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**HOUSING AUTHORITY OF NATCHITOCHEs PARISH, LOUISIANA**

**REPORT ON EXAMINATION OF  
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED JUNE 30, 1999**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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

**DEC 7 5 1999**

Release Date \_\_\_\_\_

**MIKE ESTES, P.C.**  
A PROFESSIONAL ACCOUNTING CORPORATION

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## HOUSING AUTHORITY OF NATCHITOCHE PARISH

### SUMMARY OF AUDITOR'S RESULTS AND SCHEDULE OF FINDINGS AND QUESTIONED COSTS

#### Summary of Auditor's Results

- A. We issued an unqualified opinion on the Housing Authority of Natchitoches Parish, Louisiana for the audit of its financial statements for the year ended June 30, 1999.
- B. No reportable conditions in internal control were disclosed by our audit of the financial statements.
- C. The audit did not disclose any noncompliance which is material to the financial statements.
- D. No reportable conditions in internal control were disclosed by our audit over major programs.
- E. We issued an unqualified opinion on compliance for major programs.
- F. Our audit disclosed no audit findings that we are required to report under 510(a) of OMB Circular A-133. Our audit procedures also included those of HUD Notice PIH 96-53.
- G. Major programs are as follows, and see Schedule of Federal Expenditures for CFDA numbers and amounts:
  - 1. Low Income Housing
  - 2. Section 8 HAP — Voucher
  - 3. Section 8 HAP — Existing
  - 4. Drug Elimination
- H. The dollar threshold to distinguish Type A and Type B programs is \$ 300,000.
- I. The Housing Authority of Natchitoches Parish, Louisiana did not qualify for the year ended June 30, 1999 as a low-risk auditee.

#### Schedule of Findings and Questioned Costs

- J. There are is one finding in these financial statements that is required to be reported in accordance with GAGAS.
- K. There are no audit findings or questioned costs for Federal awards which shall include audit findings as described in 510(a) of OMB Circular A-133. Our audit procedures also included those of HUD Notice PIH 96-53.

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**MEMBER**  
**AMERICAN BOARD CERTIFIED**  
**PUBLIC ACCOUNTANTS**

Independent Auditor's Report

Board of Commissioners  
Housing Authority of  
Natchitoches Parish  
Natchitoches, Louisiana

Regional Inspector General for Audit  
Office of Inspector General  
Department of Housing and Urban  
Development

We have audited the accompanying general-purpose financial statements and the combining and individual fund and account group financial statements of the Housing Authority of Natchitoches Parish, Louisiana at and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Housing Authority of Natchitoches Parish, Louisiana' management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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, and provisions of the Louisiana Governmental Audit Guide. 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 general-purpose financial statements and the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of Natchitoches Parish, Louisiana as of June 30, 1999 and the results of its operations and changes in its surplus for the year then ended, In conformity with generally accepted accounting principles.



In accordance with *Government Auditing Standards*, we have also issued a report dated November 16, 1999 on our consideration of Housing Authority of Natchitoches Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statement of the Housing Authority of Natchitoches Parish, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

*Mike Estes P. C.*

Fort Worth, Texas  
November 16, 1999

HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 1999

	Governmental Fund Types			Fiduciary Fund Types		Account Groups			Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General Fixed Assets	General Long-Term Debt		
<b>ASSETS</b>									
Cash and cash equivalents	\$ 58,447.66	\$ 103,573.63	\$	\$	\$ 7,906.00	\$	\$	\$	\$ 169,927.29
Investments	210,706.45								210,706.45
Receivables, net of allowances:									
Rentals	1,158.57								1,158.57
Other	2,235.49								2,235.49
Due from:									
Other funds	9,400.91	12,873.52							22,274.43
Other governments		20,646.00							20,646.00
Prepaid expenditures	15,127.25								15,127.25
Property, plant and equipment						6,678,290.50			6,678,290.50
<b>Total Assets</b>	<b>\$ 297,076.33</b>	<b>\$ 137,093.15</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 7,906.00</b>	<b>\$ 6,678,290.50</b>	<b>\$ 0.00</b>	<b>\$</b>	<b>\$ 7,120,365.98</b>

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS (Continued)  
JUNE 30, 1999

	Governmental Fund Types				Fiduciary Fund Types		Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency		General Fixed Assets	General Long-Term Debt	
<b>LIABILITIES AND FUND EQUITY</b>									
<b>LIABILITIES</b>									
Accounts payable	\$ 5,722.75	\$ 135,058.56	\$	\$	\$	\$	\$	\$	\$ 140,781.31
Accrued liabilities	10,641.82								10,641.82
Due to:									
Tenants					7,906.00				7,906.00
Other funds		22,274.43							22,274.43
Deferred revenue	156,474.87								156,474.87
<b>Total Liabilities</b>	<b>172,839.44</b>	<b>157,332.99</b>	<b>0.00</b>	<b>0.00</b>	<b>7,906.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>338,078.43</b>
<b>FUND EQUITY</b>									
Investment in general fixed assets							6,678,290.50		6,678,290.50
Fund balances:									
Unreserved:									
Undesignated	124,236.89	(20,239.84)							103,997.05
<b>Total Fund Equity</b>	<b>124,236.89</b>	<b>(20,239.84)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6,678,290.50</b>	<b>0.00</b>	<b>6,782,287.55</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 297,076.33</b>	<b>\$ 137,093.15</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 7,906.00</b>	<b>\$ 0.00</b>	<b>\$ 6,678,290.50</b>	<b>\$ 0.00</b>	<b>\$ 7,120,365.98</b>

