

OFFICIAL  
FILE COPY

**DO NOT SEND OUT**

(Xerox necessary  
copies from this  
copy and PLACE  
BACK in FILE)

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

**Report on Audit of  
Financial Statements And  
Supplementary Information**

**For the Year 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.

Release Date **JAN 05 2000**

TABLE OF CONTENTS

| <u>FINANCIAL SECTION</u>   | <u>PAGE</u> |
|--|-------------|
| Independent Auditors' Report   | 1-2         |
| <b>General Purpose Financial Statements:</b>   |             |
| Combined Balance Sheet - All Fund Types and Account Groups   | 4-7         |
| Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types   | 8           |
| Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General, Special Revenue, Debt Service and Capital Project Funds | 9-10        |
| Notes to Financial Statements  | 12-22       |
| Schedule of Federal Financial Assistance   | 23          |
| <u>SUPPLEMENTAL INFORMATION STATEMENTS AND SCHEDULES (STATUTORY BASIS)</u>   |             |
| Statement of Modernization Costs - Uncompleted at June 30, 1999  | 24          |
| Statement and Certification of Actual Modernization Costs  | 25          |
| Schedule of Adjusting Journal Entries  | 26-28       |
| Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards     | 29-30       |
| Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133                             | 31-32       |
| Independent Auditors' Report on Compliance With Specific Requirements Applicable to Nonmajor HUD Program Transactions  | 33          |
| Independent Auditors' Report on Compliance With Specific Requirements Applicable to Affirmative Fair Housing and Nondiscrimination   | 34          |
| Status of Prior Audit Findings   | 35          |
| Findings, Recommendations and Replies  | 36          |
| Activities of the PHA  | 37          |

# VIGE & TUJAGUE

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

210 WEST VINE  
P. O. BOX 1006  
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.  
FRANK G. TUJAGUE, C.P.A.

TELEPHONE:  
318-457-9324  
FAX:  
318-457-8743

Board of Directors  
Mamou Housing Authority  
Mamou, Louisiana 70554

## Independent Auditors' Report

We have audited the accompanying General Purpose financial statements of the Housing Authority of the Town of Mamou, Louisiana, as of and for the year ended June 30, 1999, as listed in the table of contents. These financial statements are the responsibility of the management of the Housing Authority of the Town of Mamou, Louisiana. Our responsibility is to express an opinion on these 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 Audit Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the General Purpose financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the Town of Mamou, Louisiana, as of June 30, 1999 and the results of its operations and changes in its Fund Balance for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated December 5, 1999, on our consideration of The Housing Authority'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

basic financial statements taken as a whole. The accompanying supplementary information is presented for purpose of additional analysis and is not a required part of the basic financial statements of The Housing Authority of the Town of Mamou. The accompanying schedule of expenditures of federal awards is presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audit of States, Local Governments and Non-Profit Organizations, and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Vige & Tujague*

Vige & Tujague  
December 5, 1999

**FINANCIAL SECTION**

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 June 30, 1999

|   | Governmental Fund Types |                            |                         |
|---|-------------------------|----------------------------|-------------------------|
|   | <u>General</u>          | <u>Special<br/>Revenue</u> | <u>Debt<br/>Service</u> |
| <b>ASSETS AND OTHER DEBITS</b>  |                         |                            |                         |
| <b>Assets:</b>  |                         |                            |                         |
| Cash and cash equivalents   | \$ 73,272               | \$ 14,970                  | \$ 1,383                |
| Receivables   | 920                     | -                          | 57,901                  |
| Savings   | 93,880                  | -                          | -                       |
| Interfund receivable  | 1,718                   | -                          | -                       |
| Prepaid items   | 9,460                   | 4,070                      | -                       |
| Land, buildings and equipment   | -                       | -                          | -                       |
| <b>Other Debits:</b>  |                         |                            |                         |
| Amount available in debt<br>service funds                                   | -                       | -                          | -                       |
| Amount to be provided for<br>retirement of general<br>long-term obligations | -                       | -                          | -                       |
| <b>Total Assets</b>   | <b><u>\$179,250</u></b> | <b><u>\$ 19,040</u></b>    | <b><u>\$ 59,284</u></b> |

The accompanying notes are an integral part of this statement.

| <u>Capital<br/>Projects</u> | <u>Fiduciary<br/>Fund</u> | <u>Account Groups</u>               |  | <u>TOTALS<br/>(Memorandum<br/>Only)</u> |
|-----------------------------|---------------------------|-------------------------------------|--|---|
|                             | <u>Agency<br/>Fund</u>    | <u>General<br/>Fixed<br/>Assets</u> | <u>General<br/>Long-term<br/>Obligations</u> |   |
| \$ 1,002                    | \$ -                      | \$ -                                | \$ -   | \$ 90,627                               |
| 51,945                      | -                         | -                                   | -  | 110,766                                 |
| -                           | -                         | -                                   | -  | 93,880                                  |
| -                           | 18,586                    | -                                   | -  | 20,304                                  |
| -                           | -                         | -                                   | -  | 13,530                                  |
| -                           | -                         | 4,939,637                           | -  | 4,939,637                               |
| -                           | -                         | -                                   | 59,284                                       | 59,284                                  |
| -                           | -                         | -                                   | 480,583                                      | 480,583                                 |
| <u>\$ 52,947</u>            | <u>\$ 18,586</u>          | <u>\$4,939,637</u>                  | <u>\$539,867</u>                             | <u>\$5,808,611</u>                      |



