

HOUSING AUTHORITY OF PATTERSON, LOUISIANA**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA****TWELVE MONTHS ENDED JUNE 30, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **FEB 15 2012****Mike Estes, P.C.**
A Professional Accounting Corporation

TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
Independent Auditor's Report		1 – 2
Management's Discussion and Analysis		3 – 10
Basic Financial Statements		
Statement of Net Assets	A	11
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B	12
Statement of Cash Flows	C	13 – 14
Notes to the Basic Financial Statements		15 – 23
Index		15
Notes to Financial Statements		16 – 23
<i><u>Other Reports Required by Governmental Auditing Standards</u></i>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		24 – 25
Schedule of Findings and Questioned Costs		26 – 27
Corrective Action Plan		28
Summary Schedule of Prior Audit Findings		29
<i><u>Supplementary Information</u></i>		
Statement and Certification of Actual Modernization Cost	D(1)	30
Statement of Modernization Costs – Uncompleted	D(2)	31
Schedule of Expenditures of Federal Awards		32
Notes to the Schedule of Expenditures of Federal Awards		33
Financial Data Schedule		34 – 41

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4200 AIRPORT FREEWAY – SUITE 100
FORT WORTH, TEXAS 76117

MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

MIKE ESTES, CPA

(817) 831-3553
(817) 831-3560
e-mail: office@mikeestespc.com
website: mikeestespc.com

Independent Auditor's Report

Board of Commissioners
Housing Authority of Patterson
Patterson, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the City of Patterson, Louisiana as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the City of Patterson, Louisiana's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the City of Patterson, Louisiana, as of June 30, 2011, and the changes in its financial position and its cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2011, on our consideration of the Housing Authority of the City of Patterson, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Housing Authority of the City of Patterson, Louisiana. The accompanying Financial Data Schedules required by HUD and other accompanying information identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mike Estes, P.C.
Fort Worth, Texas
December 17, 2011

HOUSING AUTHORITY OF PATTERSON, LOUISIANA

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

JUNE 30, 2011

Housing Authority of the Town of Patterson, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2011

Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their *Statement No 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued June 1999.

As management of the Housing Authority of the Town of Patterson, we offer readers of the financial statements this narrative overview and analysis of our financial activities for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Housing Authority of the Town of Patterson, P. O. Box 10, Patterson, Louisiana 70392

Financial Highlights

- The assets of the Authority exceeded its liabilities as of June 30, 2011 by \$1,950,927 (net assets). This represents a decrease of \$1,245 in net assets from the previous fiscal year.
- The Authority's unrestricted cash and cash investments as of June 30, 2011 were \$269,807, representing a decrease of \$2,608 from the 2010 fiscal year end.
- The Authority had intergovernmental revenue of \$205,123 in operating subsidies from the Department of Housing and Urban Development (HUD), \$2,190 in operating grants and \$230,783 in capital grants for the year ended June 30, 2011.

Overview of Financial Statements

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

- Statement of Net Assets – reports the Authority's assets and liabilities at the end of the operating year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- Statement of Revenue, Expenses, and Changes in Net Assets – reports the results of activity over the course of the current year. It details the costs associated with operating the Authority and how those costs were funded. It also provides an explanation of the change in net assets from the previous operating period to the current operating period.
- The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.
- Other information in addition to the basic financial statements and accompanying notes - presents certain supplementary information regarding the Authority's electronic data submitted to HUD REAC.

Housing Authority of the Town of Patterson, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
For the Year Ended June 30, 2011

As we begin our analysis of the Authority as a whole, the most important question to ask about the Authority's finances is, "Is the Authority, as a whole, better or worse off as a result of the year's activities?"

The attached analysis of entity wide net assets, revenue, and expenses are provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis also presents the Authority's net assets and changes in them. You can think of the Authority's net assets as the difference between what the Authority owns (assets) and what the Authority owes (liabilities). The change in net assets analysis will assist the reader with measuring the health or financial position of the Authority.

Over time, significant changes in the Authority's net assets are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

The Housing Authority accounts for its housing activities in two programs. Under the Low Rent program, the Authority rents units that it owns to qualified tenants of low-income households. The Capital Fund Program (CFP) is used to fund physical and management improvements to its property.

Continued on next page

Housing Authority of the Town of Patterson, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

For the Year Ended June 30, 2011

Statement of Net Assets

	6/30/2011	6/30/2010
Current and Other Assets	\$ 321,836	\$ 332,902
Restricted Assets	20,394	18,371
Capital Assets, Net of Depreciation	1,693,661	1,666,554
Total Assets	2,035,891	2,017,827
Current Liabilities	51,793	34,507
Tenant Security Deposits	20,394	18,371
Long-Term Liabilities	12,777	12,777
Total Liabilities	84,964	65,655
Net Assets		
Invested in Capital Assets, Net of Related Debt	1,693,661	1,666,554
Unrestricted Net Assets	257,266	285,618
Total Net Assets	1,950,927	1,952,172
Total Liabilities and Net Assets	\$2,035,891	\$2,017,827

Total Assets as of June 30, 2010 and 2011, respectively, were \$2,017,827 and \$2,035,891. This represents an overall net increase of \$18,064.