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



HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
YEAR ENDED JUNE 30, 1999

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<b>REVENUES</b>					
Rentals	\$ 115,298.73	\$	\$	\$	\$ 115,298.73
Intergovernmental	124,469.00	807,236.29		27,071.00	958,776.29
Interest	2,728.49	5,210.80			7,939.29
Other	25,524.59				25,524.59
<b>Total Revenues</b>	<u>268,020.81</u>	<u>812,447.09</u>	<u>0.00</u>	<u>27,071.00</u>	<u>1,107,538.90</u>
<b>EXPENDITURES</b>					
Administration	96,823.95	137,220.80			234,044.75
Utilities	12,403.19				12,403.19
Ordinary maintenance	73,809.09				73,809.09
General expenditures	89,305.26				89,305.26
Extraordinary maintenance	2,171.45				2,171.45
Housing assistance payments		696,236.69			696,236.69
Other direct program costs	1,202.00	1,895.40			3,097.40
Capital expenditures	14,626.19			27,071.00	41,697.19
<b>Total expenditures</b>	<u>290,341.13</u>	<u>835,352.89</u>	<u>0.00</u>	<u>27,071.00</u>	<u>1,152,765.02</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,320.32)</u>	<u>(22,905.80)</u>	<u>0.00</u>	<u>0.00</u>	<u>(45,226.12)</u>
<b>OTHER FINANCING SOURCES(USES)</b>					
Operating transfers in					0.00
Operating transfers out					0.00
<b>Total other financing sources(uses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>FUND BALANCE, beginning of year</b>	<u>146,557.21</u>	<u>2,665.96</u>			<u>149,223.17</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 124,236.89</u>	<u>\$ (20,239.84)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 103,997.05</u>

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND AND SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 1999

	General Fund			Special Revenue Funds		
	Budget	Actual	Over (Under) Budget	Budget	Actual	Over (Under) Budget
<b>REVENUES</b>						
Rentals	\$106,520.00	\$115,298.75	\$ 8,778.75	\$	\$	\$ 0.00
Intergovernmental	124,469.00	124,469.00	0.00	903,930.00	807,236.29	(96,693.71)
Interest	1,690.00	2,728.49	1,038.49		5,210.80	5,210.80
Other income	11,847.00	25,524.59	13,677.59			0.00
<b>Total Revenues</b>	<b>244,526.00</b>	<b>268,020.83</b>	<b>23,494.83</b>	<b>903,930.00</b>	<b>812,447.09</b>	<b>(91,482.91)</b>
<b>EXPENDITURES</b>						
Administration	96,090.00	96,823.95	733.95	123,666.00	137,220.80	13,554.80
Utilities	12,750.00	12,403.19	(346.81)			0.00
Ordinary maintenance	75,390.00	73,809.09	(1,580.91)			0.00
Other program costs			0.00		1,895.40	1,895.40
General expenditures	73,550.00	89,305.26	15,755.26			0.00
Extraordinary maintenance	2,450.00	2,171.45	(278.55)			0.00
Housing assistance payments	1,500.00	1,202.00	(298.00)	780,264.00	696,236.69	(84,027.31)
Capital expenditures	23,610.00	14,626.19	(8,983.81)			0.00
<b>Total Expenditures</b>	<b>285,340.00</b>	<b>290,341.13</b>	<b>5,001.13</b>	<b>903,930.00</b>	<b>835,352.89</b>	<b>(68,577.11)</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$(40,814.00)</b>	<b>(22,320.30)</b>	<b>\$ 18,493.70</b>	<b>\$ 0.00</b>	<b>(22,905.80)</b>	<b>\$(22,905.80)</b>
Transfer of net income to unreserved deficit						
<b>FUND BALANCES, beginning of year</b>		146,557.21			2,665.96	
<b>FUND BALANCES, end of year</b>		<b>\$(124,236.91)</b>			<b>\$(20,239.84)</b>	

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET (GAAP BASIS) AND ACTUAL  
 DEBT SERVICE AND CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 1999

	Debt Service Fund		Capital Projects Funds		Over (Under) Budget
	Budget	Actual	Budget	Actual	
<b>REVENUES</b>					
Rentals	\$	\$	\$	\$	0.00
Intergovernmental			27,071.00	27,071.00	0.00
Interest					0.00
Other income					0.00
<b>Total Revenues</b>	<u>0.00</u>	<u>0.00</u>	<u>27,071.00</u>	<u>27,071.00</u>	<u>0.00</u>
<b>EXPENDITURES</b>					
Administration					0.00
Utilities					0.00
Ordinary maintenance					0.00
Other program service cost					0.00
General expenditures					0.00
Extraordinary maintenance					0.00
Housing assistance payments					0.00
Capital expenditures			27,071.00	27,071.00	0.00
Debt Service:					
Principal retirement					0.00
Interest					0.00
<b>Total Expenditures</b>	<u>0.00</u>	<u>0.00</u>	<u>27,071.00</u>	<u>27,071.00</u>	<u>0.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 0.00</u>	<u>0.00</u>	<u>\$ 0.00</u>	<u>0.00</u>	<u>0.00</u>
Transfer of net income to unreserved deficit					
<b>FUND BALANCES, beginning of year</b>					
<b>FUND BALANCES, end of year</b>	<u>\$ 0.00</u>	<u>0.00</u>	<u>\$ 0.00</u>	<u>0.00</u>	<u>0.00</u>

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

# HOUSING AUTHORITY OF NATCHITOCHE PARISH

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 1999

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Housing Authority of Natchitoches Parish, Louisiana (the Authority), a public corporate body, was organized for the purpose of providing decent, safe, and sanitary dwelling accommodations for persons of low income.

