>	<u>(458)</u>	8.32%
Change in Net Position	(75,476)	(455,642)	380,166	-83.44%
Beginning Net Position	<u>1,018,232</u>	<u>1,473,874</u>	<u>(455,642)</u>	-30.91%
Ending Net Position	<u>\$ 942,756</u>	<u>\$ 1,018,232</u>	<u>\$ (75,476)</u>	-7.41%

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

Net position decreased by \$75,476 due to operating expenses exceeding operating revenues.

The Authority had an operating loss of \$69,511 including non-cash depreciation expense of \$49,136 versus an operating loss of \$450,135 and depreciation expense of \$61,346 in the prior year.

Total operating revenues increased by \$1,446,384 to \$9,478,748 due to an increase in federal grants.

Total operating expenses increased by \$1,065,760 to \$9,548,259 primarily due to increases in housing assistance payments, tenant services, administration, and utilities expenses.

CAPITAL ASSETS

As of March 31, 2023, investment in capital assets for its business-type activities was \$349,411, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, and construction in progress. See footnote 3 to the financial statements for further detail.

Major capital asset purchases during the current fiscal year included the following:

- Office equipment
- HVAC reconfiguration

There were no major capital asset disposals during the current fiscal year.

DEBT OUTSTANDING

As of year-end, the Authority had \$122,089 in debt outstanding compared to \$127,685 last year, a decrease of \$5,596. This debt is in the form of mortgages payable.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflation, recession, and employment trends, which can affect resident incomes.
- Inflationary pressure on utility rates, supplies and other costs.

FINANCIAL CONTACT

This financial report is designed to provide a general overview of the finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to:

Ms. Michelle Reynolds
Executive Director
2601 Greenbush Street
Lafayette, IN 47904



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Housing Authority of the City of Lafayette (the "Authority"), as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Authority, as of March 31, 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*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 1-4, schedule of changes in net pension liability – defined benefit pension plan on page 21, schedule of employer contributions – defined benefit pension plan on page 22, 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 Authority’s basic financial statements. The accompanying supplemental data, including the financial data schedule, statement of net position – by program, and statement of revenue, expenses, and changes in fund net position – by program are presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development and are not a required part of the basic financial statements. The 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, 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 financial data schedule, statement of net position – by program, statement of revenue, expenses, and changes in fund net position – by program, and the schedule of expenditures of federal awards 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 October 23, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority’s internal control over financial reporting and compliance.

Henderson & Pilleteri, LLC

Birmingham, AL
October 23, 2023



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

Independent Auditor's Report

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

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 basic financial statements of the Housing Authority of the City of Lafayette (the "Authority"), as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 23, 2023.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

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.

Henderson & Pilleteri, LLC

Birmingham, AL
October 23, 2023

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Housing Authority of the City of Lafayette's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended March 31, 2023. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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 March 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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 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 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 Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to 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 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 collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about 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 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 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 Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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.

Henderson & Pilletieri, LLC

Birmingham, AL
October 23, 2023

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
STATEMENT OF NET POSITION
ENTERPRISE FUND
MARCH 31, 2023

ASSETS

Current assets:

Unrestricted cash and cash equivalents	\$ 635,542
Restricted cash and cash equivalents	47,693
Due from HUD	4,797
Fraud recovery receivable, net	147,294
Prepaid expenses and other assets	<u>7,579</u>
Total current assets	<u>842,905</u>

Noncurrent assets:

Capital assets:

Land and construction in progress	193,900
Buildings and equipment, net of depreciation	<u>155,511</u>
Total capital assets	<u>349,411</u>
Total assets	<u>1,192,316</u>

DEFERRED OUTFLOWS OF RESOURCES

Difference between expected and actual experience	6,529
Changes in assumptions	41,008
Net difference between projected and actual earnings on pension plan investments	37,365
Changes in employer proportionate share of plan contributions	159,730
Employer contributions subsequent to measurement date	<u>32,403</u>
Total deferred outflows of resources	<u>277,035</u>

LIABILITIES

Current liabilities:

Accounts payable	8,657
Accrued liabilities	16,917
Unearned revenue	11,558
Notes payable, current portion	5,970
Compensated absences	<u>29,707</u>
Total current liabilities	<u>72,809</u>

Noncurrent liabilities:

Notes payable, net of current portion	116,119
Compensated absences, net of current portion	8,154
Accrued pension liability	<u>302,768</u>
Total noncurrent liabilities	<u>427,041</u>
Total liabilities	<u>499,850</u>

DEFERRED INFLOWS OF RESOURCES

Difference between expected and actual experience	1,151
Changes in assumptions	12,953
Changes in employer proportionate share of plan contributions	<u>12,641</u>
Total deferred inflows of resources	<u>26,745</u>

NET POSITION

Net investment in capital assets	227,322
Restricted	47,693
Unrestricted	<u>667,741</u>
Total net position	<u>\$ 942,756</u>

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
ENTERPRISE FUND
YEAR ENDED MARCH 31, 2023

OPERATING REVENUES	
Federal grants	\$ 9,156,726
Other	<u>322,022</u>
Total operating revenues	<u>9,478,748</u>
OPERATING EXPENSES	
Administration	1,033,276
Tenant services	58,433
Utilities	11,203
Maintenance	32,428
General	41,318
Housing assistance payments	8,322,465
Depreciation	<u>49,136</u>
Total operating expenses	<u>9,548,259</u>
Operating income (loss)	(69,511)
NONOPERATING REVENUES (EXPENSES)	
Interest revenue	285
Interest expense	<u>(6,250)</u>
Change in net position	(75,476)
Total net position - beginning of the year	<u>1,018,232</u>
Total net position - end of the year	<u><u>\$ 942,756</u></u>

