EXHIBIT C

HOUSING AUTHORITY OF THE TOWN OF VINTON

ANALYSIS OF SURPLUS – STATUTORY BASIS TWELVE MONTHS ENDED JUNE 30, 1996 VOUCHER

ANNUAL CONTRIBUTION CONTRACT <u>FW - 2266</u>

<u>Project Account</u> Balance per prior audit at 06-30-95	\$	321,124.29
Provision for (reduction of) Project Account for year ended 06-30-96 - Exhibit D(3)	• 	143,572.10
Balance at 06-30-96		464,696.39
Cumulative HUD Contributions		

Balance per prior audit at 06-30-95

593,554.01

Annual contribution for year ended 06-30-96 - Exhibit D(3)

Balance at 06-30-96

•

.

Total Surplus - Exhibit A

87,328.	00
---------	----

680,882.01

\$ 1,912,785.06

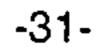


EXHIBIT C

HOUSING AUTHORITY OF THE TOWN OF VINTON

۰.

*

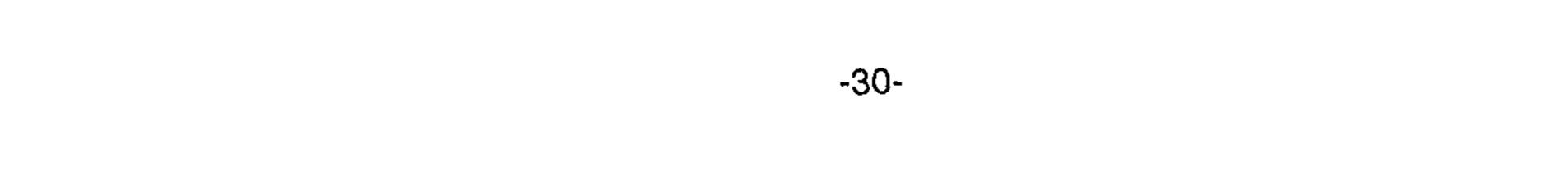
ANALYSIS OF SURPLUS – STATUTORY BASIS TWELVE MONTHS ENDED JUNE 30, 1996 VOUCHER

ANNUAL CONTRIBUTION CONTRACT

<u>Unreserved Surplus</u> Balance per prior audit at 06-30-95	\$ (914,570.50)
Net loss for the year ended 06-30-96 - Exhibit B(3)	(81,924.06)
(Provision for) reduction of Operating Reserve for year ended 06-30-96 - Exhibit D(3)	(5,403.94)
(Provision for) reduction of Project Account for year ended 06-30-96 - Exhibit D(3)	(143,572.10)
Balance at 06-30-96	 (1,145,470.60)

	24,865.33
<u> </u>	5,403.94
\$	30,269.27
	\$

.



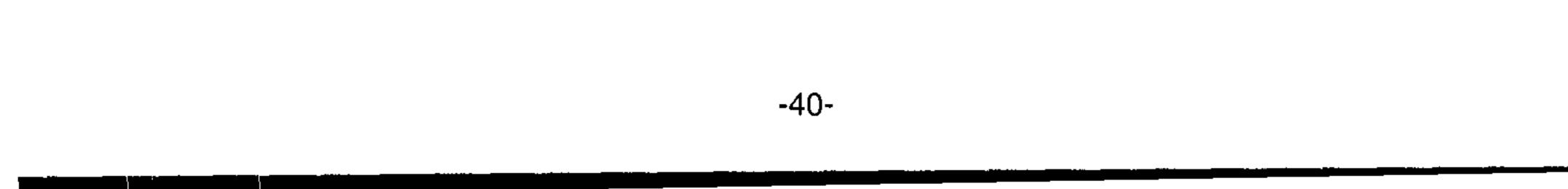
٠

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 1996

FEDERAL GRANTOR <u>PROGRAM TITLE</u> U.S. Department of House	CDFA <u>NO.</u>	GRANT <u>ID NO.</u> Jrban Develo	oment	AWARD <u>AMOUNT</u> t	PROGRAM EXPENDITURES	
Direct Programs: Low-Income Housing	sing and c			-		
Annual Contribution Operating Subsidy	14.850 14.850	FW- 588 FW- 588	\$	77,279.34 43,116.00	\$ 77,279.34 43,116.00	1/
NonMajor Progra	m Total			120,395.34	120,395.34	
Section 8 Hap - Existing	14.156	FW-2097		47,820.00	47,820.00	
NonMajor Progra	m Total			47,820.00	47,820.00	
Section 8 Hap - Vouchers	14.177	FW-2266		87,328.00	87,328.00	
NonMajor Progra	m Total			87,328.00	87,328.00	
Comprehensive Improvement Assistance Program						
Project 1995	14.852	FW- 588		3,300.00	3,300.00	
NonMajor Progra	ım Total			3,300.00	3,300.00	
Total HUD			\$	258,843.34	\$ 258,843.34	

1/ The Housing Authority of Vinton is indebted to the Federal Financing Bank for \$641,735.75 at June 30, 1996. Also, the Department of Housing and Urban Development has guarantees through the Annual Contribution Contract of the Housing Authority of Vinton's bonded indebtedness. This bonded indebtedness was \$ 89,520.09 at June 30, 1996.



Z	
HN HN	
2	
Ŀ. О	
Z	

4

ograms	Total	\$ 135,148.00 1,547.90	136,695.90	13,088.11 115,870.80	128,958.91	7,736.99	38,074.35	\$ 45,811.34
Assisted Housing Programs	Voucher Program	\$ 87,328.00 1,006.13	88,334.13	8,574.39 74,355.80	82,930.19	5,403.94	24,865.33	\$ 30,269.27
Assi	Existing Units Program	\$ 47,820.00 541.77	48,361.77	4,513.72	46,028.72	2,333.05	13,209.02	\$ 15,542.07

HOUSING AUTHORITY OF THE TOW

OMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES JUNE 30, 1996

yments

ŝ

venues res ning of year

f year

to Financial Statements are an integral part of these statements.