Current Assets decreased \$11,066 from fiscal year ending June 30, 2010 due to slight fluctuations in each of the current asset account balances

Net Capital Assets experienced an increase of \$27,107, or 2% during the 2011 fiscal year. While current depreciation expenses lowered the value of net capital assets by \$203,675, the Authority invested \$230,783 in capital outlays. So, the increase in net capital assets is the function of capital outlays exceeding current depreciation.

Current Liabilities increased by \$17,286 as compared to the 2010 fiscal year. Payments in Lieu of Taxes (PILOT) increased \$16,660 in fiscal year ending June 30, 2011 because the Authority had not disbursed the \$15,900 PILOT accrued for the previous 2010 fiscal year. Accrued payroll taxes also increased 4,803 in 2011.

Housing Authority of the Town of Patterson, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
For the Year Ended June 30, 2011

Net Assets – The difference between an organization's assets and its liabilities is its net assets. Net assets are categorized as one of three types.

1. **Invested in capital assets, net of related debt** – Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets;
2. **Restricted** – net assets whose use is subject to constraints imposed by law or agreement;
3. **Unrestricted** – net assets that are neither invested in capital assets nor restricted

As stated in the Highlights, The Authority had \$1,950,927 invested in total net assets as of June 30, 2011. Of this amount, \$257,266 may be used to meet the Authority's ongoing expenses and obligations. The remainder of \$1,693,661 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment and construction in progress.

Statement of Revenue, Expenses and Changes in Net Assets

	<u>6/30/2011</u>	<u>6/30/2010</u>
Revenues:		
Operating revenues:		
Public housing operating subsidy	\$ 205,123	\$ 240,376
Operating grants	2,190	2,964
Tenant Revenue – rents and other	252,533	264,389
Non-operating revenues:		
Capital grants	230,783	287,965
Interest revenue	678	1,935
Miscellaneous	3,654	13
Total revenues	<u>694,961</u>	<u>797,642</u>
Expenses:		
General and administrative	223,381	224,725
Repairs and maintenance	183,205	177,102
Utilities	85,920	98,712
Tenant Services	25	0
Depreciation expense	203,675	186,955
Total expenses	<u>696,206</u>	<u>687,494</u>
Increase / (Decrease) in net assets	(1,245)	110,148
Net assets – July 1	<u>1,952,172</u>	<u>1,842,024</u>
Net assets – June 30	<u>\$1,950,927</u>	<u>\$1,952,172</u>

Housing Authority of the Town of Patterson, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
For the Year Ended June 30, 2011

Total Revenues for the year ended 2011 and 2010 were \$694,961 and \$797,642, respectively. The net change in 2011 amounted to a 13% decrease of \$102,681. Revenue is primarily derived from HUD in the form of operating grants and capital improvement grants. The secondary source of revenue is supplied by dwelling rents and other tenant charges.

Operating Subsidy received from HUD's Low Rent Program decreased \$32,253 in the 2011 fiscal year. This decrease in subsidy was due to HUD's method of calculating subsidy funds that uses a complex formula based on current economic conditions, the federal budget, and financial factors obtained from the Authority. Operating Grants provided through the Capital Fund Program to assist in Low Rent administrative costs decreased by \$774 in the 2011 fiscal year.

The most significant revenue decrease in fiscal year ending June 30, 2011 was in capital grants received from HUD. These grants are to be used on capital improvements to the housing authority. Due to the nature of the projects, these funds fluctuate annually. Capital grants expended in the 2011 fiscal year were \$230,783 as compared to a total of \$287,965 spent in the 2010 fiscal year, a total decrease of \$57,182. Capital grant revenues are accounted for as the expenses are incurred, so the 20% decrease in revenues is because the Housing Authority completed more in their capital grant programs in the 2010 fiscal year than in the current year.

In fiscal year ending June 30, 2010, the Housing Authority used CFP funds to install showers, new cabinets, and dryer vents and to repair window units as well as roofs. During the 2011 fiscal year, capital grants were used to continue making wide-spread improvements on units, including installation of additional dryer vents, cabinets and general betterments to units.