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
YEAR ENDED MARCH 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from tenants	\$ (50,438)
Federal grants	9,205,145
Other receipts	280,580
Payments to suppliers and Section 8 landlords	(8,635,347)
Payments to or on behalf of employees	<u>(814,954)</u>
Net cash provided (used) by operating activities	<u>(15,014)</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(13,190)
Principal payments on capital debt	(5,596)
Interest payments on capital debt	<u>(6,250)</u>
Net cash provided (used) by capital financing activities	<u>(25,036)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest revenue	<u>285</u>
Net cash provided (used) by investing activities	<u>285</u>
Net increase (decrease) in cash and cash equivalents	(39,765)
Balances - beginning of the year	<u>723,000</u>
Balances - end of the year	<u><u>\$ 683,235</u></u>
 RECONCILIATION OF INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (69,511)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	49,136
Pension expense	114,981
Change in assets and liabilities:	
Receivables, net	11,481
Prepays and other assets	(5,379)
Accounts payable	645
Unearned revenue	(54,942)
Deferred outflows of resources	(74,869)
Other liabilities	(931)
Accrued liabilities	3,564
Compensated absences	<u>10,811</u>
Net cash provided (used) by operating activities	<u><u>\$ (15,014)</u></u>

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Housing Authority of the City of Lafayette (the “Authority”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority has previously implemented GASB Statement 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Certain significant changes in the statements are as follows: The financial statements will include a Management’s Discussion and Analysis (MD&A) section providing an analysis of the Authority’s overall financial position and results of operations.

The Authority is a special-purpose government engaged only in business-type activities and therefore, presents only the financial statements required for enterprise funds, in accordance with GASB Statement 34, paragraph 138. For these governments, basic financial statements and required supplemental information consist of:

- Management Discussion and Analysis (MD&A)
- Enterprise fund financial statements consisting of –
 - Statement of Net Position
 - Statement of Revenues, Expenses, and Changes in Fund Net Position
 - Statement of Cash Flows
- Notes to financial statements
- Required supplemental information other than MD&A

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the “enterprise fund” in the basic financial statements. Significant Authority policies are described below.

A. The Reporting Entity

The Housing Authority of the City of Lafayette was established by the City of Lafayette pursuant to the laws of the State of Indiana, to transact business and to have powers as defined therein. The Authority is a special-purpose governmental unit as an entity under the United States Housing Act of 1937 for the purpose of providing affordable housing to low and moderate income families in Tippecanoe County, Indiana. The governing body of the Authority is composed of a 6 member appointed Board of Commissioners (the “Board”). The Mayor appoints the Board, who in turn hires the Executive Director (ED). The Authority is governed by its charter and by-laws, state and local laws and federal regulations. The Board is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Authority’s management. The Authority has no component units.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority’s financial statements are accounted for on the flow of economic resources management focus using the accrual basis of accounting. The accounting objectives are a determination of net income, financial position, and changes in cash flow.

All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with a proprietary fund’s activities are included on the Statement of Net Position. Proprietary fund net position is segregated into Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position. Revenues are recognized when they are earned and expenses are recognized when incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the proprietary funds are rental charges to tenants and operating subsidy grants from HUD. Operating expenses for proprietary funds include the cost of administrative expenses, maintenance expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The Authority applies restricted resources to fund restricted costs and unrestricted resources to fund unrestricted costs when restricted and unrestricted net position is available. All material inter-program accounts and transactions are eliminated in the preparation of the basic financial statements.

The Authority has previously adopted GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. In accordance with this statement, the Authority accounted for all grants that qualify as non-exchange transactions, recognizing receivables and revenues when all applicable eligibility requirements are met. In addition, capital contributions are recorded on the Statement of Revenues, Expenses, and Changes in Fund Net Position after income before contributions and before changes in net position.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED MARCH 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Generally accepted accounting principles for state and local governments requires that resources be classified for accounting and reporting purposes into the following three net position categories:

- *Net investment in capital assets* – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component on net position.

C. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include cash on hand, demand deposits, and money market accounts. For purposes of the statement of cash flows, the Authority considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The carrying amounts reported on the balance sheet approximate fair values because of the short maturities of those investments.

D. Receivables

All receivables are current and due within one year. Receivables are reported net of an allowance for uncollectible accounts. Allowances are reported when accounts are proven to be uncollectible.

E. Restricted Assets and Liabilities

Debt covenants, HUD regulations, and inter-local agreements restrict the use of certain assets. Restricted assets are offset by related liabilities in accordance with their liquidity.

F. Inventories

Inventories are accounted for under the consumption method and recorded at the lower of cost or market, net of an allowance for obsolete inventories. Materials and supplies are recorded as inventories when purchased and as expenditures when used. Allowances are reported when materials and supplies are deemed obsolete.

