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TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 1999
With Supplemental Information Schedules

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

Release Date JUN 07 2000

VERNON R
COON
CERTIFIED PUBLIC ACCOUNTANT

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 1999
With Supplemental Information Schedules

C O N T E N T S

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report		3
General Purpose Financial Statements:		
Proprietary Fund Type - Enterprise Fund:		
Balance Sheet	A	6
Statement of Revenues, Expenses, and Changes in Fund Equity	B	7
Statement of Cash Flows	C	8
Notes to the Financial Statements		9
	<u>Schedule</u>	<u>Page No.</u>
Supplemental Information Schedules:		
Schedule of Board Members	1	15
Schedule of Revenues, Expenses, and Changes in Fund Equity - Budget and Actual	2	16
Proposed Budget - For the Year Ended December 31, 2000	3	17
Schedule of Insurance Coverage	4	18
Schedule of Expenditures of Federal Awards	5	19

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana
Contents, December 31, 1998

C O N T E N T S CONTD.

	<u>Schedule</u>	<u>Page No.</u>
Independent Auditor's Reports Required by <i>Government Auditing Standards:</i>		
Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting		21
Schedule of Findings and Questioned Costs	6	23
Summary Schedule of Prior Audit Findings	7	24



Independent Auditor's Report

BOARD OF DIRECTORS
TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana

I have audited the general purpose financial statements of the Tallulah Housing Authority, as of December 31, 1999, and for the year ended as listed in the table of contents. These general purpose financial statements are the responsibility of the Tallulah Housing Authority's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tallulah Housing Authority as of December 31, 1999, and the results of its operations and cash flows of its proprietary fund for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Tallulah Housing Authority. Except for those schedules marked unaudited, such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

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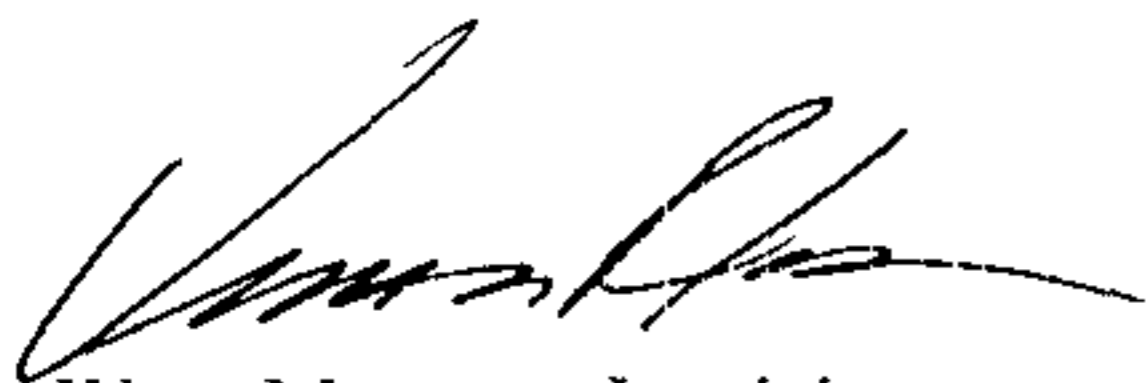
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BOARD OF DIRECTORS
TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana
Independent Auditor's Report,
December 31, 1999

In accordance with Government Auditing Standards, I have also issued a report dated May 16, 2000, on the Tallulah Housing Authority's compliance with laws, regulations, contracts, and grants; and my consideration of the agency's internal control over financial reporting. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

A handwritten signature in black ink, appearing to be 'V. Smith', written in a cursive style.

West Monroe, Louisiana
May 16, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Comparative Balance Sheets, December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Current assets:		
Cash	\$790	\$3,074
Receivable	5,084	
Deposits	325	325
Total current assets	<u>6,199</u>	<u>3,399</u>
Restricted assets - cash	105,995	104,351
Property, plant and equipment (net of accumulated depreciation)	<u>683,170</u>	<u>715,921</u>
TOTAL ASSETS	<u><u>\$795,364</u></u>	<u><u>\$823,671</u></u>
 LIABILITIES AND FUND EQUITY		
Current liabilities (payable from current assets) - accounts payable	<u>\$11,204</u>	<u>\$11,795</u>
Current liabilities (payable from restricted assets):		
Housing revenue note payable	24,873	24,637
Security deposits	2,925	2,625
Total current liabilities (payable from restricted assets)	<u>27,798</u>	<u>27,262</u>
Long-term liabilities - housing revenue note payable	<u>882,067</u>	<u>906,403</u>
Total Liabilities	<u>921,069</u>	<u>945,460</u>
Fund Equity - retained earnings:		
Reserved for security deposits	1,584	1,366
Reserved for debt service	76,613	75,722
Unreserved (deficit)	<u>(203,902)</u>	<u>(198,877)</u>
Total Fund Equity	<u>(125,705)</u>	<u>(121,789)</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$795,364</u></u>	<u><u>\$823,671</u></u>

The accompanying notes are an integral part of this statement.

