

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
BOSSIER CITY, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1995**

2. Violation of Public Bid Law (Continued)

MANAGEMENT'S RESPONSE: At one time there was what was called a Consolidated Price List which was published by the federal government. This document listed companies and prices for various items which had been negotiated. Government agencies, including Housing Authorities, were permitted to purchase these items as needed from the companies, without advertising. This document was discontinued several years ago. Shortly after it was discontinued, HLED officials were asked by several executive directors during a conference as to how this should now be handled. The official guidance was to advertise for the items, in quantities of up to 10, to be purchased as needed. The housing authorities were to then purchase from the company that had quoted the lowest price and then post quotations periodically.

This is the way in which the Executive Director has been purchasing stoves and refrigerators. On several occasions, the Executive Director has informally discussed prices with distributors and found out that the prices at which purchases are presently being made are lower than any prices available. While executing the purchase referenced in the audit, the Executive Director was in the process of expanding the remaining funds in one of the Modernization Programs without cost-sharing and at the same time abide by the Public Bid Law. The Executive Director remembered the \$10,000 restriction but thought that since he had advertised that this would not pertain to this purchase and would not be in violation of the Public Bid Law. The Housing Authority is presently in the process of re-advertising for updated quotes on prices for stoves and refrigerators. Extreme caution will be exercised for future purchases.

3. Late Filing of Audit Report

CONDITION: The Louisiana Legislative Auditor requires audit reports to be filed within six months of the year-end of the governments. The audit report as of and for the year ended June 30, 1995 was filed after this deadline.

REASON IMPROVEMENT NEEDED: To comply with state regulations.

CAUSE OF CONDITION: The unexpected additional workload and staff shortage of the audit firm for the 1995 year.

EFFECT OF CONDITION: Violation of state regulation.

RECOMMENDATION: Future audit reports should be filed within six months of year-end.

MANAGEMENT'S RESPONSE: We will comply with the auditors' recommendation.

HOUSING AUTHORITY OF THE CITY OF BOSSER CITY
BOSSER CITY, LOUISIANA

SCHEDULE OF REPORTABLE CONDITIONS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

2. Lack of Segregation of Duties (Continued)

MANAGEMENT'S RESPONSE: The Riverwood Apartment Complex is managed on site by a manager and two assistant managers. The Executive Director of the Housing Authority will realign responsibilities so that incompatible job functions are not performed by the same employee.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
BOSSIER CITY, LOUISIANA

STATE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

1. Prohibition of Employee Loans

This finding is considered resolved.

2. Securities Pledged

This finding is considered resolved.

3. Test of Tenant Files

See current year finding #1.

4. Miscalculation of Tenant's Income

This finding is considered resolved.

Board of Commissioners
HOUSING AUTHORITY OF THE CITY OF
BOSSIER CITY
Bossier City, Louisiana

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

Allen Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Metairie, Louisiana
January 17, 1987

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HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
 BOSSIER CITY, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS AND
 INDEPENDENT AUDITORS' REPORTS
 AS OF AND FOR THE YEAR ENDED JUNE 30, 1994
 WITH SUPPLEMENTAL INFORMATION SCHEDULES

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the audited, or relevant, 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 3/21 19 99

Schedule 4

<u>PROJECT</u> <u>LA-42-791</u>	<u>PROJECT</u> <u>LA-42-792</u>	<u>TOTAL</u>
\$ <u>980,000</u>	\$ <u>28,750</u>	<u>1,008,750</u>
\$ <u>980,000</u>	\$ <u>28,750</u>	<u>1,008,750</u>
\$ <u>980,000</u>	\$ <u>28,750</u>	<u>1,008,750</u>
\$ <u>980,000</u>	\$ <u>28,750</u>	<u>1,008,750</u>
\$ <u>0</u>	\$ <u>0</u>	<u>0</u>
\$ <u>0</u>	\$ <u>0</u>	<u>0</u>
\$ <u>0</u>	\$ <u>0</u>	<u>0</u>

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

AGENCY FUNDS
Statement of Changes in Assets and Liabilities
June 30, 1999

Schedule 1

	Balance, Beginning	Additions	Deletions	Balance, Ending
TENANTS' SECURITY DEPOSITS				
ASSETS				
Cash and cash equivalents	\$ 85,150	30,940	400	\$ 116,290
LIABILITIES				
Deposits due others	\$ 85,150	30,940	400	\$ 116,290

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
BOSSIER CITY, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

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HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
BOSSIER CITY, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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ALLEN, GREEN & ROBINETTE, L.L.P.