The Authority is engaged in the acquisition, modernization, and administration of low-rent housing. In addition, the Authority has administrative responsibility for various other community development programs whose primary purpose is the development of viable urban communities by providing decent housing, a suitable living environment, and economic opportunities principally for persons of low and moderate income.

The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of Natchitoches Parish, Louisiana. Each member serves a five-year term on a rotating basis. Substantially all of the Authority's revenue is derived from subsidy contracts with the U.S. Department of Housing and Urban Development (HUD). The Annual Contributions Contracts entered into by the Authority and HUD provide operating subsidies for Authority-owned public housing facilities, housing assistance payments for eligible individuals, and receipt of annual debt service requirements for HUD-related long-term debt.

#### (1) Financial Reporting Entity

Generally accepted accounting principles require that the financial statements present the accounts and operations of the Authority and its component units, entities for which the Authority is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations and data from these units, if any, are combined with data of the Authority. Each discretely presented component unit, if any, would be reported in a separate column in the combined financial statements to emphasize that it is legally separate from the Authority. As of June 30, 1999, and for the fiscal year then ended, the Authority had no discretely presented component units or any component units required to be blended in these financial statements.

#### (2) Fund Accounting

The accounts of the Authority are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. The various funds are grouped by type and broad categories in the financial statements as follows:



HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)  
JUNE 30, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(3) Fund Accounting (continued)

GOVERNMENTAL FUNDS

Governmental Funds are those through which most governmental functions of the Authority are financed. The measurement focus is on determination of financial position and changes in financial position rather than on net income determination. The following are the Authority's governmental fund types:

General Fund - The General Fund is the general operating fund of the Authority. The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Authority which are not properly accounted for in another fund. All general operating revenues which are not restricted or designated as to their use by outside sources are recorded in the General Fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for the payment of interest, principal, and related costs of general long-term debt.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction, or rehabilitation of major capital facilities.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the Authority as an agent for individuals, private organizations, other governmental units, and/or other funds. The following is the Authority's fiduciary fund type:

Agency Funds - Agency Funds include Tenant Security Deposit Fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of result of operations.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)  
JUNE 30, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the Authority's general fixed assets and general long-term debt for governmental fund types. These are not "funds." They are concerned only with the measurement of financial position and not with results of operations. The following are the Authority's account groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the Authority.

General Long-Term Debt Account Group - This account group is established to account for all long-term debt of the Authority.

(4) Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All Governmental and Agency Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Revenues are considered "measurable" when received in cash, except for certain revenues which are accrued when they are both measurable and available or have not been received at the normal time of receipt. Certain grant revenues are accrued when funds are expended. Revenues susceptible to accrual are federal grants, interest on investments, and other miscellaneous revenues which are both measurable and available to finance expenditures of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Agency Funds are custodial in nature and do not measure results of operations. They are clearing accounts whose assets at all times are equally offset by related liabilities.

(5) Budgetary Data

The Authority is required by its HUD Annual Contributions Contracts to adopt annual budgets for the Low-Rent Housing Program, included in the General Fund, and all Assisted Housing (Section 8) Programs, included in Special Revenue Funds. Annual budgets are not required for Capital Projects Funds as their budgets are approved for the length of the project. Both annual and project length budgets require grantor approval.



HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)  
JUNE 30, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Authority is under a limited budget review from HUD with the control category of total operating expenditures. If there are no overruns of the total operating expenditures, then HUD does not require budget revisions other than when there are *substantial additions to nonroutine expenditures, such as reinstatement of prior-year encumbrances*. The Board and HUD must approve fund appropriation increases. Any unused appropriations lapse at year-end. Budgeted amounts are as originally adopted or as amended by the Board and HUD.

The original budget has been amended throughout the year to reflect changes in revenue and expenditure estimates.

The budget is prepared on a statutory (HUD) basis and does not contain a provision for uncollectible tenant receivables. The difference is not considered materially different from generally accepted accounting principles.

(6) Cash and Cash Equivalents

The entity defines cash and cash equivalents to include certificates of deposit, money market funds, savings accounts, and demand deposits.

(7) Tenant Receivables

Receivables for rentals and service charges are reported in the General Fund, net of allowances for doubtful accounts amounting to \$ -0- at June 30, 1999.

(8) Interfund Transactions

During the course of normal operations, the Authority has numerous transactions between funds to provide services, construct assets, and service debt. These transactions are generally reflected as operating transfers except for transactions reimbursing a fund for expenditures made by it for the benefit of another fund. Such transactions are recorded as expenditures in the disbursing fund and as a reduction of expenditures in the receiving fund.

(9) General Fixed Assets

General Fixed Assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the Governmental Funds and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded at estimated fair market value at the time received. Depreciation is not recorded on general fixed assets. Public domain general fixed assets (infrastructure) consisting of certain improvements other than buildings, including roads, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are capitalized along with other general fixed assets.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Costs of completed Modernization projects are reported as construction-in-progress until audited cost certification reports are submitted to HUD, at which time such costs are transferred to the appropriate property categories.