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Comparative Statements of Revenues, Expenses, and
Changes in Fund Equity
For the Year Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
OPERATING REVENUES		
Rental income	\$43,570	\$36,015
Other operating revenues	733	888
Total operating revenues	<u>44,303</u>	<u>36,903</u>
OPERATING EXPENSES		
Administrative	45,353	45,720
Operating and maintenance	87,269	20,107
Utilities	4,472	4,042
Insurance	5,755	4,501
Depreciation	36,275	36,022
Tenants utility allowance	6,570	9,500
Other operating expenses	895	1,975
Total operating expenses	<u>186,589</u>	<u>121,867</u>
OPERATING INCOME (LOSS)	<u>(142,286)</u>	<u>(84,964)</u>
NON-OPERATING REVENUES (Expenses)		
Federal grants - Farmers Home Administration:		
Loan subsidy	33,870	33,552
Rental assistance	64,364	76,303
Insurance proceeds	46,647	
Interest earned on deposits	2,941	2,682
Interest expense	(9,452)	(9,469)
Total non-operating revenues (expenses)	<u>138,370</u>	<u>103,068</u>
NET INCOME	(3,916)	18,104
FUND EQUITY (Deficit) AT BEGINNING OF YEAR	<u>(121,789)</u>	<u>(139,893)</u>
FUND EQUITY (Deficit) AT END OF YEAR	<u>(\$125,705)</u>	<u>(\$121,789)</u>

The accompanying notes are an integral part of this statement.

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Comparative Statements of Cash Flows
For the Year Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss	(\$141,968)	(\$84,964)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation	36,275	36,022
(Increase) decrease in receivables	(5,084)	
Increase (decrease) in payables	(591)	(400)
Increase (decrease) in security deposits	300	(300)
Total adjustments	<u>30,900</u>	<u>35,322</u>
Net cash used by operating activities	<u>(111,068)</u>	<u>(49,642)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(3,523)	(1,048)
Grant proceeds	<u>64,364</u>	<u>76,303</u>
Total cash flows from capital and related financing activities	<u>60,841</u>	<u>75,255</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earnings	2,941	2,682
Insurance proceeds	<u>46,647</u>	
Total cash flows from investing activities	<u>49,588</u>	<u>2,682</u>
NET CHANGE IN CASH	(639)	28,295
CASH AT BEGINNING OF YEAR	<u>107,424</u>	<u>79,129</u>
CASH AT END OF YEAR	<u><u>\$106,785</u></u>	<u><u>\$107,424</u></u>

The accompanying notes are an integral part of this statement.

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Tallulah Housing Authority was created by ordinance of the City of Tallulah on March 11, 1976, as authorized by Louisiana Revised Statute 40:391. The housing authority is governed by a five member board appointed by the city. Board members serve five year terms without benefit of compensation.

A. REPORTING ENTITY

As the governing authority of the city, for reporting purposes, the City of Tallulah is the financial reporting entity for the city. The financial reporting entity consists of (a) the primary government (city), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining which component units should be considered part of the City of Tallulah for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and;
 - a. The ability of the city to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the city.
2. Organizations for which the city does not appoint a voting majority but are fiscally dependent on the city.

TALLULAH HOUSING AUTHORITY

Tallulah, Louisiana

Notes to the financial statements (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the city appoints the governing body of the housing authority, the housing authority was determined to be a component unit of the City of Tallulah, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the housing authority and do not present information on the city, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. FUND ACCOUNTING

Tallulah Housing Authority is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges.

C. FIXED ASSETS AND LONG-TERM DEBT

Fixed assets of the housing authority are included on the balance sheet of the enterprise fund and are recorded at actual cost. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over estimated useful lives of 5 to 35 years. Long-term debt is recognized within the enterprise fund.

D. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and 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. The Enterprise Fund is reported in the accompanying financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

TALLULAH HOUSING AUTHORITY

Tallulah, Louisiana

Notes to the financial statements (Continued)

E. CASH

Under state law, the housing authority may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The housing authority may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1999, the housing authority has cash demand deposits (book balances) totaling \$106,785.