HOUSING AUTHORITY OF THE TOWN OF MAMOU  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 June 30, 1999

|  | Governmental Fund Types |                    |                  |
|--|-------------------------|--------------------|------------------|
|  | General                 | Special<br>Revenue | Debt<br>Service  |
| LIABILITIES, EQUITY, AND OTHER CREDITS       |                         |                    |                  |
| Liabilities:                                 |                         |                    |                  |
| Accounts, salaries, and other payables       | \$ 9,573                | \$ -               | \$ -             |
| Interfund payable                            | 18,586                  | 1,718              | -                |
| Deposits due others                          | -                       | -                  | -                |
| Other Liabilities                            | -                       | 15,027             | -                |
| Matured bonds and interest payable           | -                       | -                  | 57,597           |
| Compensated absences payable                 | -                       | -                  | -                |
| Bonds & Notes payable                        | -                       | -                  | -                |
| Total Liabilities                            | <u>28,159</u>           | <u>16,745</u>      | <u>57,597</u>    |
| Equity and Other Credits:                    |                         |                    |                  |
| Contributed capital                          |                         |                    |                  |
| Investment in general fixed assets           | -                       | -                  | -                |
| Fund balances:                               |                         |                    |                  |
| Reserved                                     | 9,460                   | 4,070              | 1,687            |
| Unreserved                                   | <u>141,631</u>          | <u>(1,775)</u>     | <u>-</u>         |
| Total Equity and Other Credits               | <u>151,091</u>          | <u>2,295</u>       | <u>1,687</u>     |
| TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS | <u>\$179,250</u>        | <u>\$ 19,040</u>   | <u>\$ 59,284</u> |

The accompanying notes are an integral part of this statement.



| <u>Capital<br/>Projects</u> | <u>Fiduciary<br/>Fund</u> | <u>Account Groups</u>               |  | <u>TOTALS<br/>(Memorandum<br/>Only)</u> |
|-----------------------------|---------------------------|-------------------------------------|--|---|
|                             | <u>Agency<br/>Fund</u>    | <u>General<br/>Fixed<br/>Assets</u> | <u>General<br/>Long-term<br/>Obligations</u> |   |
| \$ 51,945                   | \$ -                      | \$ -                                | \$ -   | \$ 61,518                               |
| -                           | -                         | -                                   | -  | 20,304                                  |
| -                           | 18,586                    | -                                   | -  | 18,586                                  |
| -                           | -                         | -                                   | -  | 15,027                                  |
| -                           | -                         | -                                   | -  | 57,597                                  |
| -                           | -                         | -                                   | 6,743  | 6,743                                   |
| -                           | -                         | -                                   | 533,124                                      | 533,124                                 |
| <u>51,945</u>               | <u>18,586</u>             | <u>-</u>                            | <u>539,867</u>                               | <u>712,899</u>                          |
| -                           | -                         | 4,939,637                           | -  | 4,939,637                               |
| 1,002                       | -                         | -                                   | -  | 16,219                                  |
| <u>-</u>                    | <u>-</u>                  | <u>-</u>                            | <u>-</u>                                     | <u>139,856</u>                          |
| <u>1,002</u>                | <u>-</u>                  | <u>4,939,637</u>                    | <u>-</u>                                     | <u>5,095,712</u>                        |
| <u>\$ 52,947</u>            | <u>\$ 18,586</u>          | <u>\$4,939,637</u>                  | <u>\$539,867</u>                             | <u>\$5,808,611</u>                      |

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
 Year Ended June 30, 1999

|   | Governmental Fund Types |                    |                 |                     | TOTALS<br>(Memorandum<br>Only) |
|---|-------------------------|--------------------|-----------------|---------------------|--------------------------------|
|   | General                 | Special<br>Revenue | Debt<br>Service | Capital<br>Projects |                                |
| <b>REVENUES</b>   |                         |                    |                 |                     |                                |
| Local sources:  |                         |                    |                 |                     |                                |
| Dwelling rental   | \$ 166,102              | \$ -               | \$ -            | \$ -                | \$ 166,102                     |
| Interest earnings   | 3,272                   | -                  | -               | -                   | 3,272                          |
| Other   | 3,594                   | -                  | -               | -                   | 3,594                          |
| Federal sources:  |                         |                    |                 |                     |                                |
| Operating subsidy   | 169,189                 | 59,689             | -               | -                   | 228,878                        |
| Annual Contributions  |                         |                    |                 |                     |                                |
| Contract  | -                       | -                  | 57,901          | -                   | 57,901                         |
| Grants  | -                       | -                  | -               | 583,872             | 583,872                        |
| Total revenues  | <u>342,157</u>          | <u>59,689</u>      | <u>57,901</u>   | <u>583,872</u>      | <u>1,043,619</u>               |
| <b>EXPENDITURES</b>   |                         |                    |                 |                     |                                |
| Current:  |                         |                    |                 |                     |                                |
| Administration  | 76,567                  | 4,669              | -               | -                   | 81,236                         |
| Utilities   | 57,505                  | -                  | -               | -                   | 57,505                         |
| Ordinary maintenance  | 85,261                  | -                  | -               | -                   | 85,261                         |
| Housing Payments  | -                       | 51,414             | -               | -                   | 51,414                         |
| General expenditures  | 69,771                  | -                  | -               | -                   | 69,771                         |
| Facilities acquisition and<br>construction  | 753                     | -                  | -               | 583,194             | 583,947                        |
| Debt service:   |                         |                    |                 |                     |                                |
| Principal retirement  | -                       | -                  | 29,730          | -                   | 29,730                         |
| Interest and bank charges   | -                       | -                  | 27,848          | -                   | 27,848                         |
| Total expenditures  | <u>289,857</u>          | <u>56,083</u>      | <u>57,578</u>   | <u>583,194</u>      | <u>986,712</u>                 |
| <b>EXCESS (deficiency) OF<br/>REVENUES OVER<br/>EXPENDITURES</b>  |                         |                    |                 |                     |                                |
|   | <u>52,300</u>           | <u>3,606</u>       | <u>323</u>      | <u>678</u>          | <u>56,907</u>                  |
| <b>OTHER FINANCING SOURCES (uses)</b>   |                         |                    |                 |                     |                                |
| Transfers in  | -                       | -                  | -               | -                   | -                              |
| Transfers out   | -                       | -                  | -               | -                   | -                              |
| Total other financing<br>sources (uses)   | <u>-</u>                | <u>-</u>           | <u>-</u>        | <u>-</u>            | <u>-</u>                       |
| <b>EXCESS (deficiency) OF<br/>REVENUES AND OTHER<br/>SOURCES OVER EXPEN-<br/>DITURES AND OTHER USES</b> |                         |                    |                 |                     |                                |
|   | 52,300                  | 3,606              | 323             | 678                 | 56,907                         |
| FUND BALANCE, BEGINNING   | <u>98,791</u>           | <u>(1,311)</u>     | <u>1,364</u>    | <u>324</u>          | <u>99,168</u>                  |
| FUND BALANCE, ENDING  | <u>\$151,091</u>        | <u>\$ 2,295</u>    | <u>\$ 1,687</u> | <u>\$ 1,002</u>     | <u>\$ 156,075</u>              |

The accompanying notes are an integral part of this statements.