The Notes

		Intergovernmental Interest Total Revenues	EXPENDITURES Administration Housing assistance pay	Excess (deficiency) of re- over (under) expenditur	FUND BALANCE, beginr	FUND BALANCE, end of		
--	--	---	--	---	----------------------	----------------------	--	--

•

÷

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT

	Year Ended	Year Ended
		06-30-96
Computation of Residual Receipts		
Operating Receipts		
Operating Income - Exhibit B(1) HUD operating subsidy Prior year adjustments - affecting residual receipts	\$	98,416.01
		43,116.00
		1,602.14
Total Operating Receipts		143,134.15

112,904.81	Operating Expenditures Operating expenses - Exhibit B(1) Capital expenditures: Replacement of nonexpendable
1,606.00 479.99	equipment Property betterments and additions
114,990.80	 Total Operating Expenditures
28,143.35	 Residual receipts (deficit) per audit before provision for reserve
	Audit adjustments (backed out) Residual receipts per PHA before provision for reserve
28,143.35 (28,143.35)	(Provision for) or reduction of operating reserve - Exhibit C
0.00	\$ Residual receipts per PHA





COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT <u>FW – 588</u>

Year Ended 06-30-96 \$ 77,279.34 \$ 77,279.34

Computation of Accruing Annual Contributions

Fixed annual contribution

•

۲

Total Annual Contribution -Exhibit C



.

•

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

ANNUAL CONTRIBUTION CONTRACT <u>FW -- 2097</u>

		Year Ended	
		06-30-96	
Maximum Contribution Available			
Maximum annual contribution authorized Project account balance at beginning	\$	102,095.00	
of fiscal year	_	210,995.37	
Total Annual Contribution Available		313,090.37	

Annual Contribution Required		
Housing assistance payments		41,515.00
Administrative fee Hard-to-house fee		6,107.00
Independent public accountant audit costs		90.00
		107.90
Project receipts other than annual contribution		47,819.90
Total Contribution Required - Exhibit C	-	47,819.90
Excess in Annual Contribution	-	
Available	2	265,270.47
Year-end Settlement		
Annual contribution due for fiscal year Total partial payments received by		47,820.00
PHA for fiscal year	-	49,024.00
(Over) Under Payment Due (HUD) PHA	\$	(1,204.00)

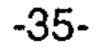


COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND PROJECT ACCOUNT – OPERATING RESERVE CHANGES HOUSING ASSISTANCE PAYMENTS PROGRAM EXISTING

ANNUAL CONTRIBUTION CONTRACT <u>FW - 2097</u>

	-	Year Ended	
		06-30-96	
Status of Project Account Project account balance at the beginning of fiscal year	\$	010 005 07	
Increase (decrease) during fiscal year - Exhibit C	Ψ	210,995.37 54,275.10	

	265,270.47
Provision for Operating Reserve Operating receipts	
Operating income - Exhibit B(2)	541.77
Annual contributions earned	47,820.00
	48,361.77
Operating Expenditures	
Operating expenses -Exhibit B(2)	45,629.72
Property betterments and additions	399.00
	46,028.72
Residual receipts (deficit)	2,333.05
(Provision for) reduction of	
operating reserve - Exhibit C(2)	(2,333.05)
Residual receipts (deficit) after	- . -
provision for operating reserve	\$ 0.00



٠

.

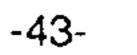
This report is intended for the information of the Board of Commissioners, management, and U.S. Department of Housing & Urban Development. However, this report is a matter of public record, and its distribution is not limited.

Estes and Associates

Fort Worth, Texas October 23, 1996

.

.



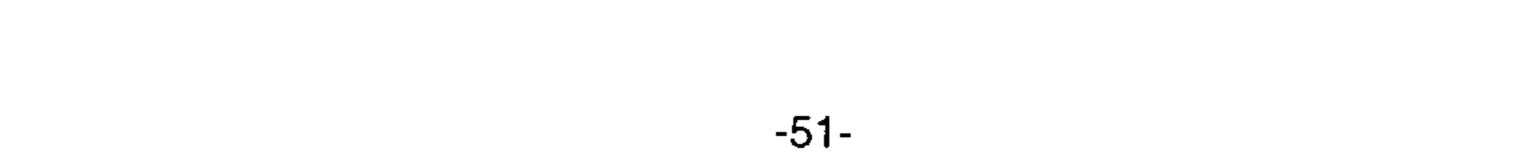
SCHEDULE OF ADJUSTING JOURNAL ENTRIES

JUNE 30, 1996

		ACCT. # FOR AUDIT REPORT PURPOSES	DR	CR	ACCT. # FOR POSTING TO PHA BOOKS
<1>	Permanent Notes - HUD Cumulative HUD	2311	439,091.00		2311
	Contributions	2840		439,091.00	2840

To write off notes previously forgiven by HUD

#



SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 1996

Prior Audit Findings and Questioned Cost

There were no prior audit findings.

Current Audit Findings

None.

-

Questioned <u>Cost</u>



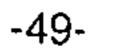
This report is intended for the information of the Board of Commissioners, management, and U.S. Department of Housing & Urban Development. This report is a matter of public record, and its distribution is not limited.

Esles and Associates

Fort Worth, Texas October 23, 1996

.

.



For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls Revenues, receivables, and cash receipts Procurement, payables, and cash disbursement Property and equipment Payroll Finance, debt, debt service

.

Administrative Controls Political activity Davis-Bacon Act Civil rights Cash management Federal financial reports Allowable costs/Cost principles Drug Free Workplace Act Administrative requirements Types of services allowability Eligibility Reporting Costs allocation Special requirements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the Housing Authority of the Town of Vinton, Louisiana, had no major federal financial assistance programs and expended 100 percent of its total federal financial assistance under nonmajor federal financial assistance programs: Low Income Housing, CIAP, Section 8 Existing, Vouchers.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program 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 structure and its operations that we consider to be material weaknesses as defined above.

-48-

ESTES & ASSOCIATES CERTIFIED PUBLIC ACCOUNTANTS 4200 AIRPORT FREEWAY - SUITE 100 FORT WORTH, TEXAS 76117

(817) 831-3553 METRO (817) 654-4063 FAX (817) 831-3560

MIKE ESTES, CPA/PFS, CFP

.

MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report on Internal Control Structure Used in Administering Federal Financial Assistance Programs — No Major Programs

We have audited the financial statements of the Housing Authority of the Town of Vinton, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 23, 1996.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the Housing Authority of the Town of Vinton, Louisiana complied with laws and regulations, non-compliance with which would be material to a federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the Authority's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the Authority's financial statements and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated October 23, 1996.

The management of the Housing Authority of the Town of Vinton, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

-47-

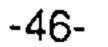
• r.

reduce to a relatively low level the risk that errors or irregularities 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 structure and its operation that we consider to be material weaknesses as defined above.

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

Estes and Associates

Fort Worth, Texas October 23, 1996



.