(10) General Long-Term Debt

All long-term indebtedness of the Authority is accounted for in the General Long-Term Debt Account Group and is intended to be paid through the Debt Service Fund.

(11) Compensated Absences

Authority employees accrue personal leave, or compensated absences, by a prescribed formula based on length of service. The cost of this has not been accrued due to immateriality.

(12) Total Columns on Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE B - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

It is the entity's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at June 30, 1999. The categories are described as follows:

- Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 - Uncollateralized, uninsured and unregistered, but with securities held by the bank, its trust department, or its agent, pledged to the PHA, but not in the PHA's name.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS  
(Continued)  
JUNE 30, 1999

Cash Deposits, categorized by level of risk, (at cost, which approximates market) are:

Total Bank Balances	Category		
	1	2	3
\$ <u>380,633.74</u>	\$ <u>294,819.74</u>	\$ <u>0.00</u>	\$ <u>85,814.00</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C - ACTIVITIES OF THE PHA

At June 30, 1999, the PHA was managing 92 units of low-rent in two projects under Program FW - 2179, 313 units of Section 8 Existing, and 16 units of Section 8 Voucher under Program FW - 2066.

NOTE D - CONTINGENCIES

The entity is subject to possible examinations by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refund by the entity to federal grantors and/or program beneficiaries.

NOTE E - PROPERTY, PLANT AND EQUIPMENT

Changes in the general fixed assets account group are as follows:

	Beg. of Period	Additions	Deletions	End of Period
Land, land impvts.	\$ 221,800.00	\$	\$	\$ 221,800.00
Buildings	5,273,670.54	904,409.12		6,178,079.66
Equipment	329,676.75	14,626.19	78,667.42	265,635.52
Total	\$ <u>5,825,147.29</u>	\$ <u>919,035.31</u>	\$ <u>78,667.42</u>	\$ <u>6,665,515.18</u>



# HOUSING AUTHORITY OF NATCHITOCHE PARISH

## NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1999

All land and building are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the government and to protect other interests of the government.

### NOTE F - RETIREMENT PLAN

The entity provides benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate after a six months exclusionary period. The employee contributes 6.5 % and the entity contributes 8.5 % of the employee's base salary each month. The entity's contributions for each employee (and interest allocated to the employee's account) are vested 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

The entity's total payroll in fiscal year ended June 30, 1999 was \$ 174,123.00. The entity's contributions were calculated using the base salary amount of \$ 142,615.00. Contributions to the plan were \$ 9,270.00 and \$ 11,612.00 by the employee and the entity, respectively.

### NOTE G - DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

#### Cash and Investments

The carrying amount approximates fair value because of the short maturity of these instruments.

### NOTE H - ACCOUNTING FOR THE IMPAIRMENT OF LONG - LIVED ASSETS

The full amount of the carrying value of buildings and land improvements are deemed recoverable from future cash flows.

### NOTE I - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1999

NOTE J - YEAR 2000 COMPUTER CONVERSION

The PHA utilizes a fee accountant. The fee accountant has assessed the Year 2000 computer conversion issues. The fee accountant has recently purchased new computer hardware and software in anticipation of Year 2000. The software providers for the PHA's in-house software also appear to have addressed the Y2K issues. There is no guarantee that the computer systems will be Y2K compliant.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

SPECIAL REVENUE FUND TYPES  
 COMBINING BALANCE SHEET  
 JUNE 30, 1999

	Assisted Housing Programs		
	Existing Units Program	Voucher Program	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 103,573.63	\$	\$ 103,573.63
Due from:			
Other funds	12,873.52		12,873.52
Other governments		20,646.00	20,646.00
<b>Total Assets</b>	<u>\$ 116,447.15</u>	<u>\$ 20,646.00</u>	<u>\$ 137,093.15</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accrued liabilities	135,058.56		135,058.56
Due to:			
Other funds		22,274.43	22,274.43
<b>Total liabilities</b>	<u>135,058.56</u>	<u>22,274.43</u>	<u>157,332.99</u>
<b>FUND EQUITY</b>			
Unreserved and undesignated	(18,611.41)	(1,628.43)	(20,239.84)
<b>Total fund equity</b>	<u>(18,611.41)</u>	<u>(1,628.43)</u>	<u>(20,239.84)</u>
<b>Total liabilities and fund equity</b>	<u>\$ 116,447.15</u>	<u>\$ 20,646.00</u>	<u>\$ 137,093.15</u>

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



HOUSING AUTHORITY OF NATCHITOCHE PARISH

SPECIAL REVENUE FUND TYPES  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 JUNE 30, 1999

	Assisted Housing Programs		
	Existing Units Program	Voucher Program	Total
<b>REVENUES</b>			
Intergovernmental	\$ 742,605.63	\$ 64,630.66	\$ 807,236.29
Interest	5,210.80		5,210.80
<b>Total Revenues</b>	<u>747,816.43</u>	<u>64,630.66</u>	<u>812,447.09</u>
<b>EXPENDITURES</b>			
Administration	125,946.26	11,274.54	137,220.80
Housing assistance payments	641,142.23	55,094.46	696,236.69
Other direct program costs	1,798.20	97.20	1,895.40
<b>Total Expenditures</b>	<u>768,886.69</u>	<u>66,466.20</u>	<u>835,352.89</u>
Excess (deficiency) of revenues over (under) expenditures	(21,070.26)	(1,835.54)	(22,905.80)
<b>FUND BALANCE, beginning of year</b>	<u>2,458.85</u>	<u>207.11</u>	<u>2,665.96</u>
<b>FUND BALANCE, end of year</b>	<u>\$ (18,611.41)</u>	<u>\$ (1,628.43)</u>	<u>\$ (20,239.84)</u>

