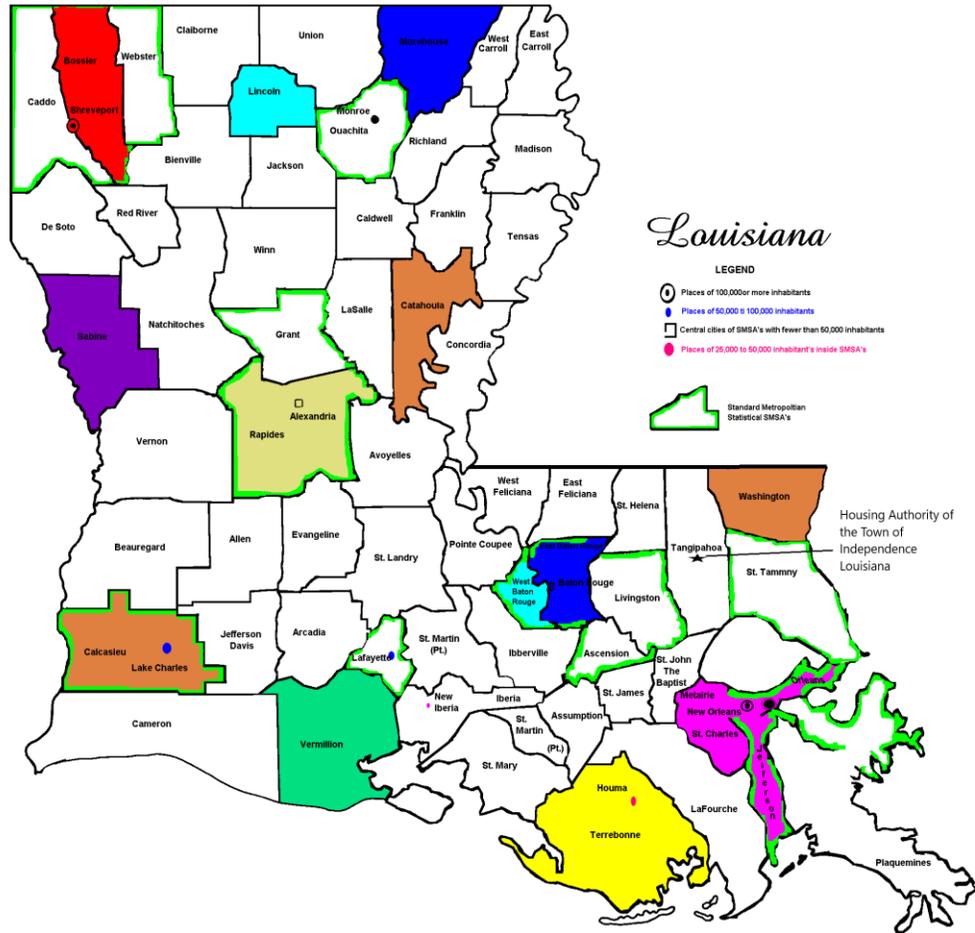


**HOUSING AUTHORITY
OF THE
TOWN OF INDEPENDENCE, LOUISIANA**

**Annual Financial Statements
September 30, 2023**

Housing Authority of the Town of Independence Independence, Louisiana



- ❖ The Housing Authority of the Town of Independence is an apartment complex for persons of low income located in Independence, Louisiana. The authority is chartered as a public corporation for the purpose of administering decent, safe, and sanitary dwelling for persons of low income.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**Table of Contents
September 30, 2023**

	<u>Page No.</u>
Independent Auditor’s Report.....	1-3
Management’s Discussion & Analysis.....	4-7
<u>Basic Financial Statements</u>	
Statement of Net Position.....	9
Statement of Revenues, Expenses, and Changes in Net Position.....	10
Statement of Cash Flows.....	11
Statement of Cash Flows Reconciliation.....	12
Notes to the Basic Financial Statements.....	13-22
<u>Supplemental Information</u>	
Schedule of Compensation, Benefits, & Other Payments to Agency Head or Chief Executive Officer.....	24
Statement and Certification of Actual Modernization Cost.....	25
<u>Other Reports</u>	
Independent Auditor’s Report on Internal Control Over Financial Reporting on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27-28
Schedule of Findings and Questioned Costs.....	29-30
Management’s Corrective Action.....	31
Management Letter Comments.....	32
Management’s Summary of Prior Year Findings.....	33
Independent Accountant’s Report on Applying Agreed-Upon Procedures.....	34-42
Financial Data Schedule.....	43