.

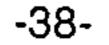
STATEMENT OF MODERNIZATION COSTS --- UNCOMPLETED JUNE 30, 1996

	Project 1995
Funds Approved	\$ 306,000.00
Funds Expended	3,300.00
Excess of Funds Approved	\$ 302,700.00
Funds Advanced	\$ 3,300.00

 Funds Expended
 3,300.00

 Excess of Funds
 4dvanced

 Advanced
 \$ 0.00



ESTES & ASSOCIATES CERTIFIED PUBLIC ACCOUNTANTS 4200 AIRPORT FREEWAY – SUITE 100 FORT WORTH, TEXAS 76117

(817) 831-3553 METRO (817) 654-4063 FAX (817) 831-3560

MIKE ESTES, CFA/PFS, CFP

.

MEMBER AMERICAN INSTITUTE OF CERTIFIED

PUBLIC ACCOUNTANTS

Independent Auditors' Report on Compliance with Specific Requirements Applicable to NonMajor Federal Financial Assistance Program Transactions

We have audited the financial statements of the Housing Authority of the Town of Vinton, Louisiana, as of and for the twelve months ended June 30, 1996, and have issued our report thereon dated October 23, 1996.

In connection with our audit of the financial statements of the Housing Authority of the Town of Vinton, Louisiana, as of and for the twelve months ended June 30, 1996, and with our consideration of the Authority's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the twelve months ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; reporting; cost allocation; analysis of general fund cash;operating subsidy eligibility; fair market rent ceiling on housing assistance payments; rent reasonableness; housing quality standards property inspections; annual rent adjustment limits; prohibition of the use of lead based paint in construction contracts; and CIAP procurement compliance 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 the Authority's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Housing Authority of the Town of Vinton, Louisiana, had not complied, in all material respects, with those requirements.

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

-44-

Estes and Associates

Fort Worth, Texas October 23, 1996

EXHIBIT D(3)

HOUSING AUTHORITY OF THE TOWN OF VINTON

1

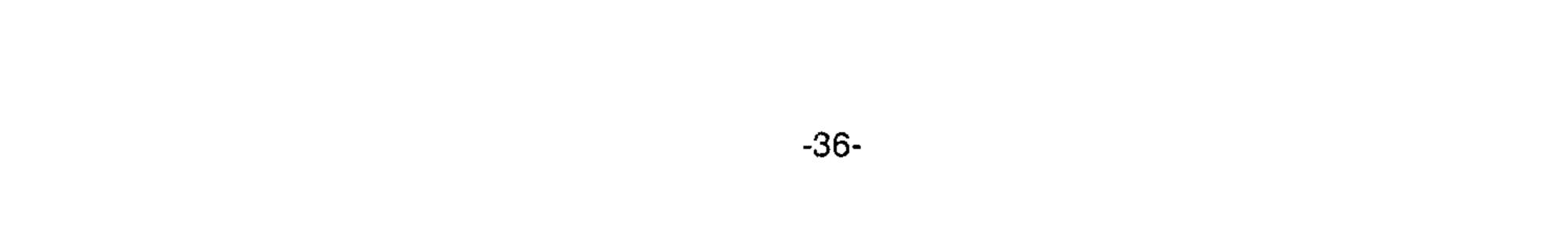
.

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

ANNUAL CONTRIBUTION CONTRACT

	-	Year Ended	
		06-30-96	
Maximum Contribution Available	-		
Maximum annual contribution authorized Project account balance at beginning	\$	230,900.00	
of fiscal year	-	321,124.29	
Total Annual Contribution Available	_	552,024.29	
· · · · · · · ·			

Annual Contribution Required		
Housing assistance payments		74,355.80
Administrative fee		12,620.00
Hard-to-house fee		45.00
Independent public accountant		
audit costs		307.10
	-	87,327.90
Project receipts other than annual		0,,02,.00
contribution		
Total Contribution Required -	-	
Exhibit C		07.007.00
		87,327.90
Excess in Annual Contribution		
Available		464,696.39
	2	
Year-end Settlement		
Annual contribution due for fiscal year		87,328.00
Total partial payments received by		,
PHA for fiscal year		99,544.00
	-	
(Over) Under Payment Due (HUD) PHA	\$	(12,216.00)
	*	



ESTES & ASSOCIATES CERTIFIED PUBLIC ACCOUNTANTS 4200 AIRPORT FREEWAY – SUITE 100 FORT WORTH, TEXAS 76117

(817) 831-3553 METRO (817) 654-4063 FAX (817) 831-3560

MIKE ESTES, CPA/PFS, CFP

.

MEMBER

AMERICAN INSTITUTE OF CERTIFIED

PUBLIC ACCOUNTANTS

Independent Auditors' Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs

We have audited the financial statements of the Housing Authority of the Town of Vinton, Louisiana, as of and for the twelve months ended June 30, 1996, and have issued our report thereon dated October 23, 1996.

We have applied procedures to test the Housing Authority of the Town of Vinton, Louisiana's compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the twelve months ended June 30, 1996.

Political Activity Davis-Bacon Act Civil Rights Cash Management Federal Financial Reports (Claims for Advances and Reimbursements) Allowable Costs/Cost Principles Drug Free Workplace Act Administrative Requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's *Compliance Supplement for Single Audits of State and Local Governments*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Authority's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Housing Authority of the Town of Vinton, Louisiana had not complied, in all material respects, with those requirements.



ESTES & ASSOCIATES CERTIFIED PUBLIC ACCOUNTANTS 4200 AIRPORT FREEWAY – SUITE 100 FORT WORTH, TEXAS 76117

(817) 831-3553 METRO (817) 654-4063 FAX (817) 831-3560

MIKE ESTES, CPA/PFS, CFP

MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Compliance Report Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

We have audited the financial statements of the Housing Authority of the Town of Vinton, Louisiana, as of and for the twelve months ended June 30, 1996, and have issued our report thereon dated October 23, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Housing Authority of the Town of Vinton, Louisiana is the responsibility of the Authority's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Authority's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. 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 *Government Auditing Standards*.