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH

CAPITAL PROJECT FUND TYPES  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 JUNE 30, 1999

CIAP Housing Programs

	DEP 1997	DEP 1998	Total
REVENUES			
Intergovernmental	\$ 13,710.00	\$ 13,361.00	\$ 27,071.00
Total Revenues	13,710.00	13,361.00	27,071.00
EXPENDITURES			
Capital expenditures	13,710.00	13,361.00	27,071.00
Total Expenditures	13,710.00	13,361.00	27,071.00
Excess (deficiency) of revenues over (under) expenditures	0.00	0.00	0.00
FUND BALANCE, beginning of year			0.00
FUND BALANCE, end of year	\$ 0.00	\$ 0.00	\$ 0.00

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH

FIDUCIARY FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 1999

	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 7,906.00	\$ 7,906.00
Total Assets	<u>\$ 7,906.00</u>	<u>\$ 7,906.00</u>
<b>LIABILITIES</b>		
Due to tenants	\$ 7,906.00	\$ 7,906.00
Total Liabilities	<u>\$ 7,906.00</u>	<u>\$ 7,906.00</u>

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH  
 FIDUCIARY FUNDS  
 SCHEDULE OF CHANGES IN DEPOSITS DUE TO OTHERS  
 JUNE 30, 1999

	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
DEPOSIT BALANCES AT BEGINNING OF YEAR	\$ 6,685.00	\$ 6,685.00
ADDITIONS		
Payments to tenants	1,221.00	1,221.00
_____		0.00
_____		0.00
_____		0.00
_____		0.00
Total Additions	<u>1,221.00</u>	<u>1,221.00</u>
REDUCTIONS		
_____		0.00
_____		0.00
_____		0.00
_____		0.00
_____		0.00
Total Reductions	<u>0.00</u>	<u>0.00</u>
DEPOSIT BALANCES AT END OF YEAR	\$ <u>7,906.00</u>	\$ <u>7,906.00</u>

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

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

BALANCE SHEET – STATUTORY BASIS  
JUNE 30, 1999ANNUAL CONTRIBUTION CONTRACT  
FW – 2179ASSETS

Cash - Exhibit F(1)	\$	66,353.63
Investments - Note B		210,706.45
Accounts receivable - tenants		1,158.57
Accounts receivable - other		2,235.49
Accounts receivable - Voucher		9,400.91
Prepaid insurance		15,127.25
Land, structures and equipment		<u>6,742,586.18</u>
Total Assets	\$	<u>7,047,568.48</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	13,628.75
Accrued liabilities		10,641.82
Deferred credits - insurance proceeds		<u>156,474.87</u>
Total Liabilities		180,745.44
Surplus - Exhibit C(1)		<u>6,866,823.04</u>
Total Liabilities and Surplus	\$	<u>7,047,568.48</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

BALANCE SHEET – STATUTORY BASIS  
JUNE 30, 1999ANNUAL CONTRIBUTION CONTRACT  
FW – 2066  
EXISTINGASSETS

Cash	\$	33,573.63
Accounts receivable - Voucher		12,873.52
Investments - Note B		70,000.00
Land, structures and equipment		12,775.32
		<hr/>
Total Assets	\$	<u>129,222.47</u>

LIABILITIES AND SURPLUS

Accounts payable - HUD - prior year	\$	17,719.56
Accounts payable - HUD - Exhibit D(2)		117,339.00
		<hr/>
Total Liabilities		135,058.56
Surplus - Exhibit C(2)		(5,836.09)
		<hr/>
Total Liabilities and Surplus	\$	<u>129,222.47</u>



## HOUSING AUTHORITY OF NATCHITOCHE PARISH

BALANCE SHEET – STATUTORY BASIS  
JUNE 30, 1999ANNUAL CONTRIBUTION CONTRACT  
FW – 2066  
VOUCHERASSETS

Accounts receivable - HUD - Exhibit D(3)	\$	<u>20,646.00</u>
Total Assets	\$	<u><u>20,646.00</u></u>

LIABILITIES AND SURPLUS

Accounts payable - Low Rent	\$	9,400.91
Accounts payable - Existing		<u>12,873.52</u>
Total Liabilities		22,274.43
Surplus - Exhibit C(3)		<u>(1,628.43)</u>
Total Liabilities and Surplus	\$	<u><u>20,646.00</u></u>

HOUSING AUTHORITY OF NATCHITOCHEs PARISH  
STATEMENT OF INCOME AND EXPENSES — STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT  
FW — 2179

		Year Ended
		06-30-99
Operating Income	\$	115,298.73
Dwelling rental		2,728.49
Interest on general fund investments		7,297.49
Other income		125,324.71
Total Operating Income - Exhibit D(1)		125,324.71
Operating Expenses		96,823.95
Administration		1,202.00
Tenant Expense		12,403.19
Utilities		73,809.09
Ordinary maintenance and operation		89,305.26
General expense		2,171.75
Nonroutine maintenance		275,715.24
Total Operating Expense - Exhibit D(1)		275,715.24
Net Operating Income (Loss)		(150,390.53)
Other Credits		
Prior year adjustments - affecting residual receipts		12,053.38
Prior year adjustments - not affecting residual receipts		2,304.66
Total Other Credits		14,358.04
Other Charges		
Gain or loss from disposition of nonexpendable equipment		78,667.42
Total Other Charges		78,667.42
Net Loss - Exhibit C(1)	\$	(214,699.91)