John R. Vercher C.P.A.
john@verchergroup.com

Jonathan M. Vercher M.S., C.P.A.
jonathan@verchergroup.com

David R. Vercher M.B.A., C.P.A., C.F.E.
david@verchergroup.com

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

Association of
Certified Fraud Examiners

INDEPENDENT AUDITOR'S REPORT

Housing Authority of the
Town of Independence, Louisiana

Opinions

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Independence, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the housing authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the Town of Independence, as of September 30, 2023, and the respective changes in financial position, and 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 and the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Housing Authority of the Town of Independence 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the Town of Independence'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 generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the Town of Independence'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the Town of Independence'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 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the Town of Independence’s basic financial statements. The accompanying Financial Data Schedule, the Schedule of Compensation, Benefits and Other Payments, and Supplementary Schedules and Statements 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, the Schedule of Compensation, Benefits and Other Payments, and Supplementary Schedules and Statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2024, on our consideration of the Housing Authority of the Town of Independence’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 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 Housing Authority of the Town of Independence’s internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report dated March 22, 2024, on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those controls and compliance areas identified in the Louisiana Legislative Auditor’s statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

The Vercher Group

Jena, Louisiana

March 22, 2024

**Housing Authority of the Town of Independence
Management's Discussion and Analysis
September 30, 2023**

As management of the Housing Authority of the Town of Independence, we offer readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements, which are attached.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$755,458 (net position).
- As of the close of the current fiscal year, the Authority's ending unrestricted net position was \$121,853.
- The Authority's cash balance at September 30, 2023, was \$132,424, of which \$11,820 is restricted. Investments totaled \$51,228.
- The Authority had total revenue of \$517,955 in which \$392,613 was operating revenues, \$40,181 was non-operating revenues, and \$85,161 was capital contributions.
- The Authority had total expenses of \$483,129, in which \$457,402 was for operating purposes, and \$25,727 was non-operating expenses. Operating expenses includes depreciation in the amount of \$66,738, which is a non-cash transaction.

Overview of the Basic Financial Statements

The discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of the Statement of Net Position, Statement of Revenue, Expenses & Changes in Net Position, Statement of Cash Flows, and the Notes to the Basic Financial Statements.

The Authority has only one fund type, namely a proprietary fund. The Statement of Net Position includes all of the Authority's assets and liabilities. This fund type is unused for activities which are financed and operated in a manner similar to those in the private sector.

The Authority has two main funding sources in its financial operation. These are the Low Rent Public Housing and the Capital Fund programs. The Low Rent Program consists of 665 units. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula. The purpose of this program is to provide funding for low rent housing programs to allow them to make purchases and capital improvements for the current dwelling structures and assist in their operations.

**Housing Authority of the Town of Independence
Management's Discussion and Analysis - Continued
September 30, 2023**

The Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements.

The table below lists the asset and liability comparisons for the year ended September 30, 2023.

Statement of Net Position

	<u>2022</u>	<u>2023</u>	<u>% Change</u>
Current Assets	\$ 225,732	\$ 187,389	-17.0
Capital Assets, Net of Depreciation	<u>539,135</u>	<u>633,604</u>	17.5
TOTAL ASSETS	<u>764,867</u>	<u>820,933</u>	7.3
Current Liabilities	40,357	60,209	49.2
Non-Current Liabilities	<u>3,878</u>	<u>5,326</u>	37.3
TOTAL LIABILITIES	<u>44,235</u>	<u>65,535</u>	48.2
Net Investment in Capital Assets	539,135	633,605	17.5
Unrestricted Net Position	<u>181,497</u>	<u>121,853</u>	-32.9
TOTAL NET POSITION	<u>\$ 720,632</u>	<u>\$ 755,458</u>	4.8

- The Authority's total assets increased by \$56,066. This is mainly due to an increase in capital assets, net of depreciation in the amount of \$94,469.
- Total liabilities increased by \$21,300. The primary source of this increase is due to an increase in accounts payable in the amount of \$19,852.
- The Authority's unrestricted net position decreased by \$59,644 for the current year.

**Housing Authority of the Town of Independence
Management's Discussion and Analysis - Continued
September 30, 2023**

The table below lists the revenue and expense comparisons for the year ended September 30, 2023.

Statement of Revenues, Expenses, & Change in Net Position

	<u>2022</u>	<u>2023</u>	<u>% Change</u>
OPERATING REVENUES			
Tenant Revenue	\$ 131,677	\$ 144,698	9.9
HUD PHA Operating Grant	231,846	247,915	6.9
TOTAL OPERATING REVENUES	<u>363,523</u>	<u>392,613</u>	8.0
OPERATING EXPENSES			
Administrative Salaries	44,594	45,883	2.9
EBC Administrative	20,484	21,156	3.3
Other Operating - Administrative	43,149	41,381	-4.1
Tenant Services	2,040	540	-73.5
Utilities	45,671	46,517	1.9
Ordinary Maintenance	136,080	149,327	9.7
Protective Services	4,176	4,176	0.0
Insurance	42,962	53,952	25.6
Other General Expenses	10,299	27,732	169.3
Depreciation	67,661	66,738	-1.4
TOTAL OPERATING EXPENSES	<u>417,116</u>	<u>457,402</u>	9.7
OPERATING INCOME (LOSS)	<u>(53,593)</u>	<u>(64,789)</u>	-20.9
NON-OPERATING REVENUES (EXPENSES)			
Interest Earnings	69	739	971.0
Other Revenue	80,253	39,442	-50.9
Extraordinary Maintenance	(8,290)	(25,727)	-210.3
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>72,032</u>	<u>14,454</u>	-79.9
CAPITAL CONTRIBUTIONS	<u>145,452</u>	<u>85,161</u>	-41.5
CHANGE IN NET POSITION	163,891	34,826	-78.8
PRIOR PERIOD ADJUSTMENT	349	-0-	-100.0
TOTAL NET POSITION – BEGINNING	<u>556,392</u>	<u>720,632</u>	29.5
TOTAL NET POSITION – ENDING	<u>\$ 720,632</u>	<u>\$ 755,458</u>	4.8