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

Estes and Associates

Fort Worth, Texas

October 23, 1996

-41-



STATEMENT OF INCOME AND EXPENSES - STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT <u>FW - 588</u>

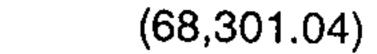
	_	Year Ended
		06-30-96
Operating Income Dwelling rental Excess utilities Interest on general fund investments Other income	\$	90,025.37 4,514.80 2,546.70 1,329.14
Total Operating Income - Exhibit D(1)		98,416.01
Operating Expenses Administration Utilities Ordinary maintenance and operation General expense Total Operating Expense -		26,410.56 19,983.42 28,492.16 38,018.67
Exhibit D(1)	<u></u>	112,904.81
Net Operating Income (Loss)		(14,488.80)
Other Credits Prior year adjustments - affecting residual receipts		1,602.14
Total Other Credits		···
Other Charges	_	1,602.14
Interest on notes and bonds payable Prior year adjustments - not affecting residual receipts		48,145.15
Gain or loss from disposition of		35.00
real property		7,234.23
Total Other Charges		55,414.38

55,414.38

Net Loss - Exhibit C

.

٠



\$

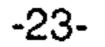


EXHIBIT F

HOUSING AUTHORITY OF THE TOWN OF VINTON

ANALYSIS OF GENERAL FUND CASH BALANCE

ANNUAL CONTRIBUTION CONTRACT

Composition Before Adjustments
Net operating receipts retained:
Operating reserves - Exhibit C
Deferred credits
Cash donations

•

.

\$ 148,726.49 4,122.81 4,360.30

157,209.60

Adjustments Expenses/costs not paid: Accounts payable

Accrued payments in lieu of taxes	29,993.41 7,677.08
Income not received: Accounts receivable	(4,316.98)
General Fund Cash Available	190,563.11
General Fund Cash: Invested Applied to deferred charges (prepaid insurance, inventories, etc.)	(124,205.26) (10,910.62)
General Fund Cash - Exhibit A	\$ 55,447.23



EXHIBIT C

HOUSING AUTHORITY OF THE TOWN OF VINTON

ANALYSIS OF SURPLUS – STATUTORY BASIS TWELVE MONTHS ENDED JUNE 30, 1996 EXISTING

ANNUAL CONTRIBUTION CONTRACT <u>FW -- 2097</u>

<u>Project Account</u> Balance per prior audit at 06-30-95	\$ 210,995.37
Provision for (reduction of) Project Account for year ended 06-30-96 - Exhibit D(2)	54,275.10
Balance at 06-30-96	 265,270.47
<u>Cumulative HUD Contributions</u> Balance per prior audit at 06-30-95	599,134.21

Annual contribution for year ended 06-30-96 - Exhibit D(2)

Balance at 06-30-96

۰

.

47,820.00

\$ 646,954.21

•



.

.

EXHIBIT D(3)

HOUSING AUTHORITY OF THE TOWN OF VINTON

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

ANNUAL CONTRIBUTION CONTRACT <u>FW - 2266</u>

Year Ended

06-30-96

Status of Project Account Project account balance at the beginning of fiscal year Increase (decrease) during fiscal year - Exhibit C

٠

د ا

\$ 321,124.29

143,572.10

	464,696.39
	1,006.13
	87,328.00
	88,334.13
	82,930.19
	82,930.19
	5,403.94
	(5,403.94)
<u> </u>	
\$	0.00
	·



ESTES & ASSOCIATES CERTIFIED PUBLIC ACCOUNTANTS 4200 AIRPORT FREEWAY – SUITE 100 FORT WORTH, TEXAS 76117

(817) 831-3553 METRO (817) 654-4063 FAX (817) 831-3560

MIKE ESTES, CPA/PFS, CFP

.

MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report on the Internal Control Structure in Accordance with Governmental Auditing Standards

We have audited the financial statements of the Housing Authority of the Town of Vinton, Louisiana, as of and for the twelve months ended June 30, 1996, and have issued our report thereon dated October 23, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Housing Authority of the Town of Vinton, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of Town of Vinton, Louisiana, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not

-45-

NOTES TO FINANCIAL STATEMENTS (Continued) JUNE 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNT GROUPS

2

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

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

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

(4) Basis of Accounting

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

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

(5) <u>Budgetary Data</u>

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

the length of the project. Both annual and project length budgets require grantor approval.

-10-

RECEIVED I MORELES TOTOR

96 NOV 12 1110:02

OFFICIAL FILE COPY DO NOT SEND OUT

(Xerox necessary copies from this copy and PLACE RACK in PILE)

HOUSING AUTHORITY OF THE CITY OF VINTON, LOUISIANA

REPORT ON EXAMINATION OF FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

TWELVE MONTHS ENDED JUNE 30, 1996

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 _____ OEC 18_1996

ESTES & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS

1

4

· -

---- ----

	EXHIBIT	PAGE
ACCOUNTANT'S REPORT		1 - 2
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)		
Combined Balance Sheet All Fund Types and Account Groups		3 - 4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances — All Governmental Fund Types		5

\bullet	
Combined Statement of Revenues, Expenditures and Changes in Fund Balances — Budget (GAAP Basis) and Actual — General Fund and Special Revenue Funds	6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances — Budget (GAAP Basis) and Actual — Debt Service and Capital Projects Funds	7
Notes to Financial Statements	8 - 15
Special Revenue Fund Types — Combining Balance Sheet	16
Special Revenue Fund Types — Combining Statement of Revenues, Expenditures and Changes in Fund Balances	17
Capital Project Fund Types — Combining Balance Sheet	18
Capital Project Fund Types — Combining Statement of Revenues, Expenditures and Changes in Fund Balances	19
Fiduciary Funds — Combining Balance Sheet	20
Fiduciary Funds — Schedule of Changes in Deposits Due to Others	21

• -

.

_ ...

-

TABLE OF CONTENTS (Continued)

ł

	<u>EXHIBIT</u>	PAGE
SUPPLEMENTARY INFORMATION		
Balance Sheet — Statutory Basis	Α	22
Statement of Income and Expenses — Statutory Basis	В	23 - 25
Analysis of Surplus — Statutory Basis	С	26 - 31
Computation of Residual Receipts and Accruing Annual Contribution	D	32 - 37
Statement of Modernization Costs — Uncompleted	Ε	38
Analysis of General Fund Cash Balance	F	39

Analysis of General Futio Cash Dalatice	
Schedule of Federal Financial Assistance	40
Independent Auditors' Compliance Report Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	41
Independent Auditors' Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs	42 - 43
Independent Auditors' Report on Compliance with Specific Requirements Applicable to NonMajor Federal Financial Assistance Programs	44
Independent Auditors' Report on the Internal Control Structure in Accordance with Governmental Auditing Standards	45 - 46
Independent Auditors' Report on the Internal Control Structure Used in Administering Federal Financial Assistance programs — No Major Programs	47 - 49
Schedule of Findings and Questioned Costs	50
Adjusting Journal Entries	51