HOUSING AUTHORITY OF NATCHITOCHEs PARISH  
STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT  
FW – 2066  
EXISTING

		<u>Year Ended</u>
		<u>06-30-99</u>
Operating Income		
Interest on general fund investments	\$	<u>5,210.80</u>
Total Operating Income - Exhibit D(2)		<u>5,210.80</u>
Operating Expenses		
Administration		125,036.30
Housing assistance payments		641,142.23
Independent public accountant audit		<u>1,798.20</u>
Total Operating Expense - Exhibit D(2)		<u>767,976.73</u>
Net Operating Income (Loss)		<u>(762,765.93)</u>
Net Loss - Exhibit C(2)	\$	<u><u>(762,765.93)</u></u>

HOUSING AUTHORITY OF NATCHITOCHE PARISH  
STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS  
ANNUAL CONTRIBUTION CONTRACT  
FW – 2066  
VOUCHERS

		<u>Year Ended</u>
		<u>06-30-99</u>
Operating Income		
Interest on general fund investments	\$	<u>0.00</u>
Total Operating Income - Exhibit D(3)		<u>0.00</u>
Operating Expenses		
Administration		11,275.88
Housing assistance payments		55,094.46
Independent public accountant audit costs		<u>97.20</u>
Total Operating Expense - Exhibit D(3)		<u>66,467.54</u>
Net Operating Income (Loss)		<u>(66,467.54)</u>
Net Loss - Exhibit C(3)	\$	<u><u>(66,467.54)</u></u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1999ANNUAL CONTRIBUTION CONTRACT  
FW — 2179Unreserved Surplus

Balance per prior audit at 06-30-98	\$	(2,014,183.03)
Net loss for the year ended 06-30-99 - Exhibit B(1)		(214,699.91)
(Provision for) reduction of Operating Reserve for year ended 06-30-99 - Exhibit D(1)		28,494.34
Balance at 06-30-99		<u>(2,200,388.60)</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 06-30-98		151,822.58
Provision for (reduction of) Operating Reserve for the year ended 06-30-99 - Exhibit D(1)		(28,494.34)
Balance at 06-30-99 - Exhibit F(1)	\$	<u>123,328.24</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1999ANNUAL CONTRIBUTION CONTRACT  
FW — 2179Cumulative HUD Contributions

Balance per prior audit at 06-30-98	\$	6,464,069.90
Operating subsidy for year ended 06-30-99		<u>124,469.00</u>
Balance at 06-30-99		<u>6,588,538.90</u>

Cumulative HUD Grants

Balance per prior audit at 06-30-98		2,327,821.00
Advances for year ended 06-30-99		<u>27,523.50</u>
Balance at 06-30-99		<u>2,355,344.50</u>

Total Surplus - Exhibit A(1)	\$	<u><u>6,866,823.04</u></u>
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## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1999ANNUAL CONTRIBUTION CONTRACT  
FW — 2066

Balance per prior audit at 06-30-98	\$ (15,176,369.21)
Adjustment by HUD FYE 06/30/98	596,293.00
Net loss for the year ended 06-30-99 - Exhibit B(2)	(762,765.93)
(Provision for) reduction of Operating Reserve for year ended 06-30-99 - Exhibit D(2)	2,458.85
(Provision for) reduction of Project Account for year ended 06-30-99 - Exhibit D(2)	(270,243.00)
Balance at 06-30-99	<u>(15,610,626.29)</u>
 <u>Reserved Surplus - Operating Reserve</u>	
Balance per prior audit at 06-30-98	2,458.85
Provision for (reduction of) Operating Reserve for the year ended 06-30-99 - Exhibit D(2)	(2,458.85)
Balance at 06-30-99 - Exhibit F(2)	\$ <u>0.00</u>
 <u>Reserved Surplus - Operating Reserve</u>	
Transferred from moderate rehab	<u>48,925.29</u>
	<u>48,925.29</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1999ANNUAL CONTRIBUTION CONTRACT  
FW — 2066

<u>Project Account - Existing</u>	
Balance per prior audit at 06-30-98	\$ 1,389,184.00
Provision for (reduction of) Project Account for the year ended 06-30-99 - Exhibit D(2)	270,243.00
Adjustment by HUD FYE 03/30/98	<u>(596,293.00)</u>
Balance at 06-30-99	<u>1,063,134.00</u>
<u>Cumulative HUD Contributions</u>	
Balance per prior audit at 06-30-98	13,569,357.22
Annual contribution for year ended 06-30-98 - Exhibit D(2)	<u>742,606.00</u>
Balance at 06-30-99	<u>14,311,963.22</u>
Total Surplus - Existing	<u>119,524.48</u>
<u>Project Account - Moderate Rehab</u>	
Cumulative HUD Contributions - Moderate Rehab	<u>61,243.21</u>
Total Deficit - Exhibit A(2)	\$ <u><u>(5,836.09)</u></u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS – STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1999

## ANNUAL CONTRIBUTION CONTRACT

FW – 2066  
VOUCHERSUnreserved Surplus

Balance per prior audit at 06-30-98	\$	(196,230.40)
HUD adjustment		11,362.00
Net loss for the year ended 06-30-99 - Exhibit B(3)		(66,467.54)
(Provision for) reduction of Operating Reserve for year ended 06-30-99 - Exhibit D(3)		207.11
(Provision for) reduction of Project Account for year ended 06-30-99 - Exhibit D(3)		(379,314.00)
Balance at 06-30-99		<u>(630,442.83)</u>