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL  
 AND SPECIAL REVENUE FUNDS  
 For the Year Ended June 30, 1999

|   | GENERAL FUND     |                  |  | SPECIAL REVENUE FUND |                 |  |
|---|------------------|------------------|--|----------------------|-----------------|--|
|   | BUDGET           | ACTUAL           | Variance<br>Favorable<br>(Unfavorable) | BUDGET               | ACTUAL          | Variance<br>Favorable<br>(Unfavorable) |
| <b>REVENUES</b>   |                  |                  |  |                      |                 |  |
| Local sources:  |                  |                  |  |                      |                 |  |
| Dwelling rental   | \$ 158,210       | \$ 166,102       | \$ 7,892                               | \$ -                 | \$ -            | \$ -                                   |
| Interest earnings   | 2,650            | 3,272            | 622                                    | -                    | -               | -                                      |
| Other   | -                | 3,594            | 3,594                                  |                      |                 |  |
| Federal sources:  |                  |                  |  |                      |                 |  |
| Operating subsidy   | 157,743          | 169,189          | 11,446                                 | 71,203               | 59,689          | (11,514)                               |
| Annual Contributions  |                  |                  |  |                      |                 |  |
| Contract  | -                | -                | -                                      | -                    | -               | -                                      |
| Grants  | -                | -                | -                                      | -                    | -               | -                                      |
| Total revenues  | <u>318,603</u>   | <u>342,157</u>   | <u>23,554</u>                          | <u>71,203</u>        | <u>59,689</u>   | <u>(11,514)</u>                        |
| <b>EXPENDITURES</b>   |                  |                  |  |                      |                 |  |
| Current:  |                  |                  |  |                      |                 |  |
| Administration  | 74,820           | 76,567           | (1,747)                                | 9,175                | 4,669           | 4,506                                  |
| Utilities   | 88,150           | 57,505           | 30,645                                 | -                    | -               | -                                      |
| Ordinary maintenance  | 83,460           | 85,261           | (1,801)                                | -                    | -               | -                                      |
| Housing Payments  |                  |                  |  | 62,028               | 51,414          | 10,614                                 |
| General expenditures  | 64,674           | 69,771           | (5,097)                                | -                    | -               | -                                      |
| Facilities acquisition & construction                               | 5,193            | 753              | 4,440                                  | -                    | -               | -                                      |
| Debt service:   |                  |                  |  |                      |                 |  |
| Principal retirement  | -                | -                | -                                      | -                    | -               | -                                      |
| Interest and bank charges   | -                | -                | -                                      | -                    | -               | -                                      |
| Total expenditures  | <u>316,297</u>   | <u>289,857</u>   | <u>26,440</u>                          | <u>71,203</u>        | <u>56,083</u>   | <u>15,120</u>                          |
| EXCESS (deficiency) OF REVENUES OVER EXPENDITURES                   | 2,306            | 52,300           | 49,994                                 | -                    | 3,606           | 3,606                                  |
| OTHER FINANCING SOURCES   |                  |                  |  |                      |                 |  |
| Transfers in  | -                | -                | -                                      | -                    | -               | -                                      |
| EXCESS (deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES | 2,306            | 52,300           | 49,994                                 | -                    | 3,606           | 3,606                                  |
| FUND BALANCE, BEGINNING   | <u>101,097</u>   | <u>98,791</u>    | <u>(2,306)</u>                         | <u>-</u>             | <u>(1,311)</u>  | <u>(1,311)</u>                         |
| FUND BALANCE, ENDING  | <u>\$103,403</u> | <u>\$151,091</u> | <u>\$ 47,688</u>                       | <u>\$ -</u>          | <u>\$ 2,295</u> | <u>\$ 2,295</u>                        |

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -  
 DEBT SERVICE, AND CAPITAL PROJECT FUNDS  
 Year Ended June 30, 1999