- 5

ESTES & ASSOCIATES CERTIFIED PUBLIC ACCOUNTANTS 4200 AIRPORT FREEWAY – SUITE 100 FORT WORTH, TEXAS 76117

(817) 831-3553 METRO (817) 654-4063 FAX (817) 831-3560

MIKE ESTES, CPA/PFS, CFP

MEMBER

AMERICAN INSTITUTE OF CERTIFIED

PUBLIC ACCOUNTANTS

<u>Report of Independent Certified Public Accountants</u> on Financial Statements and Financial Schedules

Board of Commissioners Housing Authority of the Town of Vinton Vinton, Louisiana

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

We have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of the Housing Authority of the Town of Vinton, Louisiana (the Authority) as of June 30, 1996, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. 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; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the Town of Vinton, Louisiana as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Housing Authority of the Town of Vinton, Louisiana as of June 30, 1996, and the results of operations of such

funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 23, 1996 on our consideration of the Authority's system of internal control and a report dated October 23, 1996, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining and individual fund and account group financial statements. The budgetary information included in the accompanying financial statements and the accompanying financial information listed as financial schedules in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Housing Authority of the Town of Vinton, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining and individual fund and account group financial statements and, in our opinion, is fairly stated in all material aspects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

Estes and Associates

.

Fort Worth, Texas October 23, 1996

.

.

1

	H	DUSING AUTI	HOUSING AUTHORITY OF THE	FHE TOWN C	TOWN OF VINTON			
		- CON ALL FUND	COMBINED BALANCE SH ND TYPES AND ACCOUN JUNE 30, 1996	ш⊢	GROUPS			•
		Governmen	Governmental Fund Types		Fiduciary Fund Types		Account Groups	
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)
ents	\$ 49,822.23	↔	↔	с,	\$ 5.625.00	÷	·	
bond funds wances:	124,205.26					•		<pre>\$ 35,447.23 124,205.26 0.00</pre>
	894.33 50.00							894.33 50.00
ipment for retirement	10,910.62	66,599.71	77,365.09			2,410,289.02		66,599.71 77,365.09 10,910.62 2,410,289.02
ជ័	\$ 185,882.44	\$ 66,599.71	\$ 77,365.09	\$ 0.00 \$	5,625.00	\$ 2,410,289.02	731,255.84 \$ 731,255.84	731,255.84 \$ 3,477,017.10

Property, plant and equip Amount to be provided fo Cash and cash equivale Debt amortization and be Receivables, net of allow of general long-term del Other governments Prepaid expenditures **Total Assets** ASSETS Other funds Investments Due from: Rentals Other

	ב <u>ר</u>	HOUSING AUT	AUTHORITY OF THE	THE TOWN OF	OF VINTON			7
	ALL	FUND T	COMBINED BAL/ YPES AND ACCO JUNE 30,	ALANCE SHEET COUNT GROUPS 30, 1996	T >S (Continued)	Ĵ		
		Governmental	ntal Fund Types		Fiduciary Fund Types	Accoun	nt Groups	
	General	Special Revenue	Debt	Capital Projects	Trust and Agency	Gen Ass Ass		Total (Memorandum Only)
LIABILITIES AND FUND EQUIT	≿							
LIABILITIES Accounts payable Accrued fiabilities Due to:	\$ 207.39 7,677.08	€9	69	€€	69	€€	€Ð	\$ 207.39 7,677.08
l enants Other funds Other governments Deferred revenue General obligation bonds payable	66,599.71 4,122.81	20,788.37			5,625.00			5,625.00 66,599.71 20,788.37 4,122.81
and other liabilities							731,255.84	731,255.84
Total Liabilities	78,606.99	20,788.37	0.00	0.00	5,625.00	0.00	731,255.84	836,276.20
Fund EQUITY Investment in general fixed assets Fund balances: Reserved for debt service			77,365.09			2,410,289.02		2,410,289.02
Undesignated	107,275.45	45,811.34						153,086.79
Total Fund Equity	107,275.45	45,811.34	77,365.09	0.00	0.00	2,410,289.02	0.00	2,640,740.90
Total Liabilities and Fund Equity	\$ 185,882.44	\$ 66,599.71	\$ 77,365.09	\$ 0.00	5,625.00	\$ 2,410,289.02	\$ 731,255.84	\$ 3,477,017.10
The Notes to Financial	Statements	are an integral	part of these	statements.				

__ . . .

-

_ _ _ . _ . _ .

4

-

5

HOUSING AUTHORITY OF THE TOWN OF VINTON

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUND TYPES YEAR ENDED JUNE 30, 1996

		Governmen	tal Fund Types		Totai
	General	Special Revenue			(Memorandum Only)
REVENUES Rentals Intergovernmental Interest Other	\$ 94,540.17 43,116.00 2,546.70 2,931.28	\$ 135,148.00 1,547.90	\$ 77,279.34	\$ 3,300.00	\$ 94,540.17 258,843.34 4,094.60 2,931.28
Total Revenues	143,134.15	136,695.90	77,279.34	3,300.00	360,409.39

EXPENDITURES

EXPENDITORES	06 410 E6	13,088.11			39,498.67
Administration	26,410.56 19,983.42	10,000.11			19,983.42
Utilities Ordinancemaintenance	28,492.16				28,492.16
Ordinary maintenance	38,018.67				38,018.67
General expenditures	30,010.07	115,870.80			115,870.80
Housing assistance payments	2,085.99	110,070.00		3,300.00	5,385.99
Capital expenditures	2,000.00			0,000.00	-,
Debt service:			29,141.27		29,141.27
Principal retirement			48,145.15		48,145.15
Interest	<u></u>				<u> </u>
Total expenditures	114,990.80	128,958.91	77,286.42	3,300.00	324,536.13
Excess (deficiency) of revenues					
over (under) expenditures	28,143.35	7,736.99	(7.08)	0.00	35,873.26
OTHER FINANCING SOURCES(USES	\$)				0.00
Operating transfers in					0.00
Operating transfers out	<u></u>	······		<u></u>	
Total other financing sources(uses)	0.00	0.00	0.00	0.00	0.00
			·····		
FUND BALANCE, beginning of year	79,132.10	38,074.35	77,372.17		194,578.62
TOND DALLATOL, Dogining - Jean			<u></u>		
FUND BALANCE, end of year	\$ 107,275.45	\$ 45,811.34	\$ 77,365.09	\$ 0.00	\$ 230,451.88