30 RIVERWOOD APARTMENTS
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Board of Commissioners
Housing Authority of the City of Bossier City
Bossier City, Louisiana

Dear Commissioners:

In planning and performing our audit of the general purpose financial statements of the Housing Authority of the City of Bossier City for the year ended June 30, 1998, we considered the Housing Authority's internal control structure in plan our auditing procedure for the purpose of expressing our opinion on the financial statements and not to provide assistance on the internal control structure.

However, during our audit, we noted certain matters involving the internal control structure and other operational matters that we presented for your consideration. This letter does not affect our report dated January 17, 1997 on the financial statements of the Housing Authority of the City of Bossier City. We will review the status of those comments during our next audit engagement. Our comments and recommendations here, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure as well as other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

RIVERWOOD APARTMENTS CASH BALANCES

Riverwood Apartments is managed by a third party management company located in Houston, Texas. The complex has two checking accounts and a Certificate of Deposit at Citizens National Bank in Bossier City. In accordance with the management contract, the authorized check signers on these accounts are the President and Executive Vice President of the management company and they are the only parties authorized to draw on these accounts. The Housing Authority does not have signature authority over these funds.

The cash in these accounts has accumulated from the time the complex was purchased by the Housing Authority in September 1985. The balances in these cash accounts at June 30, 1998 totaled \$256,903 as follows:

Operating account	\$102,500
Security deposit account	43,600
Certificate of Deposit	110,803

The Board should consider establishing an account or purchasing a Certificate of Deposit in the Housing Authority's name and transfer the excess funds from the Riverwood accounts to this account. The Housing Authority could then establish a procedure whereby any funds over a specified dollar amount would be transferred to this account. This procedure would provide more effective control over the cash accounts to which the Housing Authority has no signature authority.

OUTSOURCING OF ACCOUNTING AND MANAGEMENT FUNCTIONS

The Housing Authority currently uses a third party to manage the Riverwood Apartment complex. The management company in turn uses outside sources for some computer processing and all payroll functions. The employees of Riverwood are hired from an employee leasing company. The following expenditures for a nine month period (October 1993 through June 30, 1994) are associated with outsourcing of accounting and management functions:

Management fee (4.5% of total monthly gross receipts)	\$18,980
Payroll processing fee (11.67% of gross payroll)	18,299
Processing of rent roll	<u>2,067</u>
TOTAL	<u>\$39,346</u>

The above information is offered for the Board's use in making future decisions concerning the management of the Riverwood Apartment complex. Consideration should be given to the fact that these expenditures are for nine months of operations.

It may be prudent to consider folding some of the outsourcing into the operations of the Housing Authority. However, as auditors we are not in a position to say if it would be feasible to do this without further study. Considering the comment made in the next section of this letter titled Controls Over Cash Receipts at Riverwood it may be prudent to process the rent roll at the Housing Authority regardless of whether it would be cost effective.

CONTROLS OVER CASH RECEIPTS AT RIVERWOOD

In our audit of the general purpose financial statements of the Housing Authority we noted a lack of separation of duties over cash receipts at Riverwood which is included on the Schedule of Reportable Conditions. The Riverwood manager collects rent, issues receipts, prepares and makes the deposit and determines the amount recorded in accounts receivable. A copy of the cash receipts are sent by the Manager to the processing company to be posted to accounts receivable. A rent roll is generated and returned to the Manager to be edited. The Manager edits the rent roll and returns it to the processing company to be posted. In effect, the Manager controls the cash and also controls the recording of accounts receivable in the general ledger. This procedure provides little control over cash receipts. Also, the manner in which accounts receivable is handled would not alert the Board to the fact that an accounts receivable was charged off.