- Revenues of the Authority are generated principally from dwelling rents and grant funding from HUD.
- The Authority's operating revenues increased by \$29,090, mainly due to an increase in operating grants in the amount of \$16,069.
- Operating expenses increased by \$40,286, mainly due to an increase in other general expenses in the amount of \$17,433 and ordinary maintenance in the amount of \$13,247.

**Housing Authority of the Town of Independence
Management’s Discussion and Analysis - Continued
September 30, 2023**

Capital Asset & Debt Administration

Capital Assets

As of September 30, 2023, the Authority’s investment in capital assets was \$633,604 (net of accumulated depreciation). This investment included land, building, building improvements, office equipment, and maintenance equipment.

Capital Assets at Year-End

	<u>2022</u>	<u>2023</u>
Land*	\$ 61,000	\$ 61,000
Buildings & Improvements	3,727,579	3,803,625
Furniture & Equipment	136,400	136,400
Construction in Progress*	-0-	85,161
Accumulated Depreciation	<u>(3,385,844)</u>	<u>(3,452,582)</u>
Total	<u>\$ 539,135</u>	<u>\$ 633,604</u>

* Land in the amount of \$61,000 and construction in progress in the amount of \$85,161 are not being depreciated.

Long Term Debt

The Authority does not have any long-term liabilities at this time.

Future Events That Will Impact the Authority

The Authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the FYE 2024. Therefore, any results of budget shortfalls cannot be determined.

The Authority is under a contract through its Capital Fund Program to continue with the work as stated above and incorporate any new work items into its operation.

Contacting the Authority’s Financial Management

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

Housing Authority of the Town of Independence
P.O. Box 56
Independence, LA 70443

Basic Financial Statements

**Housing Authority of the Town of Independence
Independence, Louisiana
Statement of Net Position
September 30, 2023**

	ENTERPRISE FUND
CURRENT ASSETS	
Cash & Cash Equivalents	\$ 69,376
Investments	51,228
Receivables, HUD	18,641
Accounts Receivable, Tenants	1,708
Prepaid Items	31,214
Inventories, Net	3,402
RESTRICTED ASSETS:	
Tenant's Security Deposit Cash	11,820
TOTAL CURRENT ASSETS	187,389
NON-CURRENT ASSETS	
Capital Assets, Net of Accumulated Depreciation	633,604
TOTAL NON-CURRENT ASSETS	633,604
TOTAL ASSETS	820,993
CURRENT LIABILITIES	
Accounts Payable	24,301
Accrued Wage/Payroll Taxes Payable	4,487
Accrued Compensated Absences	4,414
Accrued PILOT	9,648
Unearned Revenue	1,893
Accrued Liabilities – Other	3,646
Tenant Security Deposits, Payable from Restricted Assets	11,820
TOTAL CURRENT LIABILITIES	60,209
NON-CURRENT LIABILITIES	
Non-Current Accrued Compensated Absences	5,326
TOTAL NON-CURRENT LIABILITIES	5,326
TOTAL LIABILITIES	65,535
NET POSITION	
Net Investment in Capital Assets	633,605
Unrestricted	121,853
TOTAL NET POSITION	\$ 755,458

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Independence
Independence, Louisiana
Statement of Revenues, Expenses, & Changes in Net Position
Year Ended September 30, 2023**