Tenant revenues of the Authority totaled \$264,389 for the fiscal year ended June 30, 2010 and \$252,533 for the 2011 fiscal year, a decrease in tenant revenues of \$11,856. The tenant revenues of the Housing Authority decreased because the Authority leased fewer units in the 2011 fiscal year and also because the average rental rates of the units decreased in 2011. Higher unemployment and lower wages have led to a decrease in tenant incomes, causing rental rates to decrease. Economic factors have also affected some tenant's ability to afford individual housing as opposed to living in combined households.

Housing Authority of the Town of Patterson, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
For the Year Ended June 30, 2011

Total Expenses of the Housing Authority were \$696,206 for the fiscal year ended June 30, 2011 and \$687,494 for the year ended June 30, 2010, representing a slight increase of 1% or \$8,712.

General and Administrative Expenses decreased by \$1,344 as compared to 2010 expenses. While insurance premiums, collection losses and Payments in Lieu of Taxes increased overall by \$5,513, total compensated absences and administrative expenses decreased \$6,858 in the 2011 fiscal year

Repairs and Maintenance Expenses increased a total of \$6,103 from fiscal year 2010 costs because the Authority hired an additional employee and expended more funds in contract costs and maintenance materials. The Authority concentrated their efforts on improving unit conditions in order to increase occupancy rates during 2011

Utilities decreased \$12,792, or 13% due to declining electricity, water and sewer rates in the 2011 fiscal year.

Capital Assets

The Housing Authority of the Town of Patterson's investment in capital assets as of June 30, 2011, amounts to \$1,693,661 (net of accumulated depreciation). The total increase in the Authority's investment in capital assets for the current operating year was \$27,107, representing an increase of 2%.

Additional capital asset purchases were only made through CFP funds as described on page 6.

Housing Authority of the Town of Patterson – Capital Assets

	<u>6/30/2011</u>	<u>6/30/2010</u>
Land	\$ 166,104	\$ 166,104
Buildings and improvements	5,501,332	5,270,551
Furniture and equipment	36,562	36,562
Subtotal	5,703,998	5,473,217
Accumulated Depreciation	(4,010,337)	(3,806,663)
Total Capital Assets	<u>\$1,693,661</u>	<u>\$1,666,554</u>

Continued on next page

Housing Authority of the Town of Patterson, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
For the Year Ended June 30, 2011

The Authority primarily acquires its assets with the proceeds from federal capital grants. There are no commitments on approved capital asset construction projects at the present time.

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development,
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore tenant rental income,
- Inflationary pressure on insurance premiums, contract costs, supplies and other various costs.

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
STATEMENT OF NET ASSETS**

JUNE 30, 2011

ASSETS**Current assets**

Cash and cash equivalents	\$ 74,632
Investments	195,175
Accounts receivable net	3,314
Interest receivable	120
Prepaid items and other assets	41,117
Inventory	7,478
Restricted assets - cash and cash equivalents	20,394

Total Current Assets	342,230
----------------------	---------

Capital Assets, net

Land and other non-depreciated assets	296,065
Other capital assets - net of depreciation	1,397,596

Total Capital Assets, net	1,693,661
---------------------------	-----------

Total Assets	\$ 2,035,891
--------------	--------------

LIABILITIES**Current Liabilities**

Accounts payable	\$ 13,333
Deferred revenue	1,253
Compensated absences payable	4,646
Accrued PILOT	32,561
Deposits due others	20,394

Total Current Liabilities	72,187
---------------------------	--------

Noncurrent Liabilities

Compensated absences payable	12,777
------------------------------	--------

Total Liabilities	84,964
-------------------	--------

NET ASSETS

Invested in capital assets, net of related debt	1,693,661
Unrestricted	257,266

Net Assets	1,950,927
------------	-----------

Total Liabilities and Net Assets	\$ 2,035,891
----------------------------------	--------------

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

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS**

JUNE 30, 2011

OPERATING REVENUES	
Dwelling rental	\$ 237,718
Governmental operating grants	207,313
Other	18,469
	463,500
OPERATING EXPENSES	
Administration	140,638
Tenant services	25
Utilities	85,920
Ordinary maintenance & operations	183,205
General expenses	82,743
Depreciation	203,675
	696,206
Income (Loss) from Operations	(232,706)
Non Operating Revenues (Expenses)	
Interest earnings	678
	678
Income (Loss) before contribution	(232,028)
Capital Contribution	230,783
	(1,245)
Total net assets - beginning unadjusted	1,939,947
Prior period adjustments	12,225
Total net assets - beginning adjusted	1,952,172
Total net assets - ending	\$ 1,950,927