|  | <u>DEBT SERVICE FUND</u> |                 |  | <u>CAPITAL PROJECTS FUND</u> |                 |  |
|--|--------------------------|-----------------|--|------------------------------|-----------------|--|
|  | BUDGET                   | ACTUAL          | Variance<br>Favorable<br>(Unfavorable) | BUDGET                       | ACTUAL          | Variance<br>Favorable<br>(Unfavorable) |
| <b>REVENUES</b>  |                          |                 |  |                              |                 |  |
| <b>Local sources:</b>  |                          |                 |  |                              |                 |  |
| Dwelling rental  | \$ -                     | \$ -            | \$ -                                   | \$ -                         | \$ -            | \$ -                                   |
| Interest earnings  | -                        | -               | -                                      | -                            | -               | -                                      |
| Other  | -                        | -               | -                                      | -                            | -               | -                                      |
| <b>Federal sources:</b>  |                          |                 |  |                              |                 |  |
| Operating subsidy  | -                        | -               | -                                      | -                            | -               | -                                      |
| Annual Contributions   | -                        | -               | -                                      | -                            | -               | -                                      |
| Contract   | 57,901                   | 57,901          | -                                      | -                            | -               | -                                      |
| Grants   | -                        | -               | -                                      | 583,872                      | 583,872         | -                                      |
| <b>Total revenues</b>  | <u>57,901</u>            | <u>57,901</u>   | <u>-</u>                               | <u>583,872</u>               | <u>583,872</u>  | <u>-</u>                               |
| <b>EXPENDITURES</b>  |                          |                 |  |                              |                 |  |
| <b>Current:</b>  |                          |                 |  |                              |                 |  |
| Administration   | -                        | -               | -                                      | -                            | -               | -                                      |
| Utilities  | -                        | -               | -                                      | -                            | -               | -                                      |
| Ordinary maintenance   | -                        | -               | -                                      | -                            | -               | -                                      |
| Housing Payments   | -                        | -               | -                                      | -                            | -               | -                                      |
| General expenditures   | -                        | -               | -                                      | -                            | -               | -                                      |
| Facilities acquisition & construction                                      | -                        | -               | -                                      | 583,872                      | 583,194         | 678                                    |
| <b>Debt service:</b>   |                          |                 |  |                              |                 |  |
| Principal retirement   | 29,730                   | 29,730          | -                                      | -                            | -               | -                                      |
| Interest and bank charges  | 28,171                   | 27,848          | 323                                    | -                            | -               | -                                      |
| <b>Total expenditures</b>  | <u>57,901</u>            | <u>57,578</u>   | <u>323</u>                             | <u>583,872</u>               | <u>583,194</u>  | <u>678</u>                             |
| <b>Other Financial Sources</b>   |                          |                 |  |                              |                 |  |
| Transfers Out  | -                        | -               | -                                      | -                            | -               | -                                      |
| <b>EXCESS (deficiency) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES</b> |                          |                 |  |                              |                 |  |
|  | -                        | 323             | 323                                    | -                            | 678             | 678                                    |
| <b>FUND BALANCE, BEGINNING</b>   | <u>-</u>                 | <u>1,364</u>    | <u>1,364</u>                           | <u>-</u>                     | <u>324</u>      | <u>324</u>                             |
| <b>FUND BALANCE, ENDING</b>  | <u>\$ -</u>              | <u>\$ 1,687</u> | <u>\$ 1,687</u>                        | <u>\$ -</u>                  | <u>\$ 1,002</u> | <u>\$ 1,002</u>                        |

The accompanying notes are an integral part of this statement.

**NOTES TO  
GENERAL PURPOSE  
FINANCIAL STATEMENTS**

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 1999

INTRODUCTION

The Housing Authority of the Town of Mamou was created by Louisiana Revised Statute (LSA-R.S) 40:391 to engage in the acquisition, development, and administration of a low rent housing program to provide safe, sanitary, and affordable housing to the citizens of Mamou, Louisiana.

The authority is administered by a five-member board appointed by the Mayor. Members of the board serve three-year terms.

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 rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the authority for the purpose of assisting the authority in financing the acquisition, construction, and leasing of housing units and to make annual contributions (subsidies) to the authority for the purpose of maintaining this low rent character. The Housing Authority is economically dependent upon HUD subsidies.

The authority participates in The Section 8 housing assistance payment program. The existing and moderate rehabilitation programs provide assistance to low-income persons seeking housing by subsidizing rents between tenants and owners of existing private housing. Under this program, the authority enters into housing assistance payment contracts with landlords.

At June 30, 1999, the authority managed 120 public housing units and provides assistance to 20 Section 8 housing Units.

In addition, the authority is currently administering modernization programs.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.



## NOTES TO FINANCIAL STATEMENTS (continued)

### Reporting Entity

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 authority is legally separate and fiscally independent, the authority is a separate governmental reporting entity.

The authority is a related organization of the Town of Mamou, Louisiana since the mayor appoints a voting majority of the authority's governing board. The Town of Mamou, Louisiana is not financially accountable for the authority as it cannot impose its will on the authority and there is no potential for the authority to provide financial benefit to, or impose financial burdens on, the Town of Mamou, Louisiana. Accordingly, the authority is not a component unit of the financial reporting entity of the Town of Mamou, Louisiana.

The authority includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the authority.

Certain units of local government over which the authority exercises no oversight responsibility, such as the parish police jury, school board, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the authority. In addition, the accompanying financial statements do not include various tenant associations which are legally separate entities.

### Fund Accounting

The authority uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Funds of the authority are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:



## NOTES TO FINANCIAL STATEMENTS (continued)

### **Governmental Funds**

Governmental funds account for all or most of the authority's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. General Fund--the general operating fund of the authority accounts for all financial resources, except those required to be accounted for in other funds. The General Fund includes transactions of the low rent housing assistance programs.
2. Special revenue funds--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Special revenue funds contain transactions of the various Section 8 housing assistance programs administered by the authority.
3. Debt service funds--account for transaction relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group. Debt service funds contain current year payments of principal and interest on project notes and bonds payable.
4. Capital projects funds--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. Capital projects funds contain transactions relating to active modernization and development programs.

### **Fiduciary Funds**

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the authority. The Tenants Security Deposits Agency Fund consists of the tenant security deposit accounts.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operations.

### Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases

## NOTES TO FINANCIAL STATEMENTS (continued)

in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

### Revenues

Operating subsidies and the annual contributions received from HUD are recorded when available and measurable. Federal restricted grants are recorded when reimbursable expenditures have been incurred.

Rental income and other income are recorded in the month earned. No allowance for doubtful accounts is provided due to security deposits.

Interest earnings are recorded when time deposits mature and interest is credited to the authority's deposits.

### Expenditures

Expenditures are recorded when the related fund liability is incurred. This includes expenditures for salaries and capital outlay in the general fund.

Expenditures for principle and interest on long-term obligations are recognized when due. The authority's liability for compensated absences is accounted for in the general long-term obligation account group and is recorded annually. At June 30, 1999, the liability for accumulated compensated absences was \$6,743.

### Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

### Budgets

The authority uses the following budget practices:

1. The Executive Director prepares a proposed budget and submits same to the Board Commissioners no later than thirty days prior to the beginning of each fiscal year.
2. Following discussion and acceptance of the budget by the Board, it is sent to HUD for approval.
3. Upon approval by HUD, the budget is formally adopted.
4. Any budgetary amendments require the approval of the Executive Director and Board of Commissioners.