G. Prepaid Items

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

H. Capital Assets

Capital assets include property, furniture, equipment, and machinery. Capital assets with initial, individual costs that equal or exceed \$2,500 and estimated useful lives of over one year, or those costs selected at the discretion of the Executive Director, are recorded as capital assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Construction in progress consists of capital improvements funded by modernization grant programs. Capital assets are depreciated using the straight line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10
Furniture, equipment, and machinery	5

I. Compensated Absences

Full-time employees are allowed to accrue annual leave and sick leave on the last day of each month. Employees accumulate annual leave monthly and all vacation will be paid out upon separation unless the employee is not past the probationary period. Annual leave cannot be carried over from year to year; however, employees who separate and are past the probationary period will receive pay for an unused portion of leave accumulated during that year. Sick leave accumulated is paid upon separation provided that the employee is at least 60 years old with 10 years of service or the employee has 25 years of service at any age and is in the process of retirement. Employees may accumulate up to 375 hours of accumulated sick leave, which will be paid out at a rate of \$10 per hour. The majority of employees utilize their annual accrual of vacation during the year accrued. The Authority records compensated absences in the period they use a systematic allocation process to allocate between short-term and long-term liability classification.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Unearned Revenue

The Authority recognizes revenues as earned. An amount received in advance of the period in which it is earned is recorded as a liability under unearned revenue.

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

L. Recent Accounting Pronouncements

The Authority has adopted GASB Statement No.87, *Leases*. Among other things, this statement requires that government lessee: recognize the following: (a) a lease liability and (b) an intangible asset representing the lessee’s right to use the leased asset; and - report in its financial statements: (a) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (b) interest expense on the lease liability and (c) note disclosures about the lease. This statement also requires that government lessors: recognize: (a) a lease receivable and (b) a deferred inflow of resources and continue to report the leased asset in its financial statements; and report in its financial statements: (a) lease revenue, recognized over the term of the lease, corresponding with the reduction of the deferred inflow, (b) interest income on the receivable; and (c) note disclosures about the lease. The adoption of GASB Statement No. 87 had no material effect on the Authority’s March 31, 2023 financial statements.

The Authority has adopted GASB Statement No.97, *Certain Component Unit Criteria*, and *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The requirements of this statement (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. The adoption of GASB Statement No. 97 had no material effect on the Authority’s March 31, 2023 financial statements.

NOTE 2 – CASH DEPOSITS AND INVESTMENTS

Cash and investments may be invested in the following HUD and the State of Indiana IC 36-7-18-19 approved vehicles:

- Direct obligations of the federal government backed by the full faith and credit of the United States;
- Obligations of government agencies;
- Securities of government sponsored agencies;
- Demand and savings deposits; and,
- Time deposits and repurchase agreements.

At March 31, 2023, cash was in bank deposits or money market funds that were insured or collateralized with securities held by the Authority or by its agent through the State of Indiana’s collateralization program. Cash balances at March 31, 2023 totaled \$683,235. The Authority held no investments during the year.

Interest Rate Risk – The Authority’s formal investment policy does not specifically address the exposure to this risk.

Credit Risk – The Authority’s formal investment policy does not specifically address credit risk, other than the limitations of Indiana state law and/or HUD regulations. Credit risk is generally evaluated based on the credit ratings issued by nationally recognized statistical rating organizations.

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

Concentration of Credit Risk – The Authority’s investment policy does not restrict the amount that the Authority may invest in any one issuer.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2023

NOTE 3 – CAPITAL ASSETS

Changes in Capital Assets

Capital asset activity for the year ended March 31, 2023 was as follows:

	Beginning Balance	Additions	Decreases	Reclassifications	Ending Balance
Capital assets not being depreciated					
Land	\$ 193,900	\$ -	\$ -	\$ -	\$ 193,900
Total capital assets not being depreciated	<u>193,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>193,900</u>
Capital assets being depreciated					
Buildings and improvements	275,631	-	-	-	275,631
Equipment	415,490	13,191	-	-	428,681
Total capital assets being depreciated	<u>691,121</u>	<u>13,191</u>	<u>-</u>	<u>-</u>	<u>704,312</u>
Less accumulated depreciation for:					
Buildings and improvements	(174,599)	(20,755)	-	-	(195,354)
Equipment	(325,066)	(28,381)	-	-	(353,447)
Total accumulated depreciation	<u>(499,665)</u>	<u>(49,136)</u>	<u>-</u>	<u>-</u>	<u>(548,801)</u>
Capital assets, net	<u>\$ 385,356</u>	<u>\$ (35,945)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349,411</u>

NOTE 4 – NONCURRENT LIABILITIES

Noncurrent liabilities at March 31, 2023 consisted of the following:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Accrued compensated absences	\$ 27,050	\$ 10,811	\$ -	\$ 37,861	\$ 29,707
Notes payable	127,685	-	5,596	122,089	5,970
Net pension liability	110,268	254,371	61,871	302,768	-
Total noncurrent liabilities	<u>\$ 265,003</u>	<u>\$ 265,182</u>	<u>\$ 67,467</u>	<u>\$ 462,718</u>	<u>\$ 35,677</u>

NOTE 5 – NOTES AND LOANS PAYABLE

The Authority entered into a loan agreement with Security Federal Savings Bank in the amount of \$150,000. The loan bears an interest rate of 4.375%. The Authority is required to make monthly payments on principal and interest and thus, the amount of principal that is currently due within the next 12 months of \$5,970 is classified as a current liability, with the remaining balance of \$116,119 being classified and presented as a noncurrent liability on the face of the statement of net position. For the year ended March 31, 2023, the amount of interest incurred and charged to expense related to this loan payable was \$6,250 and the amount of debt principal payments amounted to \$5,596.