	ENTERPRISE FUND
OPERATING REVENUES	
Tenant Revenue	\$ 144,698
HUD PHA Operating Grants	247,915
TOTAL OPERATING REVENUES	<u>392,613</u>
 OPERATING EXPENSES	
<i>Administration:</i>	
Administrative Salaries	45,883
EBC Administrative	21,156
Other Operating - Administrative	41,381
<i>Cost of Sales & Service:</i>	
Tenant Services	540
Water	14,616
Electricity	13,472
Gas	1,725
Sewer	16,704
Ordinary Maintenance – Labor	58,801
Materials	31,578
Contract Cost	26,900
EBC Maintenance	32,048
Protected Services	4,176
Insurance	53,952
Payment in Lieu of Taxes	9,648
Compensated Absences	7,702
Other General Expenses	10,382
<i>Depreciation</i>	66,738
TOTAL OPERATING EXPENSES	<u>457,402</u>
 OPERATING INCOME (LOSS)	 <u>(64,789)</u>
 NON-OPERATING REVENUES (EXPENSES)	
Interest Earnings	739
Extraordinary Maintenance	(25,727)
Other Revenue	39,442
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>14,454</u>
 CAPITAL CONTRIBUTIONS	 <u>85,161</u>
 CHANGE IN NET POSITION	 34,826
 TOTAL NET POSITION – BEGINNING	 <u>720,632</u>
TOTAL NET POSITION – ENDING	\$ <u>755,458</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Independence
Independence, Louisiana
Statement of Cash Flows
Year Ended September 30, 2023**

	ENTERPRISE FUND
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers & Users	\$ 120,186
Receipts from Operating Grants	247,915
Payments to Suppliers	(258,937)
Payments to Employees	(110,168)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(1,004)
 CASH FLOWS FROM NON-CAPITAL ACTIVITIES	
Other Revenue	39,442
Extraordinary Maintenance	(25,727)
NET CASH PROVIDED (USED) BY NON-CAPITAL ACTIVITIES	13,715
 CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Subsidy from Capital Grants	85,161
Acquisition & Construction of Capital Assets	(161,207)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	(76,046)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Investments	(308)
Interest & Dividends Received	739
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	431
 NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(62,904)
 CASH, BEGINNING OF YEAR	144,100
CASH, END OF YEAR	81,196
 RECONCILIATION TO BALANCE SHEET	
Cash and Cash Equivalents	69,376
Tenants' Security Deposits	11,820
TOTAL CASH & CASH EQUIVALENTS	\$ 81,196

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Independence
Independence, Louisiana
Statement of Cash Flows
Year Ended September 30, 2023**

Reconciliation

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

Operating Income (Loss)	\$ <u>(64,789)</u>
Depreciation Expense	66,738
(Increase) Decrease in Accounts Receivable	(808)
(Increase) Decrease in Accounts Receivable, HUD	(17,222)
(Increase) Decrease in Prepaid Insurance	(7,806)
(Increase) Decrease in Inventory	1,583
Increase (Decrease) in Accounts Payable	15,812
Increase (Decrease) in Wages/Payroll Taxes Payable	1,032
Increase (Decrease) in Other Accrued Liabilities	(127)
Increase (Decrease) in PILOT	1,054
Increase (Decrease) in Unearned Revenue	774
Increase (Decrease) in Accrued Compensated Absences	2,205
Increase (Decrease) in Tenant Security Deposits	<u>550</u>
TOTAL ADJUSTMENTS	<u><u>63,785</u></u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>(1,004)</u></u>

LISTING OF NONCASH INVESTING, CAPITAL, & FINANCIAL ACTIVITIES

Contributions of Capital Assets from Government	\$ <u><u>-0-</u></u>
---	----------------------

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

INTRODUCTION

The Housing Authority of the Town of Independence (the authority) was chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of the Town of Independence, Louisiana. This formation was contingent upon the approval of the city.

The authority is governed by a Board of commissioners (Board), which is composed of five members appointed by the city and serve five-year staggered terms. The Board of the authority exercises all powers granted to the authority.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the entity to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Housing Authority is legally separated and fiscally independent, the Housing Authority is a separate governmental reporting entity. The Housing Authority includes all funds, activities, etc., that are within the oversight responsibility of the Housing Authority.

The Housing Authority is a related organization of the Town of Independence because the Town of Independence appoints a voting majority of the Housing Authority's governing board. The Town of Independence is not financially responsible for the Housing Authority, as it cannot impose its will on the Housing Authority and there is no possibility for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Independence. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Independence.

1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES

A. BASIC FINANCIAL STATEMENTS

The basic financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the activities of the primary government and its component units. For the most part, the effect of the Interfund activity has been removed from these statements. The housing authority uses enterprise funds to account for its activities.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION

The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The housing authority reports the following major proprietary funds:

- The Low Rent Fund is the housing authority's primary operating fund. It accounts for all financial resources of the housing authority, except those required to be accounted for in another fund.
- The CFP Fund is the housing authority's grant operating fund. It accounts for all financial resources of the capital fund projects.

As a general rule, the effect of Interfund activity has been eliminated from the basic financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The primary operating revenue of the housing authority is derived from tenant revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

C. EQUITY CLASSIFICATIONS

In the government-wide financial statement, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

D. DEPOSITS & INVESTMENTS

The housing authority’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the housing authority’s investment policy allow the housing authority to invest in collateralized certificate of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the housing authority are reported at fair value.