## NOTES TO FINANCIAL STATEMENTS (confined)

5. Any budgetary appropriations lapse at the end of each fiscal year.

6. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

7. The budget comparison presented in the financial statements includes the original budget and all amendments. Encumbrance accounting is not used by The Housing Authority.

### Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts and certificates of deposit purchased with original maturities of 90 days or less. Under state law, the authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

### Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

### Prepaid Items / Restricted Fund Balance

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 1999 are recorded as prepaid insurance. The Section 8 Program made payments to landlords at the end of June and are recorded as prepaid rents. The reservation to fund balances reflect these transactions.

### Fixed Assets

Fixed assets of governmental funds are recorded as expenditures as the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No construction period interest costs have been incurred and capitalized for the fiscal year ended June 30, 1999. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.



## NOTES TO FINANCIAL STATEMENTS (continued)

### Compensated Absences

The authority follows Civil Service guidelines pertaining to the accumulation of vacation and sick leave. This leave may be accumulated and carried over between fiscal years, with a maximum of 300 hours of payment of vacation pay upon termination or retirement.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

### Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

### Fund Equity

#### **Reserves**

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

#### **Designated Fund Balances**

Designated fund balances represent tentative plans for future use of financial resources.

### Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

NOTES TO FINANCIAL STATEMENTS (continued)

Total Columns on Combined Statements

The 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. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - FUND DEFICITS

There were no fund balance deficits at June 30, 1999.

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 1999, the authority has cash and cash equivalents totaling as follows:

|                 |                  |
|-----------------|------------------|
| Demand deposits | \$ 90,627        |
| Time deposits   | <u>93,880</u>    |
| Total           | <u>\$184,507</u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent banks. 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. At June 30, 1999, the authority has \$193,966 in deposits. These deposits are secured from risk by \$100,000 of federal deposit insurance for interest bearing accounts and \$100,000 for non interest bearing accounts as well as securities in the amount of \$50,000.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 4 - RECEIVABLES

The receivables of \$70,899 at June 30, 1999, are as follows:

| <u>Class of<br/>Receivable</u> | <u>General<br/>Fund</u> | <u>Capital<br/>Projects</u> | <u>Debt<br/>Service<br/>Fund</u> | <u>Total</u>     |
|--------------------------------|-------------------------|-----------------------------|----------------------------------|------------------|
| Local sources:                 |                         |                             |                                  |                  |
| Tenants                        | \$ 920                  | \$ -                        | \$ -                             | \$ 920           |
| Federal sources:               |                         |                             |                                  |                  |
| HUD                            | -                       | 51,945                      | -                                | 51,945           |
| Accruing annual<br>contr.      | -                       | -                           | 57,901                           | 57,901           |
| Total                          | <u>\$ 920</u>           | <u>\$ 51,945</u>            | <u>\$57,901</u>                  | <u>\$110,766</u> |

NOTE 5 - FIXED ASSETS

The changes in general fixed assets are as follows:

|                             | <u>Balance<br/>June 30, 1998</u> | <u>Additions</u>  | <u>Deletions</u> | <u>Balance<br/>June 30, 1999</u> |
|-----------------------------|----------------------------------|-------------------|------------------|----------------------------------|
| Land                        | \$ 393,732                       | \$ -              | \$ -             | \$ 393,732                       |
| Buildings                   | 3,064,309                        | -                 | -                | 3,064,309                        |
| Equipment                   | 37,717                           | 753               | -                | 38,470                           |
| Modernization<br>Costs-CIAP | 859,932                          | 583,194           | -                | 1,443,126                        |
| TOTAL                       | <u>\$4,355,690</u>               | <u>\$ 583,947</u> | <u>\$ -</u>      | <u>\$4,939,637</u>               |

NOTE 6 - RETIREMENT SYSTEMS

The authority participates in the Housing-Renewal and Local Agency Retirement Plan 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 the plan, the Authority provides pension benefits for all full-time employees. All eligible individuals must be employed for at least three months before participating in the plan. The authority had four employees participating as of June 30, 1999.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan and investment earnings. Benefits of the plan are funded by employee and employer contributions. Participants in the plan are required to make a monthly contribution of five percent of their basic compensation. The authority makes a monthly contribution equal to eight percent of each participant's basic compensation.

NOTES TO FINANCIAL STATEMENTS (continued)

The employer contributions and earnings allocated to each participant's account are fully vested after one year of continuous service.

The authority's total payroll for the fiscal year ended June 30, 1999, was \$90,174. The authority's contributions were made based on the total covered payroll. The Authority and the covered employees made the required contributions for the year ended June 30, 1999. The employee contributions totaled \$4,509 while the authority's contributions totaled \$7,213 for the year ended June 30, 1999.

NOTE 7 - ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$61,518 at June 30, 1999, are as follows:

| <u>General Fund</u>             | <u>Amount</u>   |
|---------------------------------|-----------------|
| General Fund - Accounts         | \$ 9,573        |
| Capital Projects - Construction | <u>51,945</u>   |
| Total                           | <u>\$61,518</u> |

NOTE 8 - CHANGES IN AGENCY FUND/DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

|                             | <u>Balance at<br/>Beginning<br/>of Year</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance<br/>at End<br/>of Year</u> |
|-----------------------------|---|------------------|------------------|---------------------------------------|
| Agency fund:                |   |                  |                  |                                       |
| Tenant security<br>deposits | <u>\$ 18,198</u>                            | <u>\$ 7,871</u>  | <u>\$ 7,483</u>  | <u>\$ 18,586</u>                      |

NOTE 9 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 1999:

|   | <u>Bonded<br/>Debt</u> | <u>Compensated<br/>Absences/Other</u> | <u>Total</u>     |
|---|------------------------|---------------------------------------|------------------|
| Long-term obligations at<br>June 30, 1998 | \$562,854              | \$ 6,729                              | \$569,583        |
| Additions                                 | -                      | 14                                    | 14               |
| Deductions                                | <u>(29,730)</u>        | <u>-</u>                              | <u>(29,730)</u>  |
| Long-term obligations at<br>June 30, 1999 | <u>\$533,124</u>       | <u>\$ 6,743</u>                       | <u>\$539,867</u> |