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

-5-

٠

Programs	Total	0.00 66,599.71 0.00	\$ 66,599.71	0.00 20,788.37	20,788.37	45,811.34	45,811.34	\$ 66,599.71
Housing	Voucher Program	50,895.81	\$ 50,895.81	20,626.54	20,626.54	30,269.27	30,269.27	\$ 50,895.81
Assisted	Existing Units Program	15,703.90	\$ 15,703.90	161.83	161.83	15,542.07	15,542.07	\$ 15,703.90

HOUSING AUTHORITY OF THE TOWN OF VINTON

SPECIAL REVENUE FUND TYPES COMBINING BALANCE SHEET JUNE 30, 1996

FUND EQUITY

gnated

fund equity

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

	ASSETS Due from: Other funds Prepaid expenditures	Total Assets	LIABILITIES Due to: Other governments	Total liabilities	FUND EQUITY Unreserved and undesig	Total fund equity	Total liabilities and			
--	--	--------------	---	-------------------	---------------------------------------	-------------------	-----------------------	--	--	--

Ĩ	HOUSING AUTHORITY OF T	THE TOV	VN OF VINTON	TON			Į
COMBINED STATEMENT C	NT OF REVENUES, EXPENDITU BUDGET (GAAP BASIS) GENERAL FUND AND SPECIA	AND 30, 1 30, 1	AND CHANGE ACTUAL VENUE FUNDS 1996	CHANGES IN FUND JAL E FUNDS	BAL	ANCES	
			General Fund		Sp	Special Revenue	Funds
	B	Budget	Actual	Over (Under) Budget	Budget	Actual	Over (Under) Budget
	€9 ₩ 4 0 1 4 0 1 4 0	86,120.00 \$ 43,116.00 4,360.00 2,000.00	94,540.17 43,116.00 2,546.70 2931.28	<pre>\$ 8,420.17 0.00 (1,813.30) 931.28</pre>	\$ 147,245.00	\$ 135,148.00 1,547.90	<pre>\$ 0.00 (12,097.00) 1,547.90 0.00</pre>
	135,596.00	1	143,134.15	7,538.15	147,245.00	136,695.90	(10,549.10)
nce	33,760.00 17,650.00 43,500.00	33,760.00 17,650.00 43,500.00	26,410.56 19,983.42 28,492.16	(7,349.44) 2,333.42 (15,007.84)	20,609.00	13,088.11	(7,520.89) 0.00 0.00
e payments es		4,680.00	2,085.99	(7,028.33) 0.00 (2,594.01)	126,636.00	115,870.80	0.00 (10,765.20) 0.00
res of revenues	144,637.00	_ 1	114,990.80	(29,646.20)	147,245.00	128,958.91	(18,286.09)
nditures me to	\$ (9,041	11.00)	28,143.35	\$ 37,184.35	0.00	7,736.99	\$ 7,736.99
beginning of year end of year		· 55	79,132.10 \$107,275.45			38,074.35 \$ 45,811.34	

Ēs.

The Notes to Financial Statements are an integral part of these statemen

8		REVENUES Rentals	Intergovernmental Interest Other income	Total Revenues	EXPENDITURES Administration	Ordinary maintenan General expenditure Housing assistance Capital expenditures	Total Expenditure	Excess (deficiency) of over (under) expend	Transfer of net incom unreserved deficit	FUND BALANCES, b	FUND BALANCES, eI		
---	--	---------------------	---	-----------------------	--------------------------------	---	-------------------	---	---	------------------	-------------------	--	--

				اه	0		00						
ł	X	Funds	Over (Under) Budget	0.00	0.00		0.00	0.00	0.00				
	ANCES	Capital Projects Ft	Actual	3,300.00	3,300.00	3,300.00		3,300.00	0.00				
	FUND BALANC	Ca	Budget	3,300.00	3,300.00	3,300.00		3,300.00	\$ 0.00		-		
NO	CHANGES IN FL AL S FUNDS	Fund	Over (Under) Budget	0.00	0.00		0.00	0.00	\$ 0.00				
TOWN OF VINTON	ACTU 1996 1996	Debt Service Fu	Actual	77,279.34	77,279.34		29,141.27 48,145.15	77,286.42	(7.08)	77,372.17 \$ 77,365,09	11		
OF THE TOV	EXPENDITURES AP BASIS) AND / ID CAPITAL PROJ VDED JUNE 30, 16		Budget	77,279.34	77,279.34		29,141.27 48,145.15	77,286.42	\$ (7.08)		-		
AUTHORITY	S S A E												
HOUSING A	OF REV BUC EBT SEF												
<u> </u>	STATEMEN									year			1
	OMBINED					es	ant	es	of revenues nditures The to	beginning of y end of year	•		i

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

ŏ Excess (deficiency) o over (under) expend Capital expenditure Principal retiremen Total Expenditure Transfer of net incom unreserved deficit FUND BALANCES, b FUND BALANCES, e Intergovernmental **Total Revenues** EXPENDITURES Debt Service: REVENUES Interest

.

.

STATEMENT OF INCOME AND EXPENSES - STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT <u>FW – 2266</u>

		Year Ended
		06-30-96
Operating Income Interest on general fund investments	\$	1,006.13
Total Operating Income - Exhibit D(3)	•	1,006.13
Operating Expenses Administration Housing assistance payments Independent public accuntant audit costs		8,267.29 74,355.80 307.10
Total Operating Expense - Exhibit D(3)	-	82,930.19
Net Operating Income (Loss)	_	(81,924.06)
Net Loss - Exhibit C	\$	(81,924.06)



NOTES TO FINANCIAL STATEMENTS (Continued) JUNE 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(3) Fund Accounting (continued)

GOVERNMENTAL FUNDS

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

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

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

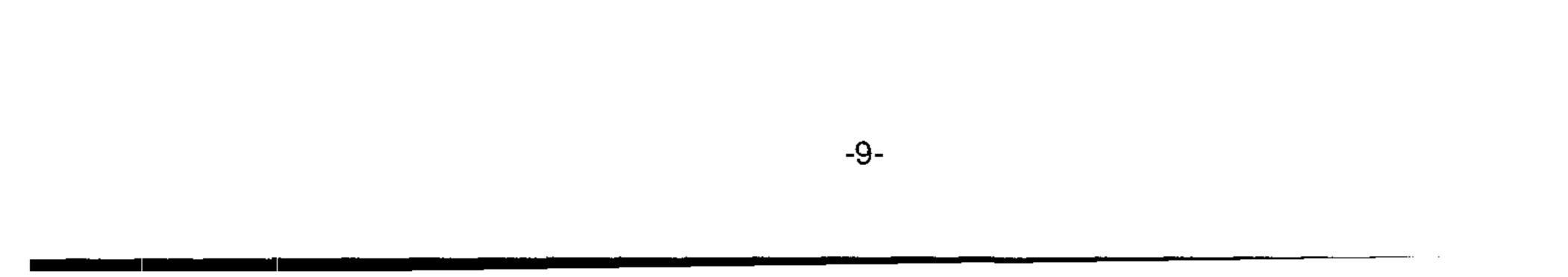
<u>Debt Service Fund</u> - The Debt Service Fund is used to account for the accumulation of resources for the payment of interest, principal, and related costs of general long-term debt.