Reserved Surplus - Operating Reserve - Voucher

Balance per prior audit at 06-30-98		207.11
Provision for (reduction of) Operating Reserve for the year ended 06-30-99 - Exhibit D(3)		(207.11)
Balance at 06-30-99	\$	<u>0.00</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1999ANNUAL CONTRIBUTION CONTRACT  
FW — 2066Project Account - Voucher

Balance per prior audit at 06-30-98	\$	66,363.00
Provision for (reduction of) Project Account for the year ended 06-30-99 - Exhibit D(3)		379,314.00
HUD adjustment		(11,362.00)
Balance at 06-30-99		<u>434,315.00</u>

Cumulative HUD Contributions - Voucher

Balance per prior audit at 06-30-98		129,868.40
Annual contribution for year ended 06-30-98 - Exhibit D(3)		<u>64,631.00</u>
Balance at 06-30-99		<u>194,499.40</u>

Total Surplus - Voucher - Exhibit A(3)	\$	<u>(1,628.43)</u>
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## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT — OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAM

## ANNUAL CONTRIBUTION CONTRACT

FW — 2066

EXISTING

	<u>Year Ended</u>
	<u>06-30-99</u>
Maximum Contribution Available	
Maximum annual contribution authorized	\$ 1,012,849.00
Project account balance at beginning of fiscal year	1,389,284.00
Adjustment by HUD FYE 06/30/98	<u>(596,293.00)</u>
Total Annual Contribution Available	<u>1,805,840.00</u>
Annual Contribution Required	
Housing assistance payments	641,142.23
Administrative fee	104,381.00
Hard-to-house fee	495.00
Independent public accountant audit costs	<u>1,798.20</u>
	747,816.43
Project receipts other than annual contribution	<u>5,210.43</u>
Total Contribution Required - Exhibit C(2)	<u>742,606.00</u>
Excess in Annual Contribution Available	\$ <u><u>1,063,234.00</u></u>
Year-end Settlement	
Annual contribution due for fiscal year	742,606.00
Total partial payments received by PHA for fiscal year	<u>859,945.00</u>
(Over) Under Payment Due (HUD) PHA	\$ <u><u>(117,339.00)</u></u>



## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT – OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAMANNUAL CONTRIBUTION CONTRACT  
FW – 2066

	<u>Year Ended</u>
	<u>06-30-99</u>
Status of Project Account	
Project account balance at the beginning of fiscal year	\$ 1,389,284.00
Increase (decrease) during fiscal year - Exhibit C(2)	270,243.00
Adjustment by HUD FYE 06/30/98	(596,393.00)
	<u>1,063,134.00</u>
Provision for Operating Reserve	
Operating receipts	
Operating income - Exhibit B(2)	5,210.80
Annual contributions earned	742,605.63
	<u>747,816.43</u>
Operating Expenditures	
Operating expenses -Exhibit B(2)	767,976.73
Property betterments and additions	
Replacement of nonexpendable equipment	
	<u>767,976.73</u>
Residual receipts (deficit) before provision for operating reserve	(20,160.30)
Audit adjustments - backed out	
(Provision for) reduction of operating reserve - Exhibit C(2)	2,458.85
Residual receipts (deficit) per PHA	\$ <u><u>(17,701.45)</u></u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT — OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAMANNUAL CONTRIBUTION CONTRACT  
FW — 2066  
VOUCHER

	<u>Year Ended</u>
	<u>06-30-99</u>
Maximum Contribution Available	
Maximum annual contribution authorized	\$ 443,945.00
Project account balance at beginning of fiscal year	66,363.00
HUD adjustment	(11,362.00)
Total Annual Contribution Available	<u>498,946.00</u>
Annual Contribution Required	
Housing assistance payments	55,094.00
Administrative fee	9,304.00
Hard-to-house fee	135.00
Independent public accountant audit costs	97.00
	<u>64,630.00</u>
Project receipts other than annual contribution	
Total Contribution Required - Exhibit C(3)	<u>64,630.00</u>
Excess in Annual Contribution Available	\$ <u>434,316.00</u>
Year-end Settlement	
Annual contribution due for fiscal year	64,631.00
Total partial payments received by PHA for fiscal year	<u>43,985.00</u>
(Over) Under Payment Due (HUD) PHA Exhibit A(3)	\$ <u>20,646.00</u>

HOUSING AUTHORITY OF NATCHITOCHE PARISH  
 COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
 PROJECT ACCOUNT – OPERATING RESERVE CHANGES  
 HOUSING ASSISTANCE PAYMENTS PROGRAM

ANNUAL CONTRIBUTION CONTRACT  
FW – 2066  
 VOUCHER

		<u>Year Ended</u>
		<u>06-30-99</u>
Status of Project Account		
Project account balance at the beginning of fiscal year	\$	66,363.00
Increase (decrease) during fiscal year - Exhibit C(3)		379,314.00
HUD adjustment		(11,362.00)
		<u>434,315.00</u>
Provision for Operating Reserve		
Operating receipts		
Annual contributions earned		64,631.00
		<u>64,631.00</u>
Operating Expenditures		
Operating expenses -Exhibit B(2)		66,467.54
		<u>66,467.54</u>
Residual receipts (deficit) before provision for operating reserve		(1,836.54)
Audit adjustments - backed out		
(Provision for) reduction of operating reserve - Exhibit C(3)		207.11
Residual receipts (deficit) after provision for operating reserve	\$	<u>(1,629.43)</u>