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

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
STATEMENT OF CASH FLOWS**

JUNE 30, 2011

CASH FLOWS FROM OPERATING ACTIVITIES	
Rental receipts	\$ 220,861
Other receipts	36,086
Federal grants	223,037
Payments to vendors	(286,029)
Payments to employees – net	(195,598)
	<hr/>
Net cash provided (used) by operating activities	(1,643)
	<hr/>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital equipment	(230,781)
Federal Capital Grants	230,783
	<hr/>
Net cash provided (used) by capital and related financing activities	2
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	1,056
Purchase of investments	(1,054)
	<hr/>
Net cash provided (used) by investing activities	2
	<hr/>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,639)
CASH AND CASH EQUIVALENTS	
Beginning of Fiscal Year	96,665
	<hr/>
CASH AND CASH EQUIVALENTS	
End of Fiscal Year	\$ 95,026
	<hr/> <hr/>

Continued

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
STATEMENT OF CASH FLOWS**

JUNE 30, 2011

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

Operating income (loss)	\$	(232,706)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation Expense		203,675
Prior period adjustments		12,225
Provision of uncollectible accounts		(215)
Change in assets and liabilities:		
Receivables		4,937
Inventories		(298)
Prepaid items		4,722
Account payables		4,019
Accrued expenses		(1,067)
Deferred revenue		(15,619)
Due to other funds, secured PILOT		16,661
Deposits due others		2,023
Net cash provided (used) by operations	\$	<u>(1,643)</u>

Concluded

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

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

JUNE 30, 2011

INDEX

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES...	16
A. REPORTING ENTITY	16
B. FUNDS	17
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	17
D. CASH AND CASH EQUIVALENTS.	18
E. INVESTMENTS	18
F. REVENUE RECOGNITION	18
G. INVENTORY	18
H. PREPAID ITEMS	19
I. CAPITAL ASSETS	19
J. DEFERRED REVENUES	19
K. COMPENSATED ABSENCES	19
L. POST EMPLOYMENT BENEFITS.	19
M. RESTRICTED NET ASSETS	19
N. USE OF ESTIMATES	20
NOTE 2 – DEPOSITS AND INVESTMENTS	20
NOTE 3 – ACCOUNTS RECEIVABLE	20
NOTE 4 – CAPITAL ASSETS	21
NOTE 5 – ACCOUNTS PAYABLE.	21
NOTE 6 – COMPENSATED ABSENCES	21
NOTE 7 – LONG – TERM OBLIGATIONS	22
NOTE 8 – RETIREMENT SYSTEM	22
NOTE 9 – COMMITMENTS AND CONTINGENCIES.	22
NOTE 10 – ECONOMIC DEPENDENCE	23
NOTE 11 – SUBSEQUENT EVENTS	23
NOTE 12 – PRIOR PERIOD ADJUSTMENTS.	23

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

JUNE 30, 2011

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

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the laws (LSA – R S 40 391) of the state of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the Town of Patterson, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW 1426	104
-------------------	---------	-----

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

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

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

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

JUNE 30, 2011

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

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

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

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

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

PROPRIETARY FUNDS Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

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

HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

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

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$95,026. This is comprised of cash and cash equivalents of \$74,632 and restricted assets – cash of \$20,394, on the statement of net assets.

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

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

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

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

Definitions:

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

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

HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

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

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. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	10 years
Buildings	20 years
Building improvements	10 years
Furniture and equipment	5 years

J. DEFERRED REVENUES The Housing Authority reports deferred revenues on its balance sheet. Deferred 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 deferred revenue is removed from the balance sheet and the revenue is recognized.

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

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

M. RESTRICTED NET ASSETS Net assets are reported as restricted when constraints placed on net asset 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 assets are available.

HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

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

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at June 30, 2011. Deposits are stated at cost, which approximates fair value.

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

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

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

Restricted Cash \$20,394 is restricted in the General Fund for security deposits.

At June 30, 2011, the Housing Authority's carrying amount of deposits was \$290,071 and the bank balance was \$318,214, which includes \$195,175 in certificates of deposits classified as investments. Petty cash and the change fund consists of \$130. Of the bank balance, the entire amount was covered by FDIC insurance.

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at June 30, 2011, are as follows:

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 3,314
	<hr/>
Total	\$ 3,314
	<hr/> <hr/>

The tenants account receivable is net of an allowance for doubtful accounts of \$305.

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

JUNE 30, 2011

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

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 166,104	\$ 0	\$ 0	\$ 166,104
Construction in progress	58,157	71,804	0	129,961
Depreciable assets				
Buildings	5,212,393	158,978	0	5,371,371
Furniture and equipment	36,562	0	0	36,562
Total capital assets	5,473,216	230,782	0	5,703,998
Less. accumulated depreciation				
Buildings	3,770,900	203,675	0	3,974,575
Furniture and equipment	35,762	0	0	35,762
Total accumulated deprecation	3,806,662	203,675	0	4,010,337
Total capital assets, net	\$ 1,666,554	\$ 27,107	\$ 0	\$ 1,693,661

NOTE 5 – ACCOUNTS PAYABLE The payables at June 30, 2011 are as follows:

Vendors	\$ 8,530
Payroll taxes & Retirement withheld	4,803
Total	\$ 13,333

NOTE 6 – COMPENSATED ABSENCES At June 30, 2011, employees of the Housing Authority have accumulated and vested \$17,423 of employee leave computed in accordance with GASB, Codification Section C60.

HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

NOTE 7 – LONG – TERM OBLIGATIONS The following is a summary of the long – term obligation transactions for the year ended June 30, 2011.

		<u>Compensated Absences</u>
Balance, beginning	\$	17,423
Additions		610
Deductions		610
Balance, ending		<u>17,423</u>
Amounts due in one year	\$	<u>4,646</u>

NOTE 8 – RETIREMENT SYSTEM The Housing Authority participates in a defined contribution plan. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the month after attaining age 18 and completing three months of continued employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 4% of his effective compensation, and may make additional contributions. The employer is required to make monthly contributions equal to 6 ½% of each participant’s effective compensation.

The Housing Authority’s contribution for each employee and income allocated to the employee’s account is fully vested after five years of continuous service. The Housing Authority’s contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

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

The Housing Authority made the required contributions of \$11,858 for the year ended June 30, 2011, of which \$7,369 was paid by the Housing Authority and \$4,489 was paid by employees. No payments were made out of the forfeiture account.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Commitments On December 28, 2010, the Authority entered into an Employment Agreement with the Executive Director. The agreement is for five years. The Executive Director is also entitled to payment of her accrued annual leave upon her termination of employment for any reason.

HOUSING AUTHORITY OF PATTERSON, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

Litigation The Housing Authority is not presently involved in litigation

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

Construction Projects There are certain renovation or construction projects in progress at June 30, 2011. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

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

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

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

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council Group Self Insured Fund (LHC) risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

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

NOTE 10 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$438,096 to the Housing Authority, which represents approximately 63% of the Housing Authority's total revenue and capital contributions for the year.

NOTE 11 – SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net assets sheet date through the date of the independent auditor's report (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

NOTE 12 – PRIOR PERIOD ADJUSTMENTS A prior period adjustment of \$12,225 was required to correct an accounting error in the prior year.

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4200 AIRPORT FREEWAY – SUITE 100
FORT WORTH, LOUISIANA 76117

MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

MIKE ESTES, CPA

(817) 831-3553
(817) 831-3560
e-mail: office@mikeestespc.com
website: mikeestespc.com

**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**

Housing Authority of Patterson
Patterson, Louisiana

We have audited the basic financial statements of the Housing Authority of the City of Patterson, Louisiana, as of and for the year ended June 30, 2011, and have issued our report thereon dated December 17, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the City of Patterson, Louisiana's internal control over financial reporting as a basis for designing our auditing procedures 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 Housing Authority of the City of Patterson, Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Patterson, Louisiana's internal control over financial reporting.

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.

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 over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the Board of Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mike Estes, P C.
Fort Worth, Texas
December 17, 2011

HOUSING AUTHORITY OF PATTERSON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED YEAR ENDED JUNE 30, 2011

Section I – Summary of the Auditor’s Results

Financial Statement Audit

1. Type of Auditor’s Report Issued on Financial Statements – Unqualified.

2. Internal Control Over Financial Reporting:

a. Material weakness(es) identified?	_____	yes	_____	✓	no
b. Significant deficiency(ies) identified?	_____	yes	_____	✓	none reported

3. Noncompliance material to financial statements noted?	_____	yes	_____	✓	no
--	-------	-----	-------	---	----

HOUSING AUTHORITY OF PATTERSON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2011

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

None

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
CORRECTIVE ACTION PLAN**

YEAR ENDED JUNE 30, 2011

There were no audit findings

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

YEAR ENDED JUNE 30, 2011

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

There were no prior audit findings.

SUPPLEMENTARY INFORMATION

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
ANNUAL CONTRIBUTION CONTRACT**

YEAR ENDED JUNE 30, 2011

		<u>2009 Capital Fund Recovery Grant</u>
Funds approved	\$	204,006
Funds expended		<u>204,006</u>
Excess of funds approved	\$	<u>0</u>
Funds advanced	\$	204,006
Funds expended		<u>204,006</u>
Excess (Deficiency) of funds advanced	\$	<u>0</u>

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statement of Modernization Costs dated September 7, 2010 accompanying the Actual Modernization Costs Certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment

HOUSING AUTHORITY OF PATTERSON, LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED JUNE 30, 2011