These deposits are stated at cost, which approximates 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. Deposit balances (bank balances) at December 31, 1999, total \$108,812 and are fully secured by federal deposit insurance.

F. VACATION AND SICK LEAVE

The housing authority has three employees. The housing authority has not adopted vacation or sick leave policies; therefore, there is no liability for compensated absences.

G. RISK MANAGEMENT

The housing authority is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the housing authority maintains commercial insurance policies covering property, employee liability, and public officials liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 1999.

2. DEFICIT IN UNRESERVED RETAINED EARNINGS

At December 31, 1999, the housing authority has an accumulated deficit of \$125,705 in unreserved retained earnings. The housing authority's net loss for the year ended December 31, 1999, was \$3,916.

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana
Notes to the financial statements (Continued)

3. FIXED ASSETS

The following presents the changes in fixed assets for the year ended December 31, 1999:

	<u>Balance at January 1,</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31,</u>
Land	\$38,008			\$38,008
Buildings and improvements	1,171,513			1,171,513
Furniture and equipment	78,036	\$3,523		81,559
Total	<u>\$1,287,557</u>	<u>\$3,523</u>	<u>NONE</u>	<u>\$1,291,080</u>

A summary of proprietary fund type property, plant, and equipment at December 31, 1999, follows:

Land	\$38,008
Buildings and improvements	1,171,513
Furniture and equipment	81,559
Total	<u>1,291,080</u>
Accumulated depreciation	<u>(607,910)</u>
Net fixed assets	<u>\$683,170</u>

4 PENSION PLAN

The employees of Tallulah Housing Authority are members of the Social Security System. In addition to the employee's contributions withheld at 7.65 per cent of gross salary, the housing authority contributes an equal amount to the Social Security System. The housing authority does not guarantee the benefits granted by the Social Security System.

5. LONG-TERM DEBT

The long-term liability at December 31, 1999, represents a housing revenue note payable to the United States Department of Agriculture, Rural Development Administration under the Rural Rental Housing Loan Program (CFDA 10.415). The note is due in monthly installments of \$2,796 through November 1, 2031, with an annual interest rate of 11.5 per cent.

The following is a summary of long-term debt transactions for the year ended December 31, 1999:

TALLULAH HOUSING AUTHORITY
 Tallulah, Louisiana
 Notes to the financial statements (Continued)

Note payable at January 1, 1999	\$931,040
Additions	NONE
Retirements	<u>(24,100)</u>
Note payable at December 31, 1999	<u><u>\$906,940</u></u>

The annual requirements to amortize long-term debt outstanding at December 31, 1999, including interest of \$146,011 are as follows:

<u>Year</u>	
2000	\$33,552
2001	33,552
2002	33,552
2003	33,552
2004	33,552
2005-2009	167,760
2010-2014	167,760
2015-2019	167,760
2020-2024	167,760
2025-2029	167,760
2030-2031	<u>46,391</u>
Total	<u><u>\$1,052,951</u></u>

6. RESERVED FUND BALANCE

As discussed in note 5, during 1981 the housing authority received a \$1,286,000 loan from Farmers Home Administration (CFDA 10.415) for the construction of housing accommodations for persons of low income. The loan agreement requires the establishment of a Reserve Fund. The housing authority must transfer into this fund an amount not less than \$11,255 annually, until there has been accumulated an amount of \$112,554. At December 31, 1999, the housing authority had set aside a total of \$101,486 to meet its reserve requirements.

7. LITIGATION AND CLAIMS

At December 31, 1999, the housing authority is not involved in any litigation, nor is it aware of any unasserted claims.

SUPPLEMENTAL INFORMATION SCHEDULES

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana

Schedule of Board Members
For the Year Ended December 31, 1999

Anthony Bridgewater
Post Office Box 1602
Tallulah, LA 71282
(318) 574-0811

Mary Alice Lee Hodge
404 East Green Street
Tallulah, LA 71282
(318) 574-0479

Jim Sievier
Post Office Box 423
Tallulah, LA 71282
(318) 574-1656

Lonnie Curry
121 Chicago Street
Tallulah, LA 71282

Trent Lewis
301 West Craig Street
Tallulah, LA 71282
(318) 5774-0924

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Schedule of Revenues, Expenses,
and Changes in Fund Equity - Budget and Actual
For the Year Ended December 31, 1999