For the purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Housing Authority. For the purpose of the proprietary fund Statement of Cash Flows, “Cash and Cash Equivalents” include all demand and savings accounts, and certificates of deposit under 90 days.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

E. RECEIVABLES & PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year referred to as either “due to/from other funds” (i.e., the current portion of Interfund loans) or “advances to/from other funds” (i.e., the non-current portion of Interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, as reported in the accompanying financial statements, are offset by a restriction on net position. All trade and other receivables are shown net of an allowance for uncollectables.

F. INVENTORIES & PREPAID ITEMS

All inventories are valued at cost using the first-in/first out method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

G. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable columns in the basic financial statements. Capital assets are capitalized at historical cost. The housing maintains a threshold level of \$2,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings & Building Improvements	20 years
Furniture & Equipment	5 years
Vehicles	5 years

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

H. LONG-TERM OBLIGATIONS

In the basic financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bond payables are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

I. EXTRAORDINARY & SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the housing authority, which are either unusual in nature or infrequent in occurrence.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

At September 30, 2023, the housing authority has cash and investments (bank balances) totaling \$132,424 as follows:

Demand deposits	\$ 81,196
Time deposits	51,228
Total	<u>\$ 132,424</u>

These deposits are stated at cost, which is approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity’s name.

Deposits

It is the Housing Authority’s policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Housing Authority’s deposits are categorized to give an indication of the level of risk assumed by the Housing Authority at year end. The categories are described as follows:

- ***Category 1*** – Insured or collateralized with securities held by the Housing Authority or by its agent in the housing authority’s name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution’s trust department or agent in the Housing Authority’s name.
- ***Category 3*** – Uncollateralized.

Amounts on deposit are secured by the following pledges:

Description	Market Value
FDIC (Category 1)	\$ 132,424
Securities (Category 2)	-0-
Total	\$ 132,424

Deposits were fully secured as of September 30, 2023.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

3. RESTRICTED CASH

The following funds are restricted:

Tenant Security Deposits	\$	11,820
Total		<u>11,820</u>

4. RECEIVABLES

The Housing Authority had \$20,349 in receivables for the year ended September 30, 2023.

Accounts Receivable Tenants	\$	1,708
Accounts Receivable – HUD		<u>18,641</u>
Total		<u>20,349</u>

5. PREPAID ITEMS

The Housing Authority’s prepaid items as of September 30, 2023, consist of the following:

Prepaid Insurance	\$	<u>31,214</u>
Total		<u>31,214</u>

6. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2023, was as follows:

	Beginning of Period	Additions	Deletions	End of Period
Land*	\$ 61,000	\$ -0-	\$ -0-	\$ 61,000
Buildings & Improvements	3,727,579	76,046	-0-	3,803,625
Furniture & Equipment	136,400	-0-	-0-	136,400
Construction in Progress*	<u>-0-</u>	<u>85,161</u>	<u>-0-</u>	<u>85,161</u>
Total Capital Assets	<u>3,924,979</u>	<u>161,207</u>	<u>-0-</u>	<u>4,086,186</u>
Less Accumulated Depreciation	<u>(3,385,844)</u>	<u>(66,738)</u>	<u>-0-</u>	<u>(3,452,582)</u>
Total Capital Assets, Net of Depreciation	<u>\$ 539,135</u>	<u>\$ 94,469</u>	<u>\$ -0-</u>	<u>\$ 633,604</u>

* Land in the amount of \$61,000 and construction in progress in the amount of \$85,161 are not being depreciated.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

7. ACCOUNTS, SALARIES & OTHER PAYABLES

The payables of \$48,389 at September 30, 2023, are as follows:

Accounts Payable	\$ 24,301
Accrued Wages/ Payroll Taxes	4,487
Other Accrued Liabilities	3,646
Unearned Revenue	1,893
Accrued Compensated Absences-Current	4,414
Accrued PILOT	9,648
Total	\$ <u>48,389</u>

8. RETIREMENT SYSTEM

The authority participates in the Housing Agency Retirement Trust plan, administered by Mercer, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the authority provides pension benefits for all of its full-time employees. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment. Plan provisions and changes to the plan contributions are determined by the Board of the authority.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to eight percent of each participant's basic (excludes overtime) compensation. Employees are required to contribute five percent of their annual covered salary.

The authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the authority. No payments were made out of the forfeiture account.

Normal retirement date shall be the first day of the month following the employee's sixty-fifth birthday or after ten years of participation in the plan.

The authority's total payroll for the year ended September 30, 2023, was \$104,684. The authority's contributions were calculated using the base salary amount of \$104,684. The authority made the required contribution of \$8,375 for the year ended September 30, 2023.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

9. LONG-TERM OBLIGATIONS

To provide for the development and modernization of low-rent housing units, the PHA issued New Housing Authority Bonds and Permanent Notes-FFB. These bonds and notes are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the Authority, and accordingly, have not been reported in the accompanying financial statements. This debt has been reclassified to HUD equity.

10. CONTINGENT LIABILITIES

At September 30, 2023, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

11. ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$333,076 to the Housing Authority, which represents approximately 64.3% of the Housing Authority's revenue for the year.

