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**HOUSING AUTHORITY OF GIBSLAND**  
**REPORT ON EXAMINATION OF**  
**FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA**  
**(UNAUDITED)**  
**TWELVE MONTHS ENDED SEPTEMBER 30, 2009**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the county 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 3:31 of

**Miller Estes, P.C.**  
A Professional Accounting Corporation

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MIKE ESTES, CPA

**Board of Commissioners  
Housing Authority of Gibelaud  
Gibelaud, Louisiana**

We have compiled the accompanying annual sworn general purpose unaudited financial statements of the Housing Authority of Gibelaud, Louisiana for the year ended September 30, 2003, in accordance with Statements on Standards for Accounting and Review Services.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

We have also performed agreed-upon procedures to test representations included in the Louisiana Attestation Questionnaire for the year-ended September 30, 2003, all included therein.

Mike Estes, P.C.  
Fort Worth, Texas  
March 11, 2004

HOUSING AUTHORITY OF THE CITY OF OGBURN  
 COMBINED BALANCE SHEET - ENTERPRISE FUNDS

EXHIBIT A

YEAR ENDED SEPTEMBER 30, 2003

**ASSETS**

Current assets

Cash and cash equivalents	\$	81,478
Investments		21,168
Accounts receivable (net of allowance for doubtful accounts of zero)		17,734
Interest receivable		35
Interfund receivable		11,795
Prepaid items and other assets		3,436
<b>Total Current Assets</b>		<b>137,647</b>

Restricted Assets

Tenant deposits		1,590
-----------------	--	-------

Fixed Assets

Land, buildings, and equipment (net)		229,809
--------------------------------------	--	---------

**TOTAL ASSETS**

**368,806**

**LIABILITIES AND FUND EQUITY**

Current Liabilities

Deferred revenue		11,795
Interfund payable		11,795
Accrued PILOT		2,434
<b>Total Current Liabilities</b>		<b>26,024</b>

Current Liabilities Payable from Current Restricted Assets

Deposits due others		1,590
---------------------	--	-------

**Total Liabilities**

**27,614**

Fund Equity

Contributed capital		171,079
Retained earnings:		
Unreserved		160,133
<b>Total Fund Equity</b>		<b>341,212</b>

**TOTAL LIABILITIES AND FUND EQUITY**

**\$ 368,806**

See accompanying notes and accountants' report.

HOUSING AUTHORITY OF THE CITY OF GIBLARD  
 COMBINED STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN FUND EQUITY - ENTERPRISE FUNDS

YEAR ENDED SEPTEMBER 30, 2003

<b>OPERATING REVENUES</b>	
Devilling rental	\$ 28,639
Total revenues	<u>28,639</u>
<b>OPERATING EXPENSES</b>	
Administration	24,508
Tenant services	100
Utilities	1,483
Ordinary maintenance & operations	18,593
General expenses	11,239
Depreciation	28,895
Total operating expenses	<u>83,818</u>
Income (loss) from Operations	<u>(55,179)</u>
Non operating revenues (expenses)	
Interest earnings	1,969
Federal grants	77,873
Total Non-operating revenues (expenses)	<u>79,842</u>
<b>NET INCOME (LOSS)</b>	<b>24,663</b>
Depreciation on fixed assets acquired by contribution	<u>26,119</u>
Increase in retained earnings	<u>48,836</u>
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	<b>118,217</b>
<b>RETAINED EARNINGS AT END OF YEAR</b>	<u><b>169,133</b></u>
<b>CONTRIBUTED CAPITAL AT BEGINNING OF YEAR</b>	<b>198,188</b>
Depreciation transferred from retained earnings	<u>(26,119)</u>
<b>CONTRIBUTED CAPITAL AT END OF YEAR</b>	<u><b>172,069</b></u>
<b>FUND EQUITY, END OF YEAR</b>	<b>\$ 341,232</b>

See accompanying notes and accountants' report.