NOTES TO FINANCIAL STATEMENTS (continued)

All authority bonds outstanding at June 30, 1999, in the amount of \$562,854, are single issue bonds with maturities from 1998 to 2014 and interest rates from 3.375% to 6.6%. Bond principal and interest payable in the next fiscal year are \$29,730 and \$27,867, respectively. The individual issues are as follows:

| <u>Bond Issues</u> | <u>Original Issue</u> | <u>Interest Rates</u> | <u>Final Payment Due</u> | <u>Interest to Maturity</u> | <u>Principal Outstanding June 30, 1999</u> |
|--------------------|-----------------------|-----------------------|--------------------------|-----------------------------|--|
| Single issue       |                       | 3.375%                | 5/1/05                   | \$ 8,203                    | \$ 64,848                                  |
| Single issue       |                       | 5.125%                | 6/1/14                   | <u>219,725</u>              | <u>468,276</u>                             |
| Total bonds        |                       |                       |                          | <u>\$227,928</u>            | <u>\$533,124</u>                           |

All principal and interest requirements are funded in accordance with Federal Law by the annual contributions contract from HUD. At June 30, 1999, the authority has accumulated \$1,687 in the debt service funds for future debt requirements. The bonds are due as follows for the next five years:

| <u>Fiscal Year Ending 6/30</u> | <u>Principal Payments</u> | <u>Interest Payments</u> | <u>Totals</u>    |
|--------------------------------|---------------------------|--------------------------|------------------|
| 2000                           | 31,588                    | 26,773                   | 58,361           |
| 2001                           | 32,234                    | 25,308                   | 57,542           |
| 2002                           | 34,698                    | 23,796                   | 58,494           |
| 2003                           | 35,950                    | 22,179                   | 58,129           |
| 2004                           | <u>37,203</u>             | <u>19,117</u>            | <u>56,320</u>    |
|                                | <u>\$171,673</u>          | <u>\$117,173</u>         | <u>\$288,846</u> |

NOTE 10 - INTERFUND ASSETS/LIABILITIES

Interfund receivable/payable:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u>   |
|------------------------|---------------------|-----------------|
| Fiduciary Fund         | General Fund        | <u>\$18,586</u> |
| General Fund           | Special Revenue     | <u>\$ 1,718</u> |

NOTE 11 - LITIGATION AND CLAIMS

At June 30, 1999, the authority was not involved in any lawsuits or aware of any claims against it.

NOTE 12 - FEDERAL COMPLIANCE CONTINGENCIES

No questions of disallowed costs were noted for inclusion in our report.

## NOTES TO FINANCIAL STATEMENTS (continued)

### NOTE 13 - COMPENSATED ABSENCES

At June 30, 1999, employees of the authority have accumulated and vested \$6,743 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. This amount is not expected to be paid from current available resources; therefore, the liability of \$6,743 is recorded in the general long-term obligations account group.

### NOTE 14 - CONSTRUCTION IN PROGRESS

The Housing Authority is currently administering two CIAP Modernization Grant Programs. The two grants are as follows:

1. 1997 CIAP - This grant involved total approved funds in the amount of \$475,000. At June 30, 1999 The Housing Authority expended \$344,162. Included in accounts receivable is an amount due from HUD totaling \$18,025. These funds will be used to pay \$18,025 of construction in progress cost at June 30, 1999 and, accordingly, is recorded in accounts payable in the capital projects fund.
2. 1998 CIAP - This grant involved total approved funds in the amount of \$495,181. At June 30, 1999 The Housing Authority expended \$59,420. Included in accounts receivable is an amount due from HUD totaling \$33,920. These funds will be used to pay \$33,920 of construction in progress cost at June 30, 1999 and, accordingly, is recorded in accounts payable in the capital projects fund.

### NOTE 15 - YEAR 2000 ISSUE

The Housing Authority has updated its computers in order to be year 2000 compliant as of June 30, 1999.

### NOTE 16 - ESTIMATES

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

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
For the Year Ended June 30, 1999

| <u>Federal Grantor/<br/>Program Title</u>                       | <u>CFDA No.</u> | <u>Grant<br/>ID No.</u> | <u>Grant<br/>Amount<br/>Received</u> | <u>Program<br/>Expenditures</u> |
|---|-----------------|-------------------------|--------------------------------------|---------------------------------|
| <u>U.S. DEPARTMENT OF<br/>HOUSING AND URBAN<br/>DEVELOPMENT</u> |                 |                         |                                      |                                 |
| Direct Programs:  |                 |                         |                                      |                                 |
| Low Income HAP  | 14.850          | FW-2013                 | \$169,189                            | \$169,189                       |
| CIAP  | 14.852          | FW-2013                 | 583,812                              | 583,194                         |
| Section 8 HAP   | 14.146          | FW-2261                 | <u>59,689</u>                        | <u>56,083</u>                   |
| TOTAL U.S. DEPT.<br>OF HOUSING AND<br>URBAN DEVELOP-<br>MENT    |                 |                         | <u>812,690</u>                       | <u>808,466</u>                  |
| TOTAL FEDERAL<br>ASSISTANCE                                     |                 |                         | <u>812,690</u>                       | <u>808,466</u>                  |

1. The Department of Housing and Urban Development has guarantees through the Annual Contribution Contract the Housing Authority of the Town of Mamou, Louisiana, bonded indebtedness and F.F.B. notes. This bonded indebtedness and notes payable were \$533,124 at June 30, 1999. The Annual Contribution for the year ended June 30, 1999 totaled \$57,901.