12. COMPENSATION PAID TO COMMISSIONERS

<u>Board Member</u>	<u>Title</u>	<u>Salary</u>
Lisa Paine	Chairperson	\$ -0-
Jeanette Patanella	Vice-Chairperson	-0-
Aaron Jackson	Commissioner	-0-
Debbie Moore	Resident Commissioner	-0-

**Housing Authority of the Town of Independence
Independence, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2023**

13. 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's risk management program encompasses obtaining property and liability insurance.

The 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 workers compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the Authority's deductions are met.

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, there have been no significant claims that have exceeded commercial insurance coverages in any of the past three fiscal years.

14. SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the Statement of Net Position date through, March 22, 2024, of the independent auditor's report for potential recognition or disclosure in the financial statements.

Supplemental Information

**Housing Authority of the Town of Independence
Independence, Louisiana**

**Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended September 30, 2023**

Arlene S Liuzza, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 43,019
Benefits-Insurance	12,423
Benefits-Retirement	3,591
Benefits (List any other here)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	1,800
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

**Housing Authority of the Town of Independence
Independence, Louisiana**

**Statement and Certification of Actual Modernization Cost
Annual Contribution Contract
September 30, 2023**

		Incomplete CFP Project 501-2019	Complete CFP Project 501-2020	Incomplete CFP Project 501-2021	Incomplete CFP Project 501-2022	Incomplete CFP Project 501-2023	Total
The Actual Modernization Costs are as Follows:							
1. Funds Approved Total	\$	112,204	\$ 121,033	\$ 126,408	\$ 155,196	\$ 155,003	\$ 669,844
Funds Expended Y-T-D		<u>(89,139)</u>	<u>(121,033)</u>	<u>(125,834)</u>	<u>(90,161)</u>	<u>(1,720)</u>	<u>(427,887)</u>
Excess of Funds Approved		<u>23,065</u>	<u>-0-</u>	<u>874</u>	<u>65,035</u>	<u>153,283</u>	<u>241,957</u>
2. Funds Advanced Y-T-D		89,139	121,033	125,834	90,161	1,720	427,887
Funds Expended Y-T-D		<u>(89,139)</u>	<u>(121,033)</u>	<u>(125,834)</u>	<u>(90,161)</u>	<u>(1,720)</u>	<u>(427,887)</u>
Excess of Funds Advanced	\$	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

See independent auditor's report.



Other Reports

John R. Vercher C.P.A.
john@verchergroup.com

Jonathan M. Vercher M.S., C.P.A.
jonathan@verchergroup.com

David R. Vercher M.B.A., C.P.A., C.F.E.
david@verchergroup.com

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

Association of
Certified Fraud Examiners

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

Housing Authority of the
Town of Independence, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the Town of Independence, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Independence's basic financial statements, and have issued our report thereon dated March 22, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Independence's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the Town of Independence's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Independence'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 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 or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Independence'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.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document, and its distribution is not limited.

The Vercher Group

Jena, Louisiana
March 22, 2024

**HOUSING AUTHORITY OF THE TOWN OF INDEPENDENCE
INDEPENDENCE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2023**

We have audited the basic financial statements which collectively comprise the Housing Authority of the Town of Independence, Louisiana, as of and for the year ended September 30, 2023, and have issued our report thereon dated March 22, 2024. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Section I Summary of Auditor’s Results

Our audit of the basic financial statements as of September 30, 2023, resulted in an unmodified opinion.

a. Report on Internal Control and Compliance Material to the Basic Financial Statements

Internal Control

Material Weaknesses Yes

Significant Deficiencies Yes

Compliance

Compliance Material to Basic Financial Statements Yes

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses Yes

Other Conditions Yes

Type of Opinion on Compliance Unmodified

Modified

For Major Programs Disclaimer

Adverse

Are the findings required to be reported in accordance with Uniform Guidance?

Yes No

c. Identification Of Major Programs:

CFDA Number (s)

Name of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs: \$

Is the auditee a ‘low-risk’ auditee, as defined by OMB Uniform Guidance? Yes No

**HOUSING AUTHORITY OF THE TOWN OF INDEPENDENCE
INDEPENDENCE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2023**

Section II Financial Statement Findings

No items identified.

Section III Federal Awards Findings and Questioned Costs.

Not applicable.

**HOUSING AUTHORITY OF THE TOWN OF INDEPENDENCE
INDEPENDENCE, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION
FOR CURRENT YEAR AUDIT FINDINGS**

FINDINGS:

No items identified.

**HOUSING AUTHORITY OF THE TOWN OF INDEPENDENCE
INDEPENDENCE, LOUISIANA
For the Year Ended September 30, 2023**

MANAGEMENT LETTER COMMENTS

During the course of our audit, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the Housing Authority's plan for corrective action.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

No items identified.