CASH BASIS

	2008 Capital Fund	2009 Capital Fund	2010 Capital Fund
Funds approved	\$ 161,168	\$ 156,857	\$ 155,699
Funds expended	161,168	129,962	0
Excess of funds approved	<u>\$ 0</u>	<u>\$ 26,895</u>	<u>\$ 155,699</u>
Funds advanced	\$ 161,168	\$ 129,961	\$ 0
Funds expended	161,168	129,961	0
Excess (Deficiency) of funds advanced	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED JUNE 30, 2011

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 205,123
Capital Fund Cluster		
Capital Fund Program	14 872	232,973
Total United States Department of Housing and Urban Development		\$ 438,096
Total Expenditures of Federal Awards		\$ 438,096

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

YEAR ENDED JUNE 30, 2011

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the City of Patterson, Louisiana (the "Housing Authority"). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in NOTE 1(C) to the Housing Authority's basic financial statements.

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

	<u>Federal Sources</u>
Enterprise funds:	
Governmental operating grants	\$ 207,313
Capital contributions	230,783
Total	\$ <u>438,096</u>

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

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2011

Entity Wide Balance Sheet Summary

	Project Total	Total
111 Cash - Unrestricted	\$74,632	\$74,632
112 Cash - Restricted - Modernization and Development		
113 Cash - Other Restricted		
114 Cash - Tenant Security Deposits	\$20,394	\$20,394
115 Cash - Restricted for Payment of Current Liabilities		
100 Total Cash	\$95,026	\$95,026
121 Accounts Receivable - PHA Projects		
122 Accounts Receivable - HUD Other Projects	\$0	\$0
124 Accounts Receivable - Other Government		
125 Accounts Receivable - Miscellaneous	\$1,593	\$1,593
128 Accounts Receivable - Tenants	\$2,028	\$2,028
126 1 Allowance for Doubtful Accounts - Tenants	-\$304	-\$304
126 2 Allowance for Doubtful Accounts - Other	-\$1	-\$1
127 Notes, Loans, & Mortgages Receivable - Current		
128 Fraud Recovery		
128 1 Allowance for Doubtful Accounts - Fraud		
129 Accrued Interest Receivable	\$120	\$120
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$3,434	\$3,434
131 Investments - Unrestricted	\$195,175	\$195,175
132 Investments - Restricted		
135 Investments - Restricted for Payment of Current Liability		
142 Prepaid Expenses and Other Assets	\$41,117	\$41,117
143 Inventories	\$7,479	\$7,479
143 1 Allowance for Obsolete Inventories	-\$1	-\$1
144 Inter Program Due From		
145 Assets Held for Sale		
150 Total Current Assets	\$342,230	\$342,230
161 Land	\$168,104	\$168,104
162 Buildings	\$4,822,107	\$4,822,107
163 Furniture, Equipment & Machinery - Dwellings		
164 Furniture, Equipment & Machinery - Administration	\$38,562	\$38,562
165 Leasehold Improvements	\$749,264	\$749,264
166 Accumulated Depreciation	-\$4,010,337	-\$4,010,337
167 Construction in Progress	\$129,981	\$129,981
168 Infrastructure		
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,693,661	\$1,693,661
171 Notes, Loans and Mortgages Receivable - Non-Current		
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due		
173 Grants Receivable - Non Current		
174 Other Assets		
176 Investments in Joint Ventures		
180 Total Non-Current Assets	\$1,693,661	\$1,693,661

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2011

Entity Wide Balance Sheet Summary

	Project Total	Total
190 Total Assets	\$2,035,891	\$2,035,891
311 Bank Overdraft		
312 Accounts Payable <= 90 Days	\$8,530	\$8,530
313 Accounts Payable >90 Days Past Due		
321 Accrued Wage/Payroll Taxes Payable	\$4,803	\$4,803
322 Accrued Compensated Absences - Current Portion	\$4,646	\$4,646
324 Accrued Contingency Liability		
325 Accrued Interest Payable		
331 Accounts Payable - HUD PHA Programs		
332 Account Payable - PHA Projects		
333 Accounts Payable - Other Government	\$32,561	\$32,561
341 Tenant Security Deposits	\$20,394	\$20,394
342 Deferred Revenues	\$1,253	\$1,253
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds		
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	\$72,187	\$72,187
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		
352 Long-term Debt, Net of Current - Operating Borrowings		
353 Non-current Liabilities - Other		
354 Accrued Compensated Absences - Non Current	\$12,777	\$12,777
355 Loan Liability - Non Current		
356 FASB 5 Liabilities		
357 Accrued Pension and OPEB Liabilities		
350 Total Non-Current Liabilities	\$12,777	\$12,777
300 Total Liabilities	\$84,964	\$84,964
508 1 Invested in Capital Assets, Net of Related Debt	\$1,693,661	\$1,693,661
509 2 Fund Balance Reserved		
511 2 Unreserved, Designated Fund Balance		
511 1 Restricted Net Assets		
512 1 Unrestricted Net Assets	\$257,266	\$257,266
512 2 Unreserved, Undesignated Fund Balance		
513 Total Equity/Net Assets	\$1,950,927	\$1,950,927
600 Total Liabilities and Equity/Net Assets	\$2,035,891	\$2,035,891