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

FIDUCIARY FUNDS

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

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



•

•

ANALYSIS OF SURPLUS -- STATUTORY BASIS TWELVE MONTHS ENDED JUNE 30, 1996 EXISTING

ANNUAL CONTRIBUTION CONTRACT <u>FW -- 2097</u>

<u>Unreserved Surplus</u> Balance per prior audit at 06-30-95	\$ (810,152.68)
Net loss for the year ended 06-30-96 - Exhibit B(2)	(45,087.95)
(Provision for) reduction of Operating Reserve for year ended 06-30-96 - Exhibit D(2) (Provision for) reduction of Project Account	(2,333.05)
for year ended 06-30-96 - Exhibit D(2)	(54,275.10)
Balance at 06-30-96	 (911,848.78)
<u>Reserved Surplus - Operating Reserve</u> Balance per prior audit at 06-30-95	13,209.02
Provision for (reduction of) Operating Reserve for the year ended 06-30-96 - Exhibit D(2)	 2,333.05
Balance at 06-30-96 - Exhibit F	\$ 15,542.07



.

FIDUCIARY FUNDS SCHEDULE OF CHANGES IN DEPOSITS DUE TO OTHERS JUNE 30, 1996

	Agency Funds			
		Tenant Security Deposit Funds	_	Total Fiduciary Funds
DEPOSIT BALANCES AT BEGINNING OF YEAR	\$	5,875.00	\$	5,875.00
REDUCTIONS Payments to tenants		250.00		250.00
Total Reductions		250.00	_	250.00

DEPOSIT BALANCES AT END OF YEAR

.

•

.

\$ 5,625.00 \$ 5,625.00

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

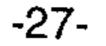
-21-

ANALYSIS OF SURPLUS – STATUTORY BASIS TWELVE MONTHS ENDED JUNE 30, 1996

ANNUAL CONTRIBUTION CONTRACT

Cumulative HUD Contributions		
Balance per prior audit at 06-30-95	\$	2,416,474.31
Adjustment of notes by HUD		439,091.00
Annual contribution for year ended 06-30-96 - Exhibit D(1)		77,279.34
Operating subsidy for year ended 06-30-96		43,116.00
Balance at 06-30-96	<u> </u>	2,975,960,65

Cumulative HUD Grants	
Balance per prior audit at 06-30-95	415,741.46
Advances for year ended 06-30-96	3,300.00
Balance at 06-30-96	 419,041.46
Cumulative Donations	
Balance per prior audit at 06-30-95	 10,116.04
Balance at 06-30-96	\$ 10,116.04



•

•

ANALYSIS OF SURPLUS - STATUTORY BASIS TWELVE MONTHS ENDED JUNE 30, 1996

ANNUAL CONTRIBUTION CONTRACT <u>FW - 588</u>

<u>Unreserved Surplus</u>	
Balance per prior audit at 06-30-95	\$ (1,543,531.75)
Prior audit adjustment	(1,567.14)
Net loss for the year ended 06-30-96 - Exhibit B(1)	(68,301.04)
(Provision for) reduction of Operating Reserve for year ended 06-30-96 - Exhibit D(1)	(28,143.35)
Balance at 06-30-96	 (1,641,543.28)

•

.

<u>Reserved Surplus - Operating Reserve</u> Balance per prior audit at 06-30-95	74,771.80
Provision for (reduction of) Operating Reserve for the year ended 06-30-96 - Exhibit D(1)	28,143.35
Balance at 06-30-96 - Exhibit F	\$ 102,915.15

.



NOTES TO FINANCIAL STATEMENTS JUNE 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

(1) Financial Reporting Entity

Generally accepted accounting principles require that the financial statements present the accounts and operations of the Authority and its component units, entities for which the Authority is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations and data from these units, if any, are combined with data of the Authority. Each discretely presented component unit, if any, would be reported in a separate column in the combined financial statements to emphasize that it is legally separate from the Authority. As of June 30, 1996, and for the fiscal year then ended, the Authority had no discretely presented component units or any component units required to be blended in these financial statements.

(2) <u>Fund Accounting</u>

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

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

-8-

EXHIBIT A

HOUSING AUTHORITY OF THE TOWN OF VINTON

BALANCE SHEET --- STATUTORY BASIS JUNE 30, 1996

ANNUAL CONTRIBUTION CONTRACT <u>FW - 588</u>

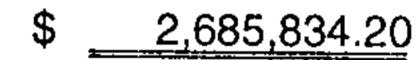
ASSETS

Cash - Exhibit F	\$	55,447.23
Accounts receivable - tenants		894.33
Accounts receivable - HUD - Prior YE settlements		3,372.65
Accounts receivable - other		50.00
Investments		124,205.26
Debt amortization funds		77,365.09
Deferred charges		10,910.62
Land, structures and equipment		2,413,589.02

Total Assets

•

٠



LIABILITIES AND SURPLUS

Accounts payable - HUD - Prior YE Settlement Accounts payable - HUD - Exhibit D(2) & D(3) Accrued liabilities Deferred credits Fixed liabilities	\$	5,832.39 10,741.02 13,420.00 7,677.08 4,122.81 731,255.84
Total Liabilities	-	773,049.14
Surplus - Exhibit C	-	1,912,785.06
Total Liabilities and Surplus	\$.	2,685,834.20



NOTES TO FINANCIAL STATEMENTS (Continued) JUNE 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

Cash and Cash Equivalents (6)

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

Tenant Receivables (7)

д.

Receivables for rentals and service charges are reported in the General Fund, net of allowances for doubtful accounts amounting to \$ _____0-___ at June 30, 1996.