Rental income and accounts receivable should be posted from the rent roll at the end of the month. Cash receipts would then be posted against the receivable. The Board should approve any accounts receivable to be written off. Someone other than the person who collects the rents should be responsible for reviewing the rent roll and any adjustments to accounts receivable.

CONTROLS OVER CASH DISBURSEMENTS AT RIVERWOOD

To test controls over cash disbursements at Riverwood, we pulled a sample of 25 checks and tested certain attributes. The following comments are a result of this testing. Expenditures are not coded consistently. The bank account reconciliation is not prepared timely in some instances. For example, the November 93 bank reconciliation was performed on January 31, 1994 and the December 93 bank reconciliation was performed on February 1, 1994.

In performing the bank reconciliation, cleared checks are entered from the face of the bank statement and not from the cancelled check as the cancelled check is not examined except for instances when the check number does not appear on the face of the bank statement. The original invoice and check copy could not be located for two of the checks selected. Riverwood had a copy of the invoice which we tested.

To insure consistency in financial reporting, expenditures should be coded consistently and the budget revised if necessary. The management company has made some personnel changes to address this concern. Bank statements should be reconciled timely, within two or three days of receipt. The cancelled check should be examined and cleared checks entered on the bank reconciliation from the cancelled check and not from the face of the bank statement.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist. We hope the above suggestions are useful to you.

This report is intended solely for the use of the Board of Commissioners, management, and the U. S. Department of Housing and Urban Development and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Sincerely,



ALLEN, GREEN & ROBINETTE, L.L.P.

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**SUPPLEMENTAL INFORMATION SCHEDULES -
HUD PRESCRIBED FORMAT**

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
For the Year Ended June 30, 1996

Schedule T

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR (PROGRAM NAME)	CFDA NUMBER	PROGRAM OR AWARD AMOUNT
U. S. DEPARTMENT OF HUD DIRECT PROGRAM		
Public and Indian Housing - Funds Annual Contribution (*)	14.850	\$ 186,180
Operating Subsidy	14.850	_____ 335,670
TOTAL PROGRAMS *		\$ _____ 521,850
COMPREHENSIVE IMPROVEMENT ASSISTANCE PROGRAM *	14.850	\$ _____ 461,625
COMPREHENSIVE GRANT PROGRAM	14.850	\$ _____ 607,200
LOWER INCOME HOUSING ASSISTANCE Section 8 - New Construction *	14.798	\$ _____ 569,000
TOTAL U.S. DEPT. OF HOUSING AND URBAN DEVELOPMENT		\$ _____ 2,480,600

(*) The Housing Authority of the City of Bossier is indebted to the Department of Housing & Urban Development for \$4,487,787 at June 30, 1996. Also, the Department of Housing & Urban Development has guaranteed through the Annual Contribution contract the Housing Authority of the City of Bossier City's bonded indebtedness. This bonded indebtedness was \$1,524,859 at June 30, 1996.

* Indicates Major Program

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
BOSSIER CITY, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

TENANT'S SECURITY DEPOSITS
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 1998

Schedule B

PROJECT	Balance, Beginning	Additions	Debit/Draws	Balance, Ending
LA 42-1	\$ 5,218	\$ 0	\$ 180	\$ 5,038
LA 42-2	4,945	0	108	4,837
LA 42-3	4,580	0	108	4,472
LA 42-4	3,645	86	0	3,731
LA 42-5	3,578	420	0	4,000
LA 42-6	6,028	715	0	6,743
LA 42-8	7,290	465	0	7,755
LA 42-9	3,080	400	0	3,480
Riverwood Apartments	0	21,445	0	21,445
Total	\$ 35,369	\$ 33,545	\$ 428	\$ 68,486