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2011

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$237,718		\$237,718
70400 Tenant Revenue - Other	\$14,815		\$14,815
70500 Total Tenant Revenue	\$252,533	\$0	\$252,533
70600 HUD PHA Operating Grants	\$205,123	\$2,190	\$207,313
70610 Capital Grants		\$230,783	\$230,783
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	\$678		\$678
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	\$3,654		\$3,654
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$461,988	\$232,973	\$694,961
91100 Administrative Salaries	\$73,798		\$73,798
91200 Auditing Fees	\$9,400		\$9,400
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$79		\$79
91500 Employee Benefit contributions - Administrative	\$28,745		\$28,745
91600 Office Expenses	\$25,654		\$25,654
91700 Legal Expense	\$240		\$240
91800 Travel	\$2,722		\$2,722
91810 Allocated Overhead			
91900 Other			
91000 Total Operating - Administrative	\$140,638	\$0	\$140,638
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs	\$25		\$25
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$25	\$0	\$25
93100 Water	\$24,601		\$24,601
93200 Electricity	\$8,326		\$8,326

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2011

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
93300 Gas	\$34,220		\$34,220
93400 Fuel			
93500 Labor			
93800 Sewer	\$18,773		\$18,773
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$85,920	\$0	\$85,920
94100 Ordinary Maintenance and Operations - Labor	\$76,821		\$76,821
94200 Ordinary Maintenance and Operations - Materials and Other	\$33,422	\$2,190	\$35,612
94300 Ordinary Maintenance and Operations Contracts	\$49,735		\$49,735
94500 Employee Benefit Contributions - Ordinary Maintenance	\$21,037		\$21,037
94000 Total Maintenance	\$181,015	\$2,190	\$183,205
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$44,984		\$44,984
96120 Liability Insurance	\$7,039		\$7,039
96130 Workmen's Compensation	\$5,162		\$5,162
96140 All Other Insurance	\$6,436		\$6,436
96100 Total Insurance Premiums	\$63,621	\$0	\$63,621
96200 Other General Expenses			
96210 Compensated Absences			
96300 Payments in Lieu of Taxes	\$18,661		\$18,661
96400 Bad debt - Tenant Rents	\$2,461		\$2,461
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$19,122	\$0	\$19,122
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$490,341	\$2,190	\$492,531
97000 Excess of Operating Revenue over Operating Expenses	-\$28,353	\$230,783	\$202,430

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2011

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
87100 Extraordinary Maintenance			
87200 Casualty Losses - Non-capitalized			
87300 Housing Assistance Payments			
87350 HAP Portability-In			
87400 Depreciation Expense	\$198,376	\$5,290	\$203,675
87600 Fraud Losses			
87600 Capital Outlays - Governmental Funds			
87700 Debt Principal Payment - Governmental Funds			
87800 Dwelling Units Rent Expense			
90000 Total Expenses	\$658,717	\$7,489	\$666,206
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
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$226,729	\$225,484	-\$1,245
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,939,947	\$0	\$1,939,947
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$12,225		\$12,225
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	1227		1227
11210 Number of Unit Months Leased	1098		1098
11270 Excess Cash	\$180,587		\$180,587
11810 Land Purchases	\$0	\$0	\$0
11820 Building Purchases	\$0	\$226,433	\$226,433
11830 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11840 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11850 Leasehold Improvements Purchases	\$0	\$4,350	\$4,350
11880 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2011