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OPERATING REVENUES			
Rental income	\$46,724	\$43,570	(\$3,154)
Laundry services	750	733	(17)
Total operating revenues	<u>47,474</u>	<u>44,303</u>	<u>(3,171)</u>
OPERATING EXPENSES			
Accounting and legal	4,800	2,806	1,994
Operating supplies	240	281	(41)
Garbage removal	2,650	2,540	110
Maintenance of grounds	5,000	2,075	2,925
Insurance	7,620	5,755	1,865
Payroll taxes	2,970	3,446	(476)
Repairs and maintenance	1,800	82,591	(80,791)
Salary	35,600	38,686	(3,086)
Telephone	720	586	134
Utilities	5,000	3,886	1,114
Auto and travel		134	(134)
Depreciation		36,275	(36,275)
Other operating expenses	2,970	7,528	(4,558)
Total operating expenses	<u>69,370</u>	<u>186,589</u>	<u>(117,219)</u>
OPERATING INCOME (Loss)	<u>(21,896)</u>	<u>(142,286)</u>	<u>(120,390)</u>
NON-OPERATING REVENUES (Expenses)			
Federal grants - Farmers Home Administration:			
Loan subsidy	33,552	33,870	
Rental assistance	64,364	64,364	
Interest earned on deposits	1,800	2,941	1,141
Insurance proceeds		46,647	46,647
Interest expense		(9,452)	(9,452)
Total non-operating revenues (expenses)	<u>99,716</u>	<u>138,370</u>	<u>38,336</u>
NET INCOME	77,820	(3,916)	(82,054)
FUND EQUITY (Deficit) AT BEGINNING OF YEAR	<u>(21,058)</u>	<u>(121,789)</u>	
FUND EQUITY (Deficit) AT END OF YEAR	<u>\$56,762</u>	<u>(\$125,705)</u>	<u>(\$82,054)</u>

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND
Proposed Budget
For the Year Ended December 31, 2000
(Unaudited)

OPERATING REVENUES

Rental income	\$133,500
Other operating revenues	3,580
Total operating revenues	<u>137,080</u>

OPERATING EXPENSES

Accounting and legal	5,380
Operating supplies	300
Garbage removal	2,520
Maintenance of grounds	2,800
Insurance	8,850
Payroll taxes	3,360
Repairs and maintenance	18,000
Salary	34,925
Telephone	660
Utilities	3,800
Other operating expenses	1,200
Total operating expenses	<u>81,795</u>

OPERATING INCOME

55,285

NON-OPERATING REVENUES (Expenses)

Capital expenses	<u>3,000</u>
------------------	--------------

NET INCOME

58,285

FUND EQUITY (Deficit) AT BEGINNING OF YEAR

(125,705)

FUND EQUITY (Deficit) AT END OF YEAR

(\$67,420)

TALLULAH HOUSING AUTHORITY
Tallulah, LouisianaSchedule of Insurance Coverage
As of December 31, 1999
(Unaudited)

<u>Type of Coverage</u>	<u>Name of Insurer</u>	<u>Policy Number</u>	<u>Amount of Coverage</u>	<u>Expiration Date</u>
Fire and Extended Coverage	Various	Various	\$1,280,000	04/01/00
General Liability	Audubon Insurance	CGL419921	1,000,000	04/01/00
Automobile Liability	Audubon Insurance	CGL419921	500,000	04/01/00
Public Officials	General Star Indemnity	IYA811765C	1,000,000	09/01/00

TALLULAH HOUSING AUTHORITY
Tallulah, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 1999

FEDERAL GRANTOR/
PASS-THROUGH GRANTOR/
PROGRAM NAME

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	CFDA NUMBER	PASS- THROUGH GRANTOR'S NUMBER	EXPENDITURES
United States Department of Agriculture - Farmers Home Administration -			
Direct program - Rural Rental Housing Loans	10.415	N/A	<u>\$98,234</u>

Footnote:

1. Not included in the above schedule is \$906,940 in an outstanding long-term housing revenue note payable at December 31, 1999. The note is payable to the Rural Development Administration under CFDA 10.415.
2. This schedule was prepared on the modified accrual basis of accounting.

**Independent Auditor's Reports Required
by *Government Auditing Standards***

The following independent auditor's reports on compliance with laws, regulations, contracts, and internal control are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

TALLULLAH HOUSING AUTHORITY
Tallullah, Louisiana

I have audited the general purpose financial statements of the Tallullah Housing Authority as of and for the year ended December 31, 1999, and have issued my report thereon dated May 16, 2000. I conducted my 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.