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED  
AT JUNE 30, 1999

Annual Contributions Contract FW-2013

1997 PHASE LA 48-P03191097

|  |                   |
|--|-------------------|
| Funds approved                               | \$ <u>475,000</u> |
| Funds advanced and due                       | \$ 345,164        |
| Funds expended                               | <u>344,162</u>    |
| Excess of funds advanced over funds expended | <u>\$ 1,002</u>   |

1998 Phase LA 48-P03191098

|  |                   |
|--|-------------------|
| Funds Approved                               | \$ <u>495,181</u> |
| Funds Advanced and Due                       | \$ 59,420         |
| Funds Expended                               | <u>59,420</u>     |
| Excess of funds advanced over funds expended | <u>\$ -0-</u>     |

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS  
At June 30, 1999

1996 PHASE LA 48 P03190996

|                          |                 |
|--------------------------|-----------------|
| FUNDS APPROVED           | \$375,000       |
| FUNDS EXPENDED           | <u>375,000</u>  |
| EXCESS OF FUNDS APPROVED | <u><u>-</u></u> |
| <br>                     |                 |
| FUNDS ADVANCED           | \$375,000       |
| FUNDS EXPENDED           | <u>375,000</u>  |
| EXCESS OF FUNDS ADVANCED | <u><u>-</u></u> |

1) The distribution of costs by project as shown on the Final Statement of Modernization Cost submitted to HUD for approval is in agreement with the PHA's records.

2) All modernization costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

Schedule of Adjusting Journal Entries  
At June 30, 1999

| <u>AJE ACCOUNT DESCRIPTION</u>         | <u>ACCT NO.</u> | <u>DEBITS</u> | <u>CREDITS</u> |
|--|-----------------|---------------|----------------|
| HUD Annual Contributions               | 1126            |               | 17,183.83      |
| Bonds Payable                          | 2322            | 11,243.04     |                |
| Cash-Debt Service                      | 1171            | 19.41         |                |
| Cumm. HUD Contributions                | 2840            | 17,487.77     |                |
| Interest                               | 5610            |               | 30,805.07      |
| Unreserved Surplus                     | 2810            | 19,238.68     |                |
| To Adjust Bonds Payable to Actual      |                 |               |                |
| Account Receivable - Other             | 1129            |               | 10,249.00      |
| HUD Subsidy - Grants                   | 2840            | 10,249.00     |                |
| To Reverse 063098 CIAP Accrual         |                 |               |                |
| Accounts Receivable - Other            | 1129            | 574.05        |                |
| Dwelling Rental                        | 3110            |               | 574.05         |
| To Reclass A/R Other                   |                 |               |                |
| Prepaid Insurance                      | 1211            | 1,798.00      |                |
| Insurance                              | 4510            |               | 1,798.00       |
| To Adjust Prepaid Insurance To Actual  |                 |               |                |
| Salaries                               | 4110            |               | 2,085.36       |
| Employee Benefits                      | 4540            |               | 684.00         |
| Sundry                                 | 4190            |               | 500.00         |
| Employee Benefits                      | 4540            |               | 166.00         |
| Accounting                             | 4170            |               | 636.00         |
| Travel                                 | 4150            |               | 526.24         |
| Cash in Bank - Checking                | 1111.1          | 4,597.60      |                |
| To Record 063099 Deposit not Recorded  |                 |               |                |
| Cash in Bank - Checking                | 1111.1          | 1,200.50      |                |
| Dwelling Rental                        | 3110            |               | 1,200.50       |
| To Reclass 063099 Deposit not Recorded |                 |               |                |
| Interest Receivable                    | 1145            | 1,212.00      |                |
| Interest Income                        | 3610            |               | 1,212.00       |
| To Record Interest Receivable          |                 |               |                |
| Travel                                 | 4150            | 7,000.00      |                |
| Unreserved Surplus                     | 2810            |               | 7,000.00       |
| To Adjust Travel to Actual             |                 |               |                |



HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

Schedule of Adjusting Journal Entries  
At June 30, 1999

| <u>AJE ACCOUNT DESCRIPTION</u>                                      | <u>ACCT NO.</u> | <u>DEBITS</u> | <u>CREDITS</u> |
|---|-----------------|---------------|----------------|
| Payroll Taxes Payable   | 2117            |               | 3,566.34       |
| Employee Benefits   | 4540            | 3,566.34      |                |
| To Adjust Payroll Taxes Payable To Actual                           |                 |               |                |
| Accounts Receivable - CIAP  | 2117            | 18,024.91     |                |
| HUD Subsidy - Grants  | 2840            |               | 18,024.91      |
| Machinery & Equipment   | 1400.4          | 18,024.91     |                |
| Construction Payable  | 2111            |               | 18,024.91      |
| To Record 97 CIAP Activity  |                 |               |                |
| Accounts Receivable - CIAP  | 1129            | 33,919.92     |                |
| HUD Subsidy - Grants  | 2840            |               | 33,919.92      |
| Machinery & Equipment   | 1400.4          | 33,919.92     |                |
| Construction Payable  | 2111            |               | 33,919.92      |
| To Record 98 CIAP Activity  |                 |               |                |
| Machinery & Equipment   | 1400.4          |               | 10,249.00      |
| Accounts Payable  | 2111            | 10,249.00     |                |
| TO Reverse 063098 Audit AJE   |                 |               |                |
| Due from Section 8  | 1129            | 3,382.00      |                |
| Unreserved Surplus  | 2810            |               | 3,382.00       |
| To Record Due From Section 8 as Per<br>Prior Years Audits           |                 |               |                |
| Employee Benefits   | 4540            |               | 850.00         |
| Sundry  | 4190            |               | 500.00         |
| Travel  | 4150            |               | 526.24         |
| Accounting  | 4170            |               | 636.00         |
| Due From Section 8  | 1129            | 2,512.24      |                |
| To Reverse Effect of Posting Section<br>8 Expense Twice To Low Rent |                 |               |                |
| Sundry  | 4190            | 1,174.06      |                |
| Utilities   | 4330            | 4,368.74      |                |
| Materials   | 4420            | 933.08        |                |
| Accounting  | 4170            | 800.00        |                |
| Accounts Payable  | 2111            |               | 7,275.88       |
| To Record 063099 Accts Payable                                      |                 |               |                |



HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

Schedule of Adjusting Journal Entries  
At June 30, 1999

| <u>AJE ACCOUNT DESCRIPTION</u>         | <u>ACCT NO.</u> | <u>DEBITS</u> | <u>CREDITS</u> |
|--|-----------------|---------------|----------------|
| Due from Section 8                     | 1129            |               | 4,176.22       |
| Unreserved Surplus                     | 2810            | 4,176.22      |                |
| To Adjust Interfund Accts to Actual    |                 |               |                |
| Unreserved Surplus                     | 2810            | 615.00        |                |
| Sundry                                 | 4190            |               | 615.00         |
| To Adjust Fund Balance Accts to Actual |                 |               |                |

# VIGE & TUJAGUE

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

210 WEST VINE  
P. O. BOX 1006  
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.  
FRANK G. TUJAGUE, C.P.A.

TELEPHONE:  
318-457-9324  
FAX:  
318-457-8743

## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Commissioners  
Housing Authority of Mamou  
Mamou, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Mamou as of and for the year ended June 30, 1999, and have issued our report thereon dated December 5, 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.

### Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Mamou's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts and grants, 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 instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying Schedule of Findings and Questioned Costs.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the Town of Mamou'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. However, we noted other matters involving the internal control over financial reporting that we have described in the accompanying Schedule of Finding and Questioned Costs.

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

*Vige & Tujague*

Vige & Tujague  
December 5, 1999

# VIGE & TUJAGUE

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

210 WEST VINE  
P. O. BOX 1006  
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.  
FRANK G. TUJAGUE, C.P.A.

TELEPHONE:  
318-457-9324  
FAX:  
318-457-8743

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Commissioners  
Housing Authority of Mamou  
Mamou, Louisiana

We have audited the compliance of the Housing Authority of the Town of Mamou with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1999. The Housing Authority of the Town of Mamou's major federal programs are identified in the accompanying schedule of federal financial assistance. 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 the Town of Mamou's management. Our responsibility is to express an opinion on the Housing Authority of the Town of Mamou'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, OMB Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations, and the Consolidated Audit Guide for Audits of HUD Programs (The "Guide") issued by the U.S. Department for Housing and Urban Development, Office of Inspector General. Those standards, OMB Circular A-133 and the Guide 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 the Town of Mamou'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 Housing Authority of the Town of Mamou's compliance with those requirements.

In our opinion, the Housing Authority of the Town of Mamou 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 the Town of Mamou is responsible for establishing and maintaining effective 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 the Town of Mamou'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 and The Guide.

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 requirement 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, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Vige & Tujague*

Vige & Tujague  
December 5, 1999

# VIGE & TUJAGUE

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

210 WEST VINE  
P. O. BOX 1006  
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.  
FRANK G. TUJAGUE, C.P.A.

TELEPHONE:  
318-457-9324  
FAX:  
318-457-8743

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR HUD PROGRAM TRANSACTIONS

Board of Commissioners  
Housing Authority of Mamou  
Mamou, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Mamou, Louisiana as of and for the year ended June 30, 1999, and have issued our report thereon dated December 5, 1999.

In connection with our audit of the 1999 financial statements of the Housing Authority of the Town of Mamou, Louisiana and with our consideration of Housing Authority of the Town of Mamou, Louisiana internal control structure used to administer HUD programs, as required by the Consolidated Audit Guide for Audits of HUD Programs (the "Guide") issued by the U.S. Department of Housing and Urban Development. We selected certain transactions applicable to certain nonmajor HUD-assisted programs for the year ended June 30, 1999.

As required by the Guide, we performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; and any special provisions that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Mamou Housing Authority's compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under The Guide.

This report is intended for the information of the Board of Commissioners, management, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

*Vige & Tujague*  
Vige and Tujague  
December 5, 1999

# VIGE & TUJAGUE

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

210 WEST VINE  
P. O. BOX 1006  
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.  
FRANK G. TUJAGUE, C.P.A.

TELEPHONE:  
318-457-9324  
FAX:  
318-457-8743

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO AFFIRMATIVE FAIR HOUSING AND NONDISCRIMINATION

Board of Commissioners  
Housing Authority of Mamou  
Mamou, Louisiana

We have audited the financial statements of Housing Authority of Mamou, Mamou, Louisiana as of and for the year ended June 30, 1999, and have issued our report thereon dated December 5, 1999.

We have applied procedures to test Mamou Housing Authority's compliance with the Affirmative Fair Housing and Nondiscrimination requirements applicable to its HUD-assisted programs, for the year ended June 30, 1999.

Our procedures were limited to the applicable compliance requirement described in the Consolidated Audit Guide for Audits of HUD Programs issued by the U.S. Department of Housing and Urban Development, Office of Inspector General. Our procedures were substantially less in scope than an audit, the objective of which would be the expression of an opinion on the Mamou Housing Authority's compliance with the Affirmative Fair Housing and Nondiscrimination requirements. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under The Guide.

This report is intended for the information of the Board of Commissioners, management and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

*Vige & Tujague*

Vige and Tujague  
December 5, 1999



HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

STATUS OF PRIOR AUDIT FINDINGS

Current Audit findings No. 1 and No. 2 were listed as audit findings in the prior year and were not cleared.

Prior years Audit Findings NO.3 and No.4 were cleared.

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

FINDINGS RECOMMENDATIONS, AND REPLIES

(1) Findings: The Housing Authority is required to amend its budget if revenue collections and expenditures are not within 5% of budgeted revenues and expenditures. The Housing Authority exceeded their budget in several categories by greater than 5%.

Recommendation: We recommend that The Authority monitor its budget periodically and amend the budget as needed. Such amendments should provide a more accurate projection of estimated revenues and expenditures, and better control over spending.

Reply: The Authority will monitor its budget and amendments will be prepared in conformity with legal requirements.

(2) Findings: Due to the small number of employees, The Town did not have an adequate segregation of functions within the accounting system.

Recommendation: Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response: No response is considered necessary.

HOUSING AUTHORITY OF THE TOWN OF MAMOU  
Mamou, Louisiana

ACTIVITIES OF THE PHA

- 1a The PHA administers 120 units of owned low-income housing.
  - 1b The PHA administers 20 units of housing assistance payment vouchers.
  - 1c The PHA is also administering modernization projects.
- 2 Board members serve without compensation.