HOUSING AUTHORITY OF THE CITY OF GIBBSLAND  
COMBINED STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS

EXHIBIT C

YEAR ENDED SEPTEMBER 30, 2003

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$	(53,325)
Adjustments to reconcile net income (loss) to Net cash provided by operating activities		
Depreciation		18,833
Changes in operating current assets and liabilities:		
Increase in accounts receivable		(7,425)
Increase in interfund receivable		(2,442)
Increase in prepaid items and other assets		(1,719)
Decrease in inventory		241
Decrease in deposits due others		(73)
Increase in deferred revenues		11,795
Decrease in accrued PILOT		151
Increase in interfund payable		2,442
		<hr/>
<b>NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES</b>		<b>(24,321)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Federal grants		<hr/> <b>29,247</b>
<b>NET CASH PROVIDED(USED) BY NONCAPITAL FINANCING ACTIVITIES</b>		<hr/> <b>29,247</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Federal grants		14,726
Construction costs and purchase of equipment		<hr/> (38,726)
<b>NET CASH PROVIDED(USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>		<hr/> <b>0</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Increase in investments		(21,169)
Decrease in restricted assets		71
Interest earnings		<hr/> 1,959
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>		<hr/> <b>(20,005)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(1,079)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<hr/> <b>86,577</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$</b>	<hr/> <b>81,478</b>

See accompanying notes and accountants' report.

HOUSING AUTHORITY OF THE CITY OF OHSLSLAND  
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2003

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**HOUSING AUTHORITY OF THE CITY OF GIBSLAND  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2003**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** The accompanying general-purpose financial statements of the Housing Authority of the City of Gibsland 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.

**A. BASIS OF PRESENTATION** Housing Authorities are chartered as a public corporation under the laws (LSA-R.S. 48:291) of the state of Louisiana for the purpose of providing safe and sanitary dwelling accommodations. This creation was contingent upon the local governing body of the city declaring a need for the Housing Authority to function in such city. The Housing Authority is governed by a five-member board of Commissioners. The members, appointed by the Honorable Mayor of the city of Gibsland, serve staggered multi-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 contribution contract with the Housing Authority for the purpose of assisting the Housing Authority in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the Housing Authority for the purpose of maintaining this low-rent character.

The Housing Authority had 22 units in Low Rent management in one project.

Program	Contract Number	Number Of Units
PHA owned housing	FW-2893	22

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

The Housing Authority is a related organization of the City of Gibsland since the City of Gibsland appoints a voting majority of the Housing Authority's governing board. The City of Gibsland is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefits to, or impose financial burdens on, the City of Gibsland. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Gibsland.



HOUSING AUTHORITY OF THE CITY OF OGBLAND  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2003

Governmental Accounting Standards Board (GASB) Codification Section 2180 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

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

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

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

All funds of the Housing Authority are classified as proprietary. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which together with the maintenance of equity, is an important financial indicator.

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

**D. BUDGETS**

General Budget Policies The following summarizes the budget activities of the Housing Authority during the year ended September 30, 2003:

HOUSING AUTHORITY OF THE CITY OF GIBSLAND  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2003

The Housing Authority adopted budgets for all HUD-funded programs. The budget is controlled by fund at the function level. All appropriations lapse at year end. Budgets are prepared on the modified accrual basis of accounting.

The Executive Director is authorized to transfer amounts between line items within any fund, with the exception of salaries, provided such does not change the total of any function.

**E. CASH AND CASH EQUIVALENTS** Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Housing 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. Investments are stated at the lower of market or cost.

**F. INVESTMENTS** Investments are limited by R.S. 15:2923 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

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

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

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

**Definitions:**

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

HOUSING AUTHORITY OF THE CITY OF GIRLAND  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2003

**G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** During the course of operations, numerous transactions occur between individual funds for 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.

**H. INVENTORY AND PREPAID ITEMS** Inventories consist of expendable supplies held for consumption stated at a lower of cost or market on a first-in, first-out basis. They are reported at cost which is recorded as an expenditure at the time individual inventory items are used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid expenses consist of prepaid insurance.

**I. FIXED ASSETS** Fixed assets are recorded at historical cost and depreciated over their estimated useful lives (including salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Interest costs during construction have not been capitalized. Straight-line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and fixtures	5 to 7 years
Computers	3 years

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

**K. DEFERRED REVENUES** The Housing Authority reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for the deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**L. USE OF ESTIMATES** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

HOUSING AUTHORITY OF THE CITY OF GIBSLAND  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2003

**NOTE 1 - CASH, CASH EQUIVALENTS, AND INVESTMENTS** Both cash deposits and investments held at a financial institution can be categorized according to three levels of risk. These three levels of risk are:

- Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name
- Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name
- Category 3 - Uninsured and unregistered investments held by the counter-party, its trust department, or its agent, but not in the Authority's name