## HOUSING AUTHORITY OF NATCHITOCHEs PARISH

STATEMENT OF COMPLETED DRUG GRANT  
JUNE 30, 1998

		<u>48-P166-0196</u>
Total grant proceeds	\$	50,000.00
Expenditures		<u>50,000.00</u>
Total grant proceeds expended	\$	<u><u>50,000.00</u></u>

1. The total grant amount and total expended amount of \$50,000.00 agrees to the final Financial Status Report, Form 269A, dated November 19, 1998.
2. All drug costs have been paid and all related liabilities have been discharged through payment.

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

## ANALYSIS OF GENERAL FUND CASH BALANCE

## ANNUAL CONTRIBUTION CONTRACT

FW - 2179Composition Before Adjustments

## Net operating receipts retained:

Operating reserves - Exhibit C(1)	\$	123,328.24
Prepaid annual contributions		0.00
Deferred credits - insurance proceeds		156,474.87
		<u>279,803.11</u>

## Adjustments

## Expenses/costs not paid:

Accounts payable		13,628.75
Accrued payments in lieu of taxes		10,641.82
Current year imbalance		908.62

## Income not received:

Accounts receivable		<u>(12,794.97)</u>
---------------------	--	--------------------

## General Fund Cash Available

292,187.33

## General Fund Cash:

Invested		(210,706.45)
Applied to deferred charges (prepaid insurance, inventories, etc.)		<u>(15,127.25)</u>

## General Fund Cash - Exhibit A(1)

\$ 66,353.63

HOUSING AUTHORITY OF NATCHITOCHE PARISH

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 1999

<u>FEDERAL GRANTOR PROGRAM TITLE</u>	<u>CDFA NO.</u>	<u>GRANT ID NO.</u>	<u>AWARD AMOUNT</u>	<u>PROGRAM EXPENDITURES</u>
U.S. Department of Housing and Urban Development				
Direct Programs:				
Low-Income Housing				
Operating Subsidy	14.850	FW- 2179	\$ 124,469.00	\$ 124,469.00
Major Program Total			<u>124,469.00</u>	<u>124,469.00</u>
Section 8 Hap -				
Existing	14.156	FW- 2179	742,606.00	742,606.00
Voucher	14.177	FW- 2179	64,431.00	64,431.00
Major Program Total			<u>807,037.00</u>	<u>807,037.00</u>
Drug Elimination	14.854	FW- 2179	<u>27,523.50</u>	<u>27,523.50</u>
Major Program Total			<u>27,523.50</u>	<u>27,523.50</u>
Total HUD			\$ <u>959,029.50</u>	\$ <u>959,029.50</u>



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MIKE ESTES, CPA/PFS, CFP

MEMBER  
AMERICAN BOARD CERTIFIED  
PUBLIC ACCOUNTANTS

Report on Compliance with Requirements Applicable to Each  
Major Program and Internal Control Over Compliance in  
Accordance with OMB Circular A-133

Housing Authority of  
Natchitoches Parish  
Natchitoches, Louisiana

Compliance

We have audited the compliance of the Housing Authority of Natchitoches Parish, Louisiana with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and HUD Notice PIH 96-53 that are applicable to each of its major federal programs for the year ended June 30, 1999. The Housing Authority of Natchitoches Parish, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of Natchitoches Parish, Louisiana's management. Our responsibility is to express an opinion on the Housing Authority of Natchitoches Parish, Louisiana's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and HUD Notice PIH 96-53. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of Natchitoches Parish, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of Natchitoches Parish, Louisiana's compliance with those requirements.

In our opinion, the Housing Authority of Natchitoches Parish, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

#### Internal Control Over Compliance

The management of The Housing Authority of Natchitoches Parish, Louisiana is responsible for establishing and maintaining internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of Natchitoches Parish, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Mike Estes P. C.*

Fort Worth, Texas  
November 16, 1999

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

Housing Authority of  
Natchitoches Parish  
Natchitoches, Louisiana

We have audited the financial statements of the Housing Authority of Natchitoches Parish, Louisiana as of and for the year ended June 30, 1999, and have issued our report thereon dated November 16, 1999. 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, and provisions of the Louisiana Governmental Audit Guide.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of Natchitoches Parish, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing a 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 one instance of noncompliance that is required to be reported under *Government Auditing Standards*, or the Louisiana Governmental Audit Guide. It is listed on the Schedule of Audit Findings.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of Natchitoches Parish, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce

to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Mike Estes P. C.*

Fort Worth, Texas  
November 16, 1999





HOUSING AUTHORITY OF NATCHITOCHE PARISH  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 1999

Prior Audit Findings and Questioned Cost

There were no prior audit findings.

Current Audit Findings

The PHA expended funds in excess of budgeted amounts as follows:

	<u>Actual</u>	<u>Budgeted</u>
Administrative Salaries	\$ <u>52,840.00</u>	<u>51,944.00</u>
Total Administrative Expense	<u>96,824.00</u>	<u>96,090.00</u>
Total Routine Expense	<u>273,543.00</u>	<u>259,280.00</u>

Recommendation

The PHA should attempt to keep expenses within budgeted amounts.

Reply

We will comply with the above