The following are the debt service requirements to maturity on the Authority's loan payable:

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED MARCH 31, 2023

NOTE 5 – NOTES AND LOANS PAYABLE (Continued)

	Principal	Interest	Total
For the year ending March 31, 2024	5,970	5,298	11,268
For the year ending March 31, 2025	6,339	4,929	11,268
For the year ending March 31, 2026	6,622	4,646	11,268
For the year ending March 31, 2027	6,917	4,351	11,268
For the year ending March 31, 2028	7,226	4,042	11,268
For the year ending March 31, 2029 - 2033	41,257	15,085	56,342
For the year ending March 31, 2034 - 2038	47,758	5,054	52,812
	<u>\$ 122,089</u>	<u>\$ 43,405</u>	<u>\$ 165,494</u>

NOTE 6 – DEFINED BENEFIT PENSION PLAN

Plan Description

The Public Employee’s Defined Benefit Account is a cost-sharing, multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS). For additional details about the plan, please refer to Note 1 – Descriptions of System and Funds in the Annual Comprehensive Financial Report (ACFR) located on the INPRS website.

Special Funding Situation

This pension plan does not have a special funding situation.

Basis of the Allocation

Wages reported by employers relative to the collective wages of the plan serve as the basis to determine the employer’s proportionate share. This basis of allocation measures the proportionate relationship of an employer to all employers and is consistent with how contributions to the pension plan are determined.

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2022 using member census data as of June 30, 2021. Standard actuarial roll-forward techniques were used to project the total pension liability computed as of June 30, 2021 to the June 30, 2022 measurement date. The valuation was performed using the assumptions in place at the time of the valuation as reported within the System’s ACFR as of June 30, 2022.

There were no changes in actuarial assumptions for the June 30, 2022 actuarial valuation. An assumption study was concluded in February 2020 and an asset-liability study was concluded in May 2021. For further information reference Note 8 in the PERF Actuarial Valuation report located on the INPRS website.

The following major assumption remain the same after the experience study:

- The investment return assumption is 6.25 percent.
- The price inflation assumption is 2.00 percent per year.
- Future salary increase rates are a service-based table ranging from 2.65 percent to 8.65 percent per year.
- The following COLAS, compounded annually are assumed: 0.4 percent beginning on January 1, 2024, 0.5 percent beginning on January 1, 2034, and 0.6 percent beginning on January 1, 2039.
- The mortality tables are based upon the Pub-2010 family of tables, with specific adjustments for healthy employees, retiree, beneficiaries, and disabled members. Mortality tables are all projected generationally using SOA scale MP-2019.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2023

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)

The changes in the net pension liability for June 30, 2022 is calculated as set forth in the following table:

Net pension liability (asset) - beginning July 1, 2021	\$110,268
Deferred Outflows/Inflows	\$139,390
Total pension expense (income)	\$114,981
Defined benefit plan employer contributions	<u>(\$61,871)</u>
 Net pension liability (asset) - ending June 30, 2022	 <u><u>\$302,768</u></u>

Amortization of Collective Deferred Outflows and Inflows of Resources

Annual changes to the net pension liability (asset) resulting from differences between expected and actual experience with regard to economic and demographic factors and from changes of assumptions about future economic or demographic factors or other inputs are deferred and amortized over the average of the expected service lives of all plan participants.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 6,529	\$ 1,151
Changes of assumptions	41,008	12,953
Net difference between projected and actual earnings on pension plan investments	37,365	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	159,730	12,641
Authority contributions subsequent to the measurement date	<u>32,403</u>	<u>-</u>
Total	<u><u>\$ 277,035</u></u>	<u><u>\$ 26,745</u></u>

The net difference between projected and actual earnings on pension plan investments are amortized over a 5- year period.

Year ended March 31:	
2024	89,359
2025	88,343
2026	659
2027	39,526
2028	-
Thereafter	-

Deferred outflows of resources and deferred inflows of resources resulting from changes in an individual employer's proportion are amortized over the expected service lives of the plan participants.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED MARCH 31, 2023

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)

Average Expected Remaining Service Lives

The average expected remaining service life of the pension plan is determined by taking the calculated total future service years of the plan divided by the number of people in the plan, including retirees. The total future service years of the plan are determined using the mortality, termination, retirement, and disability assumptions associated with the plan. The average expected remaining service lives is used to amortize all deferred outflows and inflows of resources, except for the difference between expected and actual investment earnings, which is amortized over five years.

<u>Years</u>	<u>Remaining Amortization</u>
June 30, 2022	3.73
June 30, 2021	2.82
June 30, 2020	1.84
June 30, 2019	0.86

Collective Pension Expense

As part of the plan expense, employer's service purchase credits (specific liabilities of individual employers) as expensed in the year purchased. The total pension expense allocated to employers has been reduced by the amount of contributions paid by INPRS.

Sensitivity Analysis

The following table presents the net pension liability of the Authority calculated using the discount rate of 6.25 percent as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (5.25 percent) or 1.00 percent higher (7.25 percent) than the current rate.

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Authority's proportionate share of the net pension liability	\$ 511,486	\$ 302,768	\$ 128,682

NOTE 7 – RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has mitigated this risk by obtaining insurance coverage from commercial insurance companies. Premiums paid for insurance coverage are recorded as expenses of the funds affected. The various insurance policies are subject to deductible amounts and maximum coverages. If the deductibles and maximums are exceeded, this could cause the Authority to suffer losses if a loss is incurred from any such incidents. The ultimate outcome of uninsured losses cannot presently be determined, and no provision for any liability that may result, if any, has been made in the financial statements. During the current year and the prior three years, settled claims have not exceeded coverage levels, and insurance coverage, by major categories of risk, is consistent with prior year.

NOTE 8 – CONCENTRATION OF RISK

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

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Grants

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

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2023

NOTE 10 – RESTRICTED NET POSITION

Restricted Net Position consists of excess Housing Assistance Payment (HAP) funds available to the Authority under the Section 8 Housing Choice Vouchers and Mainstream Vouchers programs. These funds are to be used only for HAP expenditures for the program. These funds are also known as Restricted Net Position since there is no offsetting liability. Total restricted net position related to this excess was \$47,693 as of the end of the fiscal year.