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

AGENCY FUNDS

TENANTS' SECURITY DEPOSIT AGENCY FUND

The activities of the various tenant security deposits accounts are accounted for in the Tenants' Security Deposit Agency Fund. While the accounts are under the supervision of the Housing Authority, they belong to the tenants and are not available for use by the Housing Authority.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
BOSSIER CITY, LOUISIANA

SCHEDULE OF REPORTABLE CONDITIONS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

1. Check Signing Policy
(All Programs)

CONDITION: The Housing Authority's check signing policy requires two signatures on checks. Generally the two people who sign checks are the Executive Director and the Senior Civil Service Employee. Disbursements are not approved by the Board.

REASON IMPROVEMENT NEEDED: Board approval of invoices provides a strong internal control over disbursements.

CAUSE OF CONDITION: Unknown. This was also a reportable condition at June 30, 1995.

EFFECT OF CONDITION: The lack of Board approval of invoices weakens controls over the disbursements function.

RECOMMENDATION: All checks issued in the amount exceeding \$999.00, or any third-party-type transactions involving employees, etc., should be signed by two people, one of these being a Board member.

MANAGEMENT'S RESPONSE: All checks will continue to be signed by two parties. All checks issued in the amount exceeding \$1,000, or any third-party-type transactions involving employees, etc., will have one of the signatures being that of a member of the Board of Commissioners.

2. Lack of Segregation of Duties

CONDITION: The Housing Authority owns an apartment complex which is managed by a third-party management company. The property manager at this complex collects rent from tenants, issues receipts to the tenants, prepares and makes the deposits, and determines the proper amounts that are added to the tenants' accounts receivable. In addition, the property manager is responsible for updating changes in the rent roll and reviewing the rent roll for overcharges.

REASON IMPROVEMENT NEEDED: Strong internal control procedures require adequate segregation of duties. Segregation of duties refers to dividing job responsibilities in such a manner to provide a greater likelihood of detecting errors and/or irregularities within a timely period.

CAUSE OF CONDITION: Unknown.

EFFECT OF CONDITION: Internal controls over cash receipts are weak because one person performs several incompatible functions. It is possible that errors and/or irregularities could occur and not be detected timely by employees.

RECOMMENDATION: The complex should strive to reassign responsibilities so that incompatible job functions are not performed by the same employee.

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

GENERAL

COMPENSATION PAID BOARD MEMBERS

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

Ms. Bernia Sims, Chairperson
Mr. Bruce T. Nix, Vice Chairperson
Mr. Johnny A. Bennett
Mr. Vera Gregorio
Mr. Charles Massey

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

In accordance with Office of Management and Budget (OMB) Circular A-128, a schedule of federal financial assistance is presented.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 4 - RECEIVABLES

The receivables of \$233,648 at June 30, 1996, are as follows:

Class of Receivable	General Fund	Special Revenue Funds	Debt Service Fund	Capital Project Funds	Total
Local sources:					
Taxes	\$ 179	\$ 179	\$ -	\$ -	\$ 1,453
Other	4,381	-	-	-	4,381
Federal sources:					
Due from HUD	-	1,511	168,182	48,054	215,747
Total	\$5,160	\$1,690	\$168,182	\$48,054	\$233,648

NOTE 5 - FIXED ASSETS

The changes in general fixed assets are as follows:

	Balance July 1, 1995	Additions	Deletions	Balance June 30, 1996
Land	\$ 1,881,983	\$ 560,000	\$ -	\$ 2,442,983
Buildings	18,947,975	3,479,818	-	18,427,793
Furniture and equipment	443,488	50,818	75,000	419,306
Construction in progress	3,148,784	1,068,918	2,489,818	1,727,884
Total	\$16,422,230	\$5,159,544	\$2,564,818	\$18,916,956

Fixed assets of \$17,446,362 are mortgaged to HUD pursuant to the Annual Contribution Contract as collateral for obligations owed to the U. S. Government. The building cost includes \$5,871 of ineligible expenditures as determined by HUD. The remaining \$1,573,084 of fixed assets are assets of the Riverwood Apartments Complex and are not mortgaged to HUD.