Compliance

As part of obtaining reasonable assurance about whether the Tallullah Housing Authority's financial statements are free of material misstatement, I 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 amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, I did note a certain matter of noncompliance which I have communicated to management in a separate letter dated May 16, 2000.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Tallullah Housing Authority's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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TALLULLAH HOUSING AUTHORITY

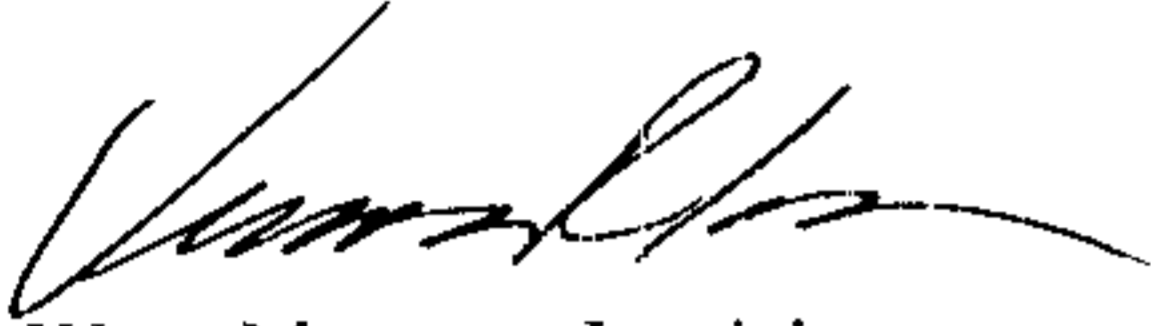
Tallullah, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

December 31, 1999

This report is intended for the information of the Tallullah Housing Authority and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to be 'V. Smith', written in a cursive style.

West Monroe, Louisiana

May 16, 2000

TALLULLAH HOUSING AUTHORITY
Tallullah, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 1999

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of Tallullah Housing Authority.
2. No instances of noncompliance material to the financial statements of Tallullah Housing Authority were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

TALLULLAH HOUSING AUTHORITY
Tallulah, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 1999

There were no audit findings reported in the audit for the year ended December 31, 1998.



Management Letter

RECEIVED
LEONARD J. COOPER, AUDITOR
03/17/00 06 AM 9:31

Tallulah Housing Authority
204 North Cedar Street
Tallulah, LA 71282

During my annual audit of the general purpose financial statements of the Tallulah Housing Authority for the year ended December 31, 1999, I noted a certain matter which, although not appropriate for inclusion in the auditor's report on compliance, I feel should be communicated to management of the Authority.

During my testing of expenditures it was noted that because of a storm on January 21, 1999, which caused excessive wind and hail damage to the roof of the Martin Luther King Apartment complex, an emergency was declared by the director and quotes were obtained for repairs. It was also noted that the low quote was accepted but certain other requirements of the Public Bid Law were not followed.

Louisiana Revised Statute 38:2212(D) provides that when an emergency is declared, the agency shall prepare a written determination and finding justifying the declaration. The statute further provides that notice of such emergency and declaration shall be published in the official journal within ten days of such declaration. My review of expenditures files related to the emergency did not disclose that a written determination and finding was prepared. Also, there was no documentation that a notice of the declaration was published in the local newspaper.

Should an emergency be declared in the future, the housing authority should ensure that all elements of the Public Bid Law relating to emergencies be followed and that the expenditure files include documentation supporting such action.

Should you have any questions or if I can be of assistance in this matter in the future, please feel free to contact me.

Sincerely,

Vernon R. Coon
May 15, 2000

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Theodore Lindsey
Mayor

Gerald L. Odom
City Clerk



City of Tallulah

204 North Cedar St.
Tallulah, Louisiana 71282
Phone (318) 574-0964
Fax (318) 574-2773

Earl J. Pinkney
Chief of Police

April 15, 2000

Vernon R. Coon, C.P.A.
116 Professional Drive
West Monroe, Louisiana 71291

Re: Louisiana Revised Statute 38:2212(D)

Dear Mr. Coon:

We regret that the emergency declaration due to tornado damage to the roof of Martin Luther King Apartments was omitted from the local newspaper, "The Madison Journal".

Having learned of this aspect of the Bid Law Statute, we will ensure that such notification concerning such matters is formally published in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerald L. Odom", written over a horizontal line.

Gerald L. Odom
City Clerk

ps