At September 30, 2003 the Housing Authority has Cash equivalents, and investments totaling \$104,197 as follows:

Cash on hand	\$	25
Interest-bearing demand deposits		83,000
Time deposits		21,169
Total	\$	104,197
Cash and cash equivalents	\$	81,478
Cash and cash equivalents - restricted		1,500
Investments		21,169
Total	\$	104,197

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At September 30, 2003, the Housing Authority's carrying amount of deposits was \$104,197 and the bank balance was \$114,489. Of the bank balance, \$100,000 was covered by federal depository insurance (KLASB Category 1). The remaining \$14,489 was collateralized with securities held by the pledging financial institution's trust department or agent but in the housing Authority's name (KLASB Category 2).

Investments during the year were solely in time deposits at banks.

**HOUSING AUTHORITY OF THE CITY OF OAKLAND**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2003**

**NOTE 3 – RECEIVABLES** The receivables of \$17,734 at September 30, 2003, are as follows:

<u>Class of Receivable</u>		
Local sources:		
Tenants	\$	451
Other		859
Federal sources:		
Grants		16,424
Total	\$	<u>17,734</u>

**NOTE 4 – FIXED ASSETS** The changes in general fixed assets are as follows:

	<u>Balance</u> 8/31/02		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u> 9/30/03
Land and buildings	\$ 905,680	\$	34,386	\$	0	\$	940,066
Furniture and equipment	35,931		2,340		1,029		37,242
Total	<u>941,611</u>		<u>36,726</u>		<u>1,029</u>		<u>977,308</u>
Less: accumulated depreciation:							
Buildings	699,711		25,628		0		725,339
Furniture and equipment	21,920		2,413		1,029		23,312
Total	<u>721,631</u>		<u>28,041</u>		<u>1,029</u>		<u>750,699</u>
Fixed assets, net	\$ 219,980	\$	10,685	\$	0	\$	<u>230,609</u>

**NOTE 5 – RETIREMENT SYSTEM** The Housing Authority does not have a retirement plan.

**NOTE 6 – COMMITMENTS AND CONTINGENCIES**

**Litigation** The Housing Authority is not presently involved in litigation.

**Construction Projects** There are certain renovation or construction projects in progress at September 30, 2003. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

**Grant Disallowances** The Housing Authority participates in a number of federally assisted grant programs. Although the grant programs have been audited in accordance with the Single Audit Act Amendments of 1996 and OMB circular No. A-133 through September 30, 2003, these programs are still subject to compliance audits. Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**NOTE 7 – INTERFUND RECEIVABLES AND PAYABLES** At September 30, 2003, the Low Rent program owes \$11,795 to the Capital Funding program.

## SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF GIBSLAND  
 STATEMENT OF ACTUAL MODERNIZATION COST  
 ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED SEPTEMBER 30, 2003

The Actual Modernization Costs are as follows:

		2000 Capital Funding
Funds approved	\$	<u>41,001</u>
Funds expended		<u>41,001</u>
Excess of funds approved	\$	<u>0</u>
Funds advanced	\$	41,001
Funds expended		<u>41,001</u>
Excess of funds advanced	\$	<u>0</u>

See accountant's report

HOUSING AUTHORITY OF THE CITY OF GIRSLAND  
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2003

CARLBASE

	<u>2001</u> <u>Capital Funding</u>	<u>2002</u> <u>Capital Funding</u>
Funds approved	\$ 42,871	\$ 41,921
Funds expended	<u>28,792</u>	<u>262</u>
Excess of funds approved	\$ <u>14,079</u>	\$ <u>41,659</u>
Funds advanced	\$ 28,792	\$ 262
Funds expended	<u>28,792</u>	<u>262</u>
Excess of funds advanced	\$ <u>0</u>	\$ <u>0</u>



HOUSING AUTHORITY OF THE CITY OF CHICAGO  
STATEMENT OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2003

FEDERAL GRANTOR PROGRAM TITLE	CFDA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850	<u>35,761</u>
Public Housing Capital Fund	14.873	<u>42,212</u>
Total United States Department of Housing and Urban Development		<u>77,973</u>
Total Expenditures of Federal Awards		<u>77,973</u>

Total Expenditures of Federal Awards

**HOUSING AUTHORITY OF THE CITY OF GIBBSLAND  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED SEPTEMBER 30, 2000**

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

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

**NOTE 3 – RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS.** Federal awards revenues are reported in the Housing Authority's general-purpose financial statements as follows:

		<u>Federal Sources</u>
Enterprise Funds		
Public Housing	\$	35,761
Capital Fund		<u>42,212</u>
Total	\$	<u>77,973</u>

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

**NOTE 5 – FEDERAL AWARDS PROGRAMS.** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures. In accordance with HUD Notice FHE 98-14, "federal awards" do not include Housing Authority operating income from rents or investments (or other non-federal sources). In addition, debt service annual contribution payments made by HUD directly to fiscal agents for holders of Housing Authority bonds or for Housing Authority notes held by the federal financing bank (FFB) are not considered when determining if the Single Audit Act "federal awards expended" threshold is met by the Housing Authority in a fiscal year. In addition, the entire amount of operating subsidy received during the fiscal year is considered to be "expended" during the fiscal year.

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MEMBER AICPA, CPA

**Independent Accountant's Report  
on Applying Agreed-Upon Procedures**

Board of Commissioners  
Hearing Authority of Gibland  
Orlando, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Hearing Authority of Gibland, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about compliance with certain laws and regulations during the year ended September 30, 2003 included in the accompanying Louisiana Auditor's Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There was one expenditure made during the year for capital improvements exceeding \$15,000, for \$14,000. We examined documentation which indicated that this expenditure had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

**Code of Ethics for Public Officials and Public Employees**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management (agreed-upon procedure (3)) appeared on the list provided by management in agreed-upon procedure (2).

#### **Budgeting**

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on July 30, 2002 which indicated that the budget had been adopted by the commissioners by unanimous consensus. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 3% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 3%.

#### **Accounting and Reporting**

8. Randomly select a minimum of 8 disbursements made during the period under examination and:

- a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the thirty-four selected disbursements (including payroll that was also reviewed) and found that payment was for the proper amount and made to the correct payee.

- b) determine if payments were properly coded to the correct fund and general ledger account, and

All of the payments were properly coded to the correct fund and general ledger account.

- c) determine whether payments received approval from proper authorities.

Inspection documentation supporting each of the thirty-two selected disbursements indicated approvals from the Executive Director and the chairman of the Board of Commissioners.

#### **Meetings**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Housing Authority of Gretnada is only required to post a notice of each meeting and the accompanying agenda on the door of the PHA's office building. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

#### **Debt**

10. Examine bank deposits for the period under examination to determine whether any such deposits appear to be proceeds of bank loans, bonds or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds or like indebtedness.

#### **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances or gifts.

A reading of the minutes of the Authority for the year indicated an approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances or gifts.

Our prior year report, dated March 11, 2003, did not include any comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for use of management of the Housing Authority and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and takes responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Mike Estes, P. C.  
Fort Worth, Texas  
March 11, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

March 11, 2024, (Date Transmitted)

Mike Stone, P.C.

4200 Airport Freeway #100

Ft. Worth, Texas 76117

(Auditors)

In connection with your compilation of our financial statements as of [Date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes [X] No [ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LA-RS 43:101-1124.

Yes [X] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1990, under circumstances that would constitute a violation of LSA-RS 43:1109.

Yes [X] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 38:1300-14) or the budget requirements of LSA-RS 38:34.

Yes [X] No [ ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31 and 44:36.

Yes [X] No [ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 36:92, as applicable.

Yes [X] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes  No

#### Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:32.

Yes  No

#### Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1874 Louisiana Constitution, and LSA-RS 38:3418.60-1410.65.

Yes  No

#### Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.



Executive Director

2-20-04

Date

HOUSING AUTHORITY OF THE CITY OF OAKLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2003

Prior Audit Findings and Questioned Costs

There were no prior findings.

Current Findings

None

Management Letter Comments

ML - Policies

The Executive Director plans on attending the Louisiana Housing Council meeting on March 23 and 24, 2004 which will cover a policy review for both federal and state requirements.

On March 9, 2004, HUD Notice PIH 2004-01 was issued. It gives tenant income verification guidance. After attendance at the conference, and review of PIH Notice 2004-1, the PHA should adopt an income verification policy.

Also, after attendance of the LHC conference, the PHA should adopt additional policies to comply with state law, including an ethics policy (the PHA does not use credit cards or cellular telephones).

ML - Minutes

The Board plans to publish the proceedings of its next monthly Board meeting, to be held in late March. The PHA should continue to publish the proceedings of its Board meetings.