Entity Wide Revenue and Expense Summary		
	Project Total	Total
70300 Net Tenant Rental Revenue	\$237,718	\$237,718
70400 Tenant Revenue - Other	\$14,815	\$14,815
70500 Total Tenant Revenue	\$252,533	\$252,533
70800 HUD PHA Operating Grants	\$207,313	\$207,313
70810 Capital Grants	\$230,783	\$230,783
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	\$678	\$678
71200 Mortgage Interest Income		
71300 Proceeds from Disposition of Assets Held for Sale		
71310 Cost of Sale of Assets		
71400 Fraud Recovery		
71500 Other Revenue	\$3,654	\$3,654
71800 Gain or Loss on Sale of Capital Assets		
72000 Investment Income - Restricted		
70000 Total Revenue	\$694,961	\$694,961
91100 Administrative Salaries	\$73,798	\$73,798
91200 Auditing Fees	\$9,400	\$9,400
91300 Management Fee		
91310 Book-keeping Fee		
91400 Advertising and Marketing	\$79	\$79
91500 Employee Benefit Contributions - Administrative	\$28,745	\$28,745
91600 Office Expenses	\$25,854	\$25,854
91700 Legal Expense	\$240	\$240
91800 Travel	\$2,722	\$2,722
91810 Allocated Overhead		
91900 Other		
91000 Total Operating - Administrative	\$140,838	\$140,838
92000 Asset Management Fee		
92100 Tenant Services - Salaries		
92200 Relocation Costs	\$25	\$25
92300 Employee Benefit Contributions - Tenant Services		
92400 Tenant Services - Other		
92500 Total Tenant Services	\$25	\$25
93100 Water	\$24,601	\$24,601
93200 Electricity	\$8,328	\$8,328

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2011

Entity Wide Revenue and Expense Summary		
	Project Total	Total
93300 Gas	\$34,220	\$34,220
93400 Fuel		
93500 Labor		
93600 Sewer	\$18,773	\$18,773
93700 Employee Benefit Contributions - Utilities		
93800 Other Utilities Expense		
93000 Total Utilities	\$85,920	\$85,920
94100 Ordinary Maintenance and Operations - Labor	\$76,821	\$76,821
94200 Ordinary Maintenance and Operations - Materials and Other	\$35,612	\$35,612
94300 Ordinary Maintenance and Operations Contracts	\$49,735	\$49,735
94500 Employee Benefit Contributions - Ordinary Maintenance	\$21,037	\$21,037
94000 Total Maintenance	\$183,205	\$183,205
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
96110 Property Insurance	\$44,984	\$44,984
96120 Liability Insurance	\$7,039	\$7,039
96130 Workmen's Compensation	\$5,162	\$5,162
96140 All Other Insurance	\$8,436	\$8,436
96100 Total Insurance Premiums	\$63,621	\$63,621
96200 Other General Expenses		
96210 Compensated Absences		
96300 Payments In Lieu of Taxes	\$16,661	\$16,661
96400 Bad debt - Tenant Rents	\$2,461	\$2,461
96500 Bad debt - Mortgages		
96600 Bad debt - Other		
96600 Severance Expense		
96000 Total Other General Expenses	\$19,122	\$19,122
96710 Interest of Mortgage (or Bonds) Payable		
96720 Interest on Notes Payable (Short and Long Term)		
96730 Amortization of Bond Issue Costs		
96700 Total Interest Expense and Amortization Cost	\$0	\$0
96900 Total Operating Expenses	\$492,531	\$492,531
97000 Excess of Operating Revenue over Operating Expenses	\$202,430	\$202,430

**HOUSING AUTHORITY OF PATTERSON, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2011

Entity Wide Revenue and Expense Summary		
	Project Total	Total
97100 Extraordinary Maintenance		
97200 Casualty Losses - Non-capitalized		
97300 Housing Assistance Payments		
97350 HAP Portability-In		
97400 Depreciation Expense	\$203,675	\$203,675
97500 Fraud Losses		
97600 Capital Outlays - Governmental Funds		
97700 Debt Principal Payment - Governmental Funds		
97800 Dwelling Units Rent Expense		
90000 Total Expenses	\$696,206	\$696,206
10010 Operating Transfer In		
10020 Operating transfer Out		
10030 Operating Transfers from/to Primary Government		
10040 Operating Transfers from/to Component Unit		
10060 Proceeds from Notes, Loans and Bonds		
10060 Proceeds from Property Sales		
10070 Extraordinary Items, Net Gain/Loss		
10080 Special Items (Net Gain/Loss)		
10081 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
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$1,245	-\$1,245
11020 Required Annual Debt Principal Payments	\$0	\$0
11030 Beginning Equity	\$1,939,947	\$1,939,947
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$12,225	\$12,225
11050 Changes in Compensated Absence Balance		
11060 Changes in Contingent Liability Balance		
11070 Changes in Unrecognized Pension Transition Liability		
11080 Changes in Specia. Term/Severance Benefits Liability		
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents		
11100 Changes in Allowance for Doubtful Accounts - Other		
11170 Administrative Fee Equity		
11180 Housing Assistance Payments Equity		
11190 Unit Months Available	1227	1227
*1210 Number of Unit Months Leased	1096	1096
11270 Excess Cash	\$180,587	\$180,587
11610 Land Purchases	\$0	\$0
11620 Building Purchases	\$226,433	\$226,433
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0
11650 Leasehold Improvements Purchases	\$4,350	\$4,350
11660 Infrastructure Purchases	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0