NOTE 11 – SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about the conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through October 23, 2023 (the date the financial statements were available to be issued) and concluded that the following subsequent events have occurred that require recognition in the financial statements or disclosure in the notes to the financial statements.

In December of 2019, COVID-19 emerged and has subsequently spread throughout the world. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the United States have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Authority's operations. Future potential impacts may include disruptions or restrictions on our employees' ability to work or the tenant's ability to pay the required monthly rent. Operating functions that may be changed include intake, recertifications and maintenance. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of tenants to continue making rental payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown.

NOTE 12 – FINANCIAL DATA SCHEDULE

The Authority prepares its financial data schedule in accordance with HUD requirements in a prescribed format. The schedule's format excludes depreciation expense from operating activities and includes investment revenue and capital grant revenue in operating activities, which differs from the presentation of the basic financial statements.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY – DEFINED BENEFIT PENSION PLAN
 YEAR ENDED MARCH 31, 2023

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Authority's proportion of the net pension liability (asset)	0.0000960%	0.0000838%								
Authority's proportionate share of the net pension liability (asset)	\$302,768	\$ 110,268								
Authority's covered-employee payroll	\$552,436	\$ 462,044								
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	54.81%	23.87%								
Plan fiduciary net position as a percentage of the total pension liability	82.48%	92.51%								

* The amounts presented for each fiscal year were determined as of 6/30.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 SCHEDULE OF EMPLOYER CONTRIBUTIONS – DEFINED BENEFIT PENSION PLAN
 YEAR ENDED MARCH 31, 2023

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 61,871	\$ 25,873								
Contributions in relation to the contractually required contribution	\$ (61,871)	\$ (25,873)								
Contribution deficiency (excess)	\$ -	\$ -								
Authority's covered-employee payroll	\$ 552,436	\$557,855								
Contributions as a percentage of covered-employee payroll	11.20%	4.64%								

* The amounts presented for each fiscal year were determined as of 3/31.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
SUPPLEMENTARY INFORMATION – STATEMENT OF NET POSITION – BY PROGRAM
MARCH 31, 2023

	<u>State/Local</u>	<u>Housing Choice Vouchers</u>	<u>Mainstream Vouchers</u>	<u>Emergency Housing Vouchers</u>	<u>TOTAL</u>
ASSETS					
Unrestricted cash and cash equivalents	\$ 9,697	\$ 452,736	\$ 143,642	29,467	\$ 635,542
Restricted cash and cash equivalents	-	45,976	1,717	-	47,693
Due from HUD	-	-	-	4,797	4,797
Fraud recovery receivable, net	-	147,294	-	-	147,294
Prepaid expenses and other assets	-	7,579	-	-	7,579
Capital assets:					
Land and construction in progress	-	193,900	-	-	193,900
Buildings and equipment, net of depreciation	-	<u>155,511</u>	-	-	<u>155,511</u>
Total capital assets	-	<u>349,411</u>	-	-	<u>349,411</u>
Total assets	<u>9,697</u>	<u>1,002,996</u>	<u>145,359</u>	<u>34,264</u>	<u>1,192,316</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pension	59,510	217,525	-	-	277,035
LIABILITIES					
Accounts payable	-	8,624	33	-	8,657
Accrued liabilities	-	16,917	-	-	16,917
Unearned revenue	-	2,196	445	8,917	11,558
Noncurrent liabilities:					
Due within one year:					
Notes payable, current portion	-	5,970	-	-	5,970
Compensated absences, current portion	-	29,707	-	-	29,707
Due in more than one year:					
Notes payable, net of current portion	-	116,119	-	-	116,119
Accrued pension liability	66,058	236,710	-	-	302,768
Compensated absences, net of current portion	-	<u>8,154</u>	-	-	<u>8,154</u>
Total liabilities	<u>66,058</u>	<u>424,397</u>	<u>478</u>	<u>8,917</u>	<u>499,850</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources related to pension	4,936	21,809	-	-	26,745
NET POSITION					
Net investment in capital assets	-	227,322	-	-	227,322
Restricted	-	45,976	1,717	-	47,693
Unrestricted	<u>(1,787)</u>	<u>501,017</u>	<u>143,164</u>	<u>25,347</u>	<u>667,741</u>
Total net position	<u>\$ (1,787)</u>	<u>\$ 774,315</u>	<u>\$ 144,881</u>	<u>\$ 25,347</u>	<u>\$ 942,756</u>

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 SUPPLEMENTARY INFORMATION – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
 NET POSITION – BY PROGRAM
 YEAR ENDED MARCH 31, 2023