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INDEPENDENT AUDITORY REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Commissioners
HOUSING AUTHORITY OF THE
CITY OF BOSSIER CITY
Bossier City, Louisiana

U. S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT
Housing Management Division
300 Magazine Street, 9th Floor
New Orleans, Louisiana

We have audited the general purpose financial statements of the Housing Authority of the City of Bossier City, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated January 17, 1997.

We have applied procedures to test the Housing Authority's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended June 30, 1996: political activity, Davis-Bacon Act, civil rights, cash management, federal financial reports, allowable cost/allowable principles, Drug-Free Workplace Act, and 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 Housing 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 had not complied, in all material respects, with those requirements.

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

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
January 17, 1997



ALLEN, GREEN & ROBINETTE, L.L.P.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Commissioners
HOUSING AUTHORITY OF THE
CITY OF BOSSIER-CITY
Bossier City, Louisiana

U. S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT
Housing Management Division
501 Magazine Street, 8th Floor
New Orleans, Louisiana

We have audited the general purpose financial statements of the Housing Authority of the City of Bossier City, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated January 17, 1997.

We have also audited the Housing Authority's compliance with the requirements governing types of services allowed or unallowed, eligibility, reporting, special tests and provisions and claims for advances and reimbursements, that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended June 30, 1996. The management of the Housing Authority is responsible for the Housing Authority's compliance with these requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements 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 Circular A-119, "Audit of State and Local Governments." Those standards and OMB Circular A-119 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed one immaterial instance of noncompliance with the requirements referred to above, which is described in Finding #1 of the accompanying Schedule of Findings and Questioned Costs. We considered this instance of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the Housing Authority of the City of Bossier City, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed, eligibility, reporting, special tests and provisions, and claims for advances and reimbursements, that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES -
GENERALLY ACCEPTED ACCOUNTING PRINCIPLES BASIS

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Litigation

At June 30, 1996 the Housing Authority was a defendant in a lawsuit which could possibly result in damages of \$5,808. No amount has been recorded for financial statement purposes.

Construction Projects

There are certain major construction projects in progress at June 30, 1996. These include modernizing rental units at practically all of the eight projects. As approved by HUD, 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 state and federally assisted grant programs. Although the grant programs have been audited in accordance with the Single Audit Act of 1984 through June 30, 1996, those 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.

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

NOTE 10 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (Continued)

(A) Project Notes - Non HUD are obligations due HUD. The Debt Forgiveness Act of 1980 forgives these notes. The timing of the official cancellation of the remaining notes is unknown. The Housing Authority has not received interest on Project Notes - Non HUD since HUD will eventually forgive the principal and interest amounts. Due to the uncertainty of the amounts of these notes, a schedule of maturities is not prepared for the Project Notes - Non HUD.

All principal and interest requirements are funded in accordance with Federal law by the annual contributions from the U. S. Department of Housing and Urban Development. At June 30, 1996, the Housing Authority has accumulated \$31.3 in the debt service funds for future debt requirements. The funds are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
1997	\$ 97,148	\$ 71,015	\$ 168,163
1998	187,808	65,584	253,392
1999	188,325	59,378	247,703
2000	70,487	52,889	123,376
2001	32,532	48,083	80,615
2002 and thereafter	<u>732,872</u>	<u>238,620</u>	<u>971,492</u>
Total	<u>\$1,224,832</u>	<u>454,881</u>	<u>\$1,749,923</u>

NOTE 11 - INTERFUND ASSETS/LIABILITIES

Interfund receivables/payables at June 30, 1996 are as follows:

	<u>Due from</u>	<u>Due to</u>
General Fund	\$2,127	\$ -
Capital Projects Funds		
LA 42 - 800	-	3,335
LA 42 - 702	-	1,292
Total	<u>\$2,127</u>	<u>\$4,627</u>