**HOUSING AUTHORITY OF THE TOWN OF INDEPENDENCE
INDEPENDENCE, LOUISIANA
For the Year Ended September 30, 2023**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Housing Authority of the Town of Independence, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended September 30, 2022.

PRIOR YEAR FINDINGS

No prior year findings.

John R. Vercher C.P.A.
john@verchergroup.com

Jonathan M. Vercher M.S., C.P.A.
jonathan@verchergroup.com

David R. Vercher M.B.A., C.P.A., C.F.E.
david@verchergroup.com

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

Association of
Certified Fraud Examiners

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Independence Housing Authority
Independence, LA

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions from the procedures performed.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

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

No exceptions from the procedures performed.

Bank Reconciliations

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

No exceptions from the procedures performed.

Collections (excluding electronic funds transfers)

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

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

No exceptions from the procedures performed.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through ACH or EFT, wire, or some other electronic means.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
 - c)
11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all if less than 5) and observe that each was a) approved by only those persons authorized and (b) approved by the required number of authorized signers.

No exceptions from the procedures performed.

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

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

No exceptions from the procedures performed.

14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions from the procedures performed.

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

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

No exceptions from the procedures performed.

Contracts

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

No exceptions from the procedures performed.

Payroll and Personnel

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

No exceptions from the procedures performed.

Ethics

21. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
 - b) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

No exceptions from the procedures performed.

40

Debt Service

23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
24. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

No exceptions from the procedures performed.

Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
26. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions from the procedures performed.

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active

antivirus software and the operating system and accounting system software in use are currently supported by the vendor.

28. Randomly select 5 terminated employees (or all if less than 5) using the list of terminated employees, observer that the selected terminated employees have been removed or disabled from the network.

No exceptions from the procedures performed.

Prevention of Sexual Harassment

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

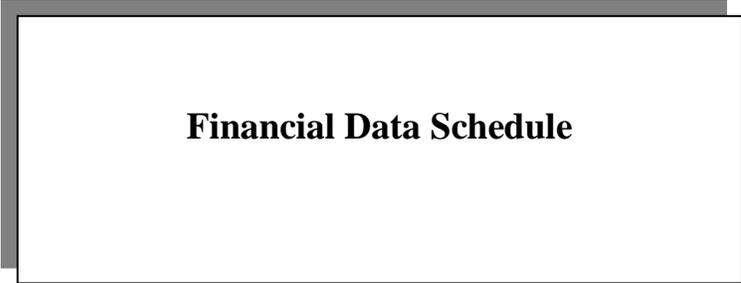
No exceptions from the procedures performed.

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

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

The Vercher Group

Jena, Louisiana
March 22, 2024



Financial Data Schedule

Town of Independence HA (LA099)
INDEPENDENCE, LA

Entity Wide Balance Sheet Summary

Submission Audited/Non Fiscal Year End:
Type: Single Audit 09/30/2023

	Project Total	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$69,376	\$69,376		\$69,376
114 Cash - Tenant Security Deposits	\$11,820	\$11,820		\$11,820
100 Total Cash	\$81,196	\$81,196		\$81,196
122 Accounts Receivable - HUD Other Projects	\$18,641	\$18,641		\$18,641
126 Accounts Receivable - Tenants	\$1,708	\$1,708		\$1,708
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$20,349	\$20,349		\$20,349
131 Investments - Unrestricted	\$51,228	\$51,228		\$51,228
142 Prepaid Expenses and Other Assets	\$31,214	\$31,214		\$31,214
143 Inventories	\$3,780	\$3,780		\$3,780
143.1 Allowance for Obsolete Inventories	-\$378	-\$378		-\$378
150 Total Current Assets	\$187,389	\$187,389		\$187,389
161 Land	\$61,000	\$61,000		\$61,000
162 Buildings	\$3,484,219	\$3,484,219		\$3,484,219
163 Furniture, Equipment & Machinery - Dwellings	\$47,472	\$47,472		\$47,472
164 Furniture, Equipment & Machinery - Administration	\$88,928	\$88,928		\$88,928
165 Leasehold Improvements	\$319,406	\$319,406		\$319,406
166 Accumulated Depreciation	\$3,452,582	\$3,452,582		\$3,452,582
167 Construction in Progress	\$85,161	\$85,161		\$85,161
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$633,604	\$633,604		\$633,604
180 Total Non-Current Assets	\$633,604	\$633,604		\$633,604
290 Total Assets and Deferred Outflow of Resources	\$820,993	\$820,993		\$820,993
312 Accounts Payable <= 90 Days	\$24,301	\$24,301		\$24,301
321 Accrued Wage/Payroll Taxes Payable	\$4,487	\$4,487		\$4,487
322 Accrued Compensated Absences - Current Portion	\$4,414	\$4,414		\$4,414
333 Accounts Payable - Other Government	\$9,648	\$9,648		\$9,648
341 Tenant Security Deposits	\$11,820	\$11,820		\$11,820
342 Unearned Revenue	\$1,893	\$1,893		\$1,893
346 Accrued Liabilities - Other	\$3,646	\$3,646		\$3,646
310 Total Current Liabilities	\$60,209	\$60,209		\$60,209
354 Accrued Compensated Absences - Non Current	\$5,326	\$5,326		\$5,326
350 Total Non-Current Liabilities	\$5,326	\$5,326		\$5,326
300 Total Liabilities	\$65,535	\$65,535		\$65,535
508.4 Net Investment in Capital Assets	\$633,605	\$633,605		\$633,605
512.4 Unrestricted Net Position	\$121,853	\$121,853		\$121,853
513 Total Equity - Net Assets / Position	\$755,458	\$755,458		\$755,458
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$820,993	\$820,993		\$820,993