	<u>State/Local</u>	<u>Housing Choice Vouchers</u>	<u>Mainstream Vouchers</u>	<u>Emergency Housing Vouchers</u>	<u>TOTAL</u>
OPERATING REVENUES					
Federal grants	\$ -	\$ 8,210,367	\$ 736,703	\$ 209,656	\$ 9,156,726
Other	<u>207,545</u>	<u>113,077</u>	<u>200</u>	<u>1,200</u>	<u>322,022</u>
Total operating revenues	<u>207,545</u>	<u>8,323,444</u>	<u>736,903</u>	<u>210,856</u>	<u>9,478,748</u>
OPERATING EXPENSES					
Administration	185,845	792,536	41,814	13,081	1,033,276
Tenant services	-	-	-	58,433	58,433
Utilities	-	11,203	-	-	11,203
Maintenance	-	32,428	-	-	32,428
General	20,828	20,490	-	-	41,318
Housing assistance payments	-	7,506,365	617,948	198,152	8,322,465
Depreciation	<u>-</u>	<u>49,136</u>	<u>-</u>	<u>-</u>	<u>49,136</u>
Total operating expenses	<u>206,673</u>	<u>8,412,158</u>	<u>659,762</u>	<u>269,666</u>	<u>9,548,259</u>
Operating income (loss)	872	(88,714)	77,141	(58,810)	(69,511)
NONOPERATING REVENUES (EXPENSES)					
Interest revenue	-	285	-	-	285
Interest expense	<u>-</u>	<u>(6,250)</u>	<u>-</u>	<u>-</u>	<u>(6,250)</u>
Change in net position	872	(94,679)	77,141	(58,810)	(75,476)
Total net position - beginning of the year	<u>(2,659)</u>	<u>868,994</u>	<u>67,740</u>	<u>84,157</u>	<u>1,018,232</u>
Total net position - end of the year	<u>\$ (1,787)</u>	<u>\$ 774,315</u>	<u>\$ 144,881</u>	<u>\$ 25,347</u>	<u>\$ 942,756</u>

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED MARCH 31, 2023

<u>Federal Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
Housing Voucher Cluster:		
Housing Choice Vouchers	14.871	8,279,078
Mainstream Vouchers	14.879	<u>736,703</u>
Total Housing Voucher Cluster		<u>9,015,781</u>
Emergency Housing Voucher Program	14.871	<u>209,656</u>
Total U.S. Department of Housing and Urban Development		<u>\$ 9,225,437</u>

Note 1 – 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 March 31, 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 position, or cash flows of the Authority.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not 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. The Authority has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED MARCH 31, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Are any material weaknesses identified? Yes x No

Are any significant deficiencies identified? Yes x None Reported

Is any noncompliance material to financial statements noted? Yes x No

Federal Awards

Internal control over major federal programs:

Are any material weaknesses identified? Yes x No

Are any significant deficiencies identified? Yes x None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes x No

Identification of major federal programs or clusters:

Housing Voucher Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? x Yes No

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings

None.

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

Independent Accountant's Report

We have performed the procedures enumerated below, which was agreed to by the Housing Authority of the City of Lafayette ("the Authority") and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), on whether the electronic submission of certain information agrees with related hard copy documents included within the Single Audit reporting package for the year ended March 31, 2023. The Authority's management is responsible for accuracy and completeness of the electronic submission for the year ended March 31, 2023.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of whether the electronic submission of certain information agrees with related hard copy documents included within the Single Audit reporting package. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

We compared the electronic submission of the items listed in the chart below under "UFRS Rule Information" column with the corresponding printed documents listed in the chart under the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and, if applicable, the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States, and/or any other standards or requirements to be followed. 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 the electronic submission of the items listed in the "UFRS Rule Information" column in the chart below for the year ended March 31, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Procedure	UFRS Rule Information	Hard Copy Documents	Agrees	Does Not Agree
1	Balance Sheet and Revenue and Expense	Financial Data Schedule, all CFDA's, If applicable	X	
2	Footnotes	Footnotes to audited basic financial statements	X	
3	Type of opinion on FDS	Auditor's supplemental report on FDS	X	
4	Audit findings narrative	Schedule of Findings and Questioned Costs	X	
5	General Information	OMB Data Collection Form	X	
6	Financial Statement report information	Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form	X	
7	Federal program report information	Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form	X	
8	Type of Compliance Requirement	OMB Data Collection Form	X	
9	Basic financial statements and auditor reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	X	

Henderson & Pilleteri, LLC

Birmingham, AL
October 23, 2023

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 FINANCIAL DATA SCHEDULE – BALANCE SHEET
 MARCH 31, 2023

	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	Total
111 Cash - Unrestricted	\$9,697	\$143,642	\$452,736	\$29,467	\$635,542	\$635,542
112 Cash - Restricted - Modernization and Development						
113 Cash - Other Restricted		\$1,717	\$45,976		\$47,693	\$47,693
114 Cash - Tenant Security Deposits						
115 Cash - Restricted for Payment of Current Liabilities						
100 Total Cash	\$9,697	\$145,359	\$498,712	\$29,467	\$683,235	\$683,235
121 Accounts Receivable - PHA Projects						
122 Accounts Receivable - HUD Other Projects				\$4,797	\$4,797	\$4,797
124 Accounts Receivable - Other Government						
125 Accounts Receivable - Miscellaneous						
126 Accounts Receivable - Tenants						
126.1 Allowance for Doubtful Accounts - Tenants						
126.2 Allowance for Doubtful Accounts - Other				\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current						
128 Fraud Recovery		\$13,232	\$372,301	\$10,520	\$396,053	\$396,053
128.1 Allowance for Doubtful Accounts - Fraud		(\$13,232)	(\$225,007)	(\$10,520)	(\$248,759)	(\$248,759)
129 Accrued Interest Receivable						
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$147,294	\$4,797	\$152,091	\$152,091
131 Investments - Unrestricted						
132 Investments - Restricted						
135 Investments - Restricted for Payment of Current Liability						
142 Prepaid Expenses and Other Assets			\$7,579		\$7,579	\$7,579
143 Inventories						
143.1 Allowance for Obsolete Inventories						
144 Inter Program Due From						
145 Assets Held for Sale						
150 Total Current Assets	\$9,697	\$145,359	\$653,585	\$34,264	\$842,905	\$842,905
161 Land			\$193,900		\$193,900	\$193,900
162 Buildings			\$275,631		\$275,631	\$275,631
163 Furniture, Equipment & Machinery - Dwellings						
164 Furniture, Equipment & Machinery - Administration			\$428,681		\$428,681	\$428,681
165 Leasehold Improvements						
166 Accumulated Depreciation			(\$548,801)		(\$548,801)	(\$548,801)
167 Construction in Progress						
168 Infrastructure						
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$349,411	\$0	\$349,411	\$349,411
171 Notes, Loans and Mortgages Receivable - Non-Current						
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due						
173 Grants Receivable - Non Current						
174 Other Assets	\$0		\$0		\$0	\$0
176 Investments in Joint Ventures						
180 Total Non-Current Assets	\$0	\$0	\$349,411	\$0	\$349,411	\$349,411
200 Deferred Outflow of Resources	\$59,510		\$217,525		\$277,035	\$277,035