Interfund Transactions (8)

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

General Fixed Assets (9)

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

-11-

FIDUCIARY FUNDS COMBINING BALANCE SHEET JUNE 30, 1996

	Agency Funds			
	Deposit Fidu		Total Fiduciary Funds	
ASSETS				
Cash and cash equivalents	\$	5,625.00	\$	5,625.00
Total Assets	\$	5,625.00	\$	5,625.00

LIABILITIES

Due to tenants

2

Total Liabilities

\$ 5,625.00	\$ 5,625.00
\$ 5,625.00	\$ 5,625.00
<u></u>	

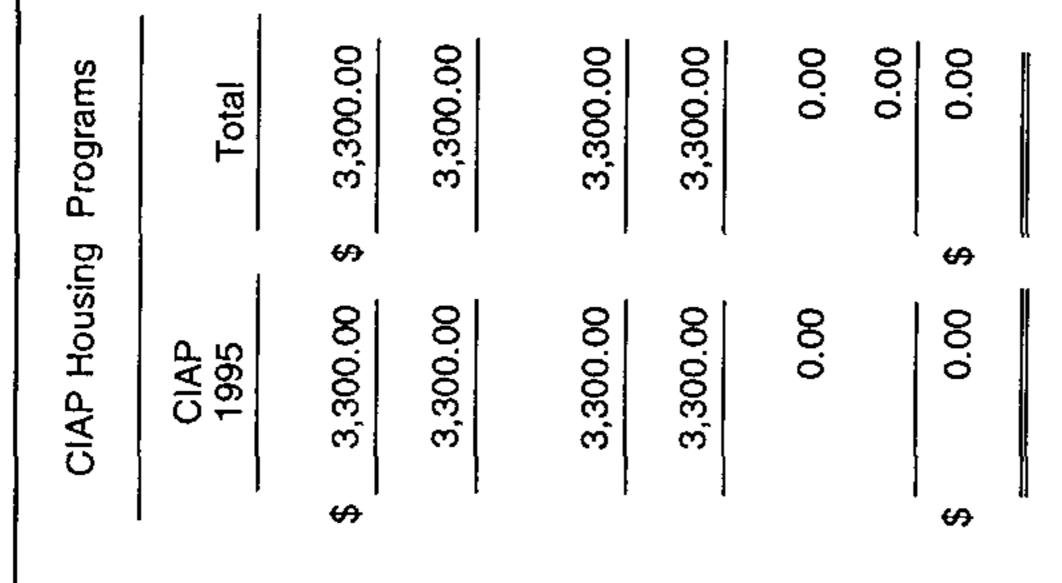
The Notes to Financial Statements are an integral part of these statements.

-20-

.

4

CAPITAL PROJECT FUND TYPES COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES JUNE 30, 1996



-19-

ŝ

senues res ning of year

of year

to Financial Statements are an integral part of these statements.

		REVENUES Intergovernmental	Total Revenues	EXPENDITURES Capital expenditures	Total Expenditure	Excess (deficiency) of re over (under) expenditu	FUND BALANCE, begini	FUND BALANCE, end o		The Notes
--	--	-------------------------------	----------------	--------------------------------------	-------------------	---	----------------------	---------------------	--	-----------

NOTES TO FINANCIAL STATEMENTS (Continued) JUNE 30, 1996

NOTE G - RETIREMENT PLAN

٠

The entity provides benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate after a six months exclusionary period. The employee contributes <u>6</u> % and the entity contributes <u>8.5</u> % of the employee's base salary each month. The entity's contributions for each employee (and interest allocated to the employee's account) are vested 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

Contributions to the plan were \$2,632.80 and \$3,729.84 by the employee and the entity, respectively.



NOTES TO FINANCIAL STATEMENTS (Continued) JUNE 30, 1996

NOTES F - LONG-TERM DEBT

.

Ł

Long-term debt consists of the following:

Bond payable FFB notes

Principal Balance					
\$ 89,520.09 641,935.75					
\$ 731,255.84					

All required debt service to maturity on the bonds, including principal and interest, is payable by HUD under a debt service contract with the entity.

Long-term debt is secured by the land and buildings of the entity.

Changes in long-term debt is as follows:

	Bonds
Balance, beginning of period Principal retirement	\$ 760,397.11 29,141.27
Balance, end of period	\$ 731,255.84
Schedule retirements of long-term debt is as follows:	
1997 1998 1999 2000	\$ 34,580.39 36,070.70 37,659.36 39,352.88



41,158.18 542,434.33

-14-

NOTES TO FINANCIAL STATEMENTS (Continued) JUNE 30, 1996

NOTE C - ACTIVITIES OF THE PHA

At June 30, 1996, the PHA was managing 68 units of low-rent in three projects under Program FW – 588, 40 units of section 8 existing under program FW-2097, and 37 units of section 8 vouchers under program FW-2266.

NOTE D - CONTINGENCIES

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

NOTE E - PROPERTY, PLANT AND EQUIPMENT

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

	_	Beg. of Period	_	Additions	Deletions		End of Period
Land, land impvts.	\$	660,345.55	\$		\$	\$	660,345.55
Buildings		1,638,282.79				·	1,638,282.79
Equipment		116,409.92		3,014.99	7,764.23		111,660.68
Total	\$	2,415,038.26	\$	3,014.99	\$ 7,764.23	\$	2,410,289.02

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

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

-13-

NOTES TO FINANCIAL STATEMENTS (Continued) JUNE 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(10) <u>General Long-Term Debt</u>

.

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

(11) <u>Compensated Absences</u>

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

(12) Total Columns on Combined Statements

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

NOTE B - CASH AND INVESTMENTS

At June 30, 1996, the Authority had invested excess funds as follows:

		Amount
Certificate of Deposits	-	124,205.26
	\$	124,205.26
Cash and investments are insured as follows:		
FDIC Insurance	\$	179,652.49
	\$	179,652.49



•

٠

STATEMENT OF INCOME AND EXPENSES - STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT <u>FW – 2097</u>

	-	Year Ended
		06 - 30-96
Operating Income Interest on general fund investments	\$	541.77
Total Operating Income - Exhibit D(2)	-	541.77
Operating Expenses Administration Housing assistance payments Independent public accuntant audit costs		4,006.82 41,515.00 107.90
Total Operating Expense - Exhibit D(2)	_	45,629.72
Net Operating Income (Loss)	-	(45,087.95)
Net Loss - Exhibit C	\$	(45,087.95)