Town of Independence HA (LA099)

INDEPENDENCE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single
Audit

Fiscal Year End:
09/30/2023

	Project Total	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$142,995	\$142,995		\$142,995
70400 Tenant Revenue - Other	\$1,703	\$1,703		\$1,703
70500 Total Tenant Revenue	\$144,698	\$144,698	\$0	\$144,698
70600 HUD PHA Operating Grants	\$247,915	\$247,915		\$247,915
70610 Capital Grants	\$85,161	\$85,161		\$85,161
71100 Investment Income - Unrestricted	\$739	\$739		\$739
71500 Other Revenue	\$39,442	\$39,442		\$39,442
70000 Total Revenue	\$517,955	\$517,955	\$0	\$517,955
91100 Administrative Salaries	\$45,883	\$45,883		\$45,883
91200 Auditing Fees	\$9,400	\$9,400		\$9,400
91400 Advertising and Marketing	\$737	\$737		\$737
91500 Employee Benefit contributions - Administrative	\$21,156	\$21,156		\$21,156
91600 Office Expenses	\$8,875	\$8,875		\$8,875
91800 Travel	\$7,562	\$7,562		\$7,562
91900 Other	\$14,807	\$14,807		\$14,807
91000 Total Operating - Administrative	\$108,420	\$108,420	\$0	\$108,420
92400 Tenant Services - Other	\$540	\$540		\$540
92500 Total Tenant Services	\$540	\$540	\$0	\$540
93100 Water	\$14,616	\$14,616		\$14,616
93200 Electricity	\$13,472	\$13,472		\$13,472
93300 Gas	\$1,725	\$1,725		\$1,725
93600 Sewer	\$16,704	\$16,704		\$16,704
93000 Total Utilities	\$46,517	\$46,517	\$0	\$46,517
94100 Ordinary Maintenance and Operations - Labor	\$58,801	\$58,801		\$58,801
94200 Ordinary Maintenance and Operations - Materials and Other	\$31,578	\$31,578		\$31,578
94300 Ordinary Maintenance and Operations Contracts	\$26,900	\$26,900		\$26,900
94500 Employee Benefit Contributions - Ordinary Maintenance	\$32,048	\$32,048		\$32,048
94000 Total Maintenance	\$149,327	\$149,327	\$0	\$149,327
95200 Protective Services - Other Contract Costs	\$4,176	\$4,176		\$4,176
95000 Total Protective Services	\$4,176	\$4,176	\$0	\$4,176
96110 Property Insurance	\$42,417	\$42,417		\$42,417
96120 Liability Insurance	\$2,849	\$2,849		\$2,849
96130 Workmen's Compensation	\$4,485	\$4,485		\$4,485
96140 All Other Insurance	\$4,201	\$4,201		\$4,201
96100 Total insurance Premiums	\$53,952	\$53,952	\$0	\$53,952
96210 Compensated Absences	\$7,702	\$7,702		\$7,702

96300 Payments in Lieu of Taxes	\$9,648	\$9,648		\$9,648
96400 Bad debt - Tenant Rents	\$10,382	\$10,382		\$10,382
96000 Total Other General Expenses	\$27,732	\$27,732	\$0	\$27,732
96900 Total Operating Expenses	\$390,664	\$390,664	\$0	\$390,664
97000 Excess of Operating Revenue over Operating Expenses	\$127,291	\$127,291	\$0	\$127,291
97100 Extraordinary Maintenance	\$25,727	\$25,727		\$25,727
97400 Depreciation Expense	\$66,738	\$66,738		\$66,738
90000 Total Expenses	\$483,129	\$483,129	\$0	\$483,129
10010 Operating Transfer In	\$41,099	\$41,099	-\$41,099	\$0
10020 Operating transfer Out	-\$41,099	-\$41,099	\$41,099	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$34,826	\$34,826	\$0	\$34,826
11030 Beginning Equity	\$720,632	\$720,632		\$720,632
11190 Unit Months Available	686	686		686
11210 Number of Unit Months Leased	683	683		683
11270 Excess Cash	\$60,009	\$60,009		\$60,009
11620 Building Purchases	\$85,161	\$85,161		\$85,161