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 FINANCIAL DATA SCHEDULE – BALANCE SHEET
 MARCH 31, 2023

	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	Total
290 Total Assets and Deferred Outflow of Resources	\$69,207	\$145,359	\$1,220,521	\$34,264	\$1,469,351	\$1,469,351
311 Bank Overdraft						
312 Accounts Payable <= 90 Days		\$33	\$8,624		\$8,657	\$8,657
313 Accounts Payable >90 Days Past Due						
321 Accrued Wage/Payroll Taxes Payable			\$16,917		\$16,917	\$16,917
322 Accrued Compensated Absences - Current Portion			\$29,707		\$29,707	\$29,707
324 Accrued Contingency Liability						
325 Accrued Interest Payable						
331 Accounts Payable - HUD PHA Programs						
332 Account Payable - PHA Projects						
333 Accounts Payable - Other Government						
341 Tenant Security Deposits						
342 Unearned Revenue		\$445	\$2,196	\$8,917	\$11,558	\$11,558
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$5,970		\$5,970	\$5,970
344 Current Portion of Long-term Debt - Operating Borrowings						
345 Other Current Liabilities						
346 Accrued Liabilities - Other						
347 Inter Program - Due To						
348 Loan Liability - Current						
310 Total Current Liabilities	\$0	\$478	\$63,414	\$8,917	\$72,809	\$72,809
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$116,119		\$116,119	\$116,119
352 Long-term Debt, Net of Current - Operating Borrowings						
353 Non-current Liabilities - Other						
354 Accrued Compensated Absences - Non Current			\$8,154		\$8,154	\$8,154
355 Loan Liability - Non Current						
356 FASB 5 Liabilities						
357 Accrued Pension and OPEB Liabilities	\$66,058		\$236,710		\$302,768	\$302,768
350 Total Non-Current Liabilities	\$66,058	\$0	\$360,983	\$0	\$427,041	\$427,041
300 Total Liabilities	\$66,058	\$478	\$424,397	\$8,917	\$499,850	\$499,850
400 Deferred Inflow of Resources	\$4,936		\$21,809		\$26,745	\$26,745
508.4 Net Investment in Capital Assets			\$227,322		\$227,322	\$227,322
511.4 Restricted Net Position		\$1,717	\$45,976		\$47,693	\$47,693
512.4 Unrestricted Net Position	(\$1,787)	\$143,164	\$501,017	\$25,347	\$667,741	\$667,741
513 Total Equity - Net Assets / Position	(\$1,787)	\$144,881	\$774,315	\$25,347	\$942,756	\$942,756
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$69,207	\$145,359	\$1,220,521	\$34,264	\$1,469,351	\$1,469,351

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 FINANCIAL DATA SCHEDULE – INCOME STATEMENT
 YEAR ENDED MARCH 31, 2023

	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	Total
70300 Net Tenant Rental Revenue						
70400 Tenant Revenue - Other						
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants		\$736,703	\$8,210,367	\$209,656	\$9,156,726	\$9,156,726
70610 Capital Grants						
70710 Management Fee						
70720 Asset Management Fee						
70730 Book Keeping Fee						
70740 Front Line Service Fee						
70750 Other Fees						
70700 Total Fee Revenue						
70800 Other Government Grants						
71100 Investment Income - Unrestricted			\$285		\$285	\$285
71200 Mortgage Interest Income						
71300 Proceeds from Disposition of Assets Held for Sale						
71310 Cost of Sale of Assets						
71400 Fraud Recovery		\$200	\$40,042	\$1,200	\$41,442	\$41,442
71500 Other Revenue	\$207,545		\$73,035		\$280,580	\$280,580
71600 Gain or Loss on Sale of Capital Assets						
72000 Investment Income - Restricted						
70000 Total Revenue	\$207,545	\$736,903	\$8,323,729	\$210,856	\$9,479,033	\$9,479,033
91100 Administrative Salaries	\$119,192	\$32,743	\$417,631	\$12,324	\$581,890	\$581,890
91200 Auditing Fees			\$14,450		\$14,450	\$14,450
91300 Management Fee						
91310 Book-keeping Fee						
91400 Advertising and Marketing	\$292		\$3,069		\$3,361	\$3,361
91500 Employee Benefit contributions - Administrative	\$44,909	\$3,564	\$217,969		\$266,442	\$266,442
91600 Office Expenses	\$19,592	\$3,007	\$127,610	\$757	\$150,966	\$150,966
91700 Legal Expense	\$1,188		\$4,231		\$5,419	\$5,419
91800 Travel	\$672		\$7,576		\$8,248	\$8,248
91810 Allocated Overhead						
91900 Other		\$2,500			\$2,500	\$2,500
91000 Total Operating - Administrative	\$185,845	\$41,814	\$792,536	\$13,081	\$1,033,276	\$1,033,276
92000 Asset Management Fee						
92100 Tenant Services - Salaries						
92200 Relocation Costs						
92300 Employee Benefit Contributions - Tenant Services						
92400 Tenant Services - Other				\$58,433	\$58,433	\$58,433
92500 Total Tenant Services	\$0	\$0	\$0	\$58,433	\$58,433	\$58,433
93100 Water						
93200 Electricity						
93300 Gas						
93400 Fuel						
93500 Labor						