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

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

B. FUNDS AND ACCOUNT GROUPS

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

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

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

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

1. **General Fund** — the general operating fund of the Housing Authority accounts for all financial resources, except those required to be accounted for in other funds.
2. **Special Revenue Funds** — account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Special revenue funds consist transactions of the Section 8 Housing Assistance Program and transactions of the Riverwood Apartments Complex.
3. **Debt Service Fund** — accounts for transactions relating to monies retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. **Capital Projects Funds** — account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
BOSSIER CITY, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

1. Tenants' Tenant Files

(Public and Indian Housing Program, CFDA #14.850)

CONDITION: Out of fifteen tenant files looked, the following were noted:

- Four instances of no form 50834 in the file.
- Three instances of rent not agreeing to rent roll.
- Four instances of leases not updated for 1995-1996.
- One instance where income was not verified.

REASON IMPROVEMENT NEEDED: Files should be maintained in accordance with HUD regulations.

CAUSE OF CONDITION: Unknown.

EFFECT OF CONDITION: Noncompliance with HUD regulations.

RECOMMENDATION: Tenant files should be reviewed periodically to ensure compliance with HUD regulations.

MANAGEMENT'S RESPONSE: The Executive Director arranged for the two assistant project managers and the Housing Authority clerk to periodically check each other's files to ensure compliance with HUD regulations. The Executive Director will now encourage them to be more thorough when checking the files.

2. Violation of Public Bid Law

(Public and Indian Housing Program, CFDA# 14.850)

CONDITION: The Housing Authority purchased 25 stoves and 25 refrigerators totaling \$14,071. The purchase was not advertised for bids as required by the Louisiana Public Bid Law.

REASON IMPROVEMENT NEEDED: Improvement is needed in order to comply with the Public Bid Law.

CAUSE OF CONDITION: In 1994, the Housing Authority accepted bids for stoves and refrigerators. These price quotes have been used each time stoves or refrigerators are purchased. The Housing Authority was unaware that bids should be taken each time a purchase over \$10,000 is made.

EFFECT OF CONDITION: Noncompliance with Public Bid Law.

RECOMMENDATION: Each purchase of materials and supplies of \$10,000 or more should be advertised for bids in accordance with the Louisiana Public Bid Law.



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INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Commissioners
HOUSING AUTHORITY OF THE
CITY OF BOSSIER CITY
Bossier City, Louisiana

U. S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT
Housing Management Division
561 Magazine Street, 9th Floor
New Orleans, Louisiana

We have audited the general purpose financial statements of the Housing Authority of the City of Bossier City, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated January 13, 1997. We have also audited the Housing Authority's compliance with requirements applicable to major federal financial assistance programs, and have issued our report thereon dated January 13, 1997.

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 "Audit 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 general purpose financial statements are free of material misstatement and about whether the Housing Authority complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the Housing Authority's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the Housing Authority's financial statements and on its compliance with requirements applicable to major programs 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 policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated January 13, 1997.

The management of the Housing Authority of the City of Bossier City, 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



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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
HOUSING AUTHORITY OF THE
CITY OF BOSSIER CITY
Bossier City, Louisiana

U. S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT
Housing Management Division
931 Magazine Street, 9th Floor
New Orleans, Louisiana

We have audited the accompanying general purpose financial statements of the Housing Authority of the City of Bossier City as of and for the year ended June 30, 1996, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments." These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. 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 aspects, the financial position of the Housing Authority of the City of Bossier City as of June 30, 1996, and the results of operations for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents including the Schedule of Federal Financial Assistance are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Housing Authority of the City of Bossier City. The accompanying supplemental information is identified as:

A - Supplemental Information Schedules - Generally Accepted Accounting Principles Basis has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material aspects in relation to the general purpose financial statements taken as a whole.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domains or infrastructures such as sidewalks and parking lots are capitalized. Interest expense during construction is capitalized. Depreciation has not been