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 FINANCIAL DATA SCHEDULE – INCOME STATEMENT
 YEAR ENDED MARCH 31, 2023

	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	Total
93600 Sewer						
93700 Employee Benefit Contributions - Utilities						
93800 Other Utilities Expense			\$11,203		\$11,203	\$11,203
93000 Total Utilities	\$0	\$0	\$11,203	\$0	\$11,203	\$11,203
94100 Ordinary Maintenance and Operations - Labor			\$2,050		\$2,050	\$2,050
94200 Ordinary Maintenance and Operations - Materials and Other						
94300 Ordinary Maintenance and Operations Contracts			\$30,378		\$30,378	\$30,378
94500 Employee Benefit Contributions - Ordinary Maintenance						
94000 Total Maintenance	\$0	\$0	\$32,428	\$0	\$32,428	\$32,428
95100 Protective Services - Labor						
95200 Protective Services - Other Contract Costs						
95300 Protective Services - Other						
95500 Employee Benefit Contributions - Protective Services						
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance						
96120 Liability Insurance						
96130 Workmen's Compensation						
96140 All Other Insurance			\$9,679		\$9,679	\$9,679
96100 Total insurance Premiums	\$0	\$0	\$9,679	\$0	\$9,679	\$9,679
96200 Other General Expenses	\$20,828				\$20,828	\$20,828
96210 Compensated Absences			\$10,811		\$10,811	\$10,811
96300 Payments in Lieu of Taxes						
96400 Bad debt - Tenant Rents						
96500 Bad debt - Mortgages						
96600 Bad debt - Other						
96800 Severance Expense						
96000 Total Other General Expenses	\$20,828	\$0	\$10,811	\$0	\$31,639	\$31,639
96710 Interest of Mortgage (or Bonds) Payable			\$6,250		\$6,250	\$6,250
96720 Interest on Notes Payable (Short and Long Term)						
96730 Amortization of Bond Issue Costs						
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$6,250	\$0	\$6,250	\$6,250
96900 Total Operating Expenses	\$206,673	\$41,814	\$862,907	\$71,514	\$1,182,908	\$1,182,908
97000 Excess of Operating Revenue over Operating Expenses	\$872	\$695,089	\$7,460,822	\$139,342	\$8,296,125	\$8,296,125
97100 Extraordinary Maintenance						
97200 Casualty Losses - Non-capitalized						
97300 Housing Assistance Payments		\$617,948	\$7,437,654	\$198,152	\$8,253,754	\$8,253,754
97350 HAP Portability-In			\$68,711		\$68,711	\$68,711
97400 Depreciation Expense			\$49,136		\$49,136	\$49,136
97500 Fraud Losses						
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						

HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
 FINANCIAL DATA SCHEDULE – INCOME STATEMENT
 YEAR ENDED MARCH 31, 2023

	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	Total
97800 Dwelling Units Rent Expense						
90000 Total Expenses	\$206,673	\$659,762	\$8,418,408	\$269,666	\$9,554,509	\$9,554,509
10010 Operating Transfer In						
10020 Operating transfer Out						
10030 Operating Transfers from/to Primary Government						
10040 Operating Transfers from/to Component Unit						
10050 Proceeds from Notes, Loans and Bonds						
10060 Proceeds from Property Sales						
10070 Extraordinary Items, Net Gain/Loss						
10080 Special Items (Net Gain/Loss)						
10091 Inter Project Excess Cash Transfer In						
10092 Inter Project Excess Cash Transfer Out						
10093 Transfers between Program and Project - In						
10094 Transfers between Project and Program - Out						
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$872	\$77,141	(\$94,679)	(\$58,810)	(\$75,476)	(\$75,476)
11020 Required Annual Debt Principal Payments	\$0	\$0	\$5,596	\$0	\$5,596	\$5,596
11030 Beginning Equity	(\$2,659)	\$67,740	\$868,994	\$84,157	\$1,018,232	\$1,018,232
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors						
11050 Changes in Compensated Absence Balance						
11060 Changes in Contingent Liability Balance						
11070 Changes in Unrecognized Pension Transition Liability						
11080 Changes in Special Term/Severance Benefits Liability						
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents						
11100 Changes in Allowance for Doubtful Accounts - Other						
11170 Administrative Fee Equity			\$728,339		\$728,339	\$728,339
11180 Housing Assistance Payments Equity			\$45,976		\$45,976	\$45,976
11190 Unit Months Available		1,644	15,180	456	17,280	17,280
11210 Number of Unit Months Leased		1,256	14,506	270	16,032	16,032
11270 Excess Cash						
11610 Land Purchases						
11620 Building Purchases						
11630 Furniture & Equipment - Dwelling Purchases						
11640 Furniture & Equipment - Administrative Purchases						
11650 Leasehold Improvements Purchases						
11660 Infrastructure Purchases						
13510 CFFP Debt Service Payments						
13901 Replacement Housing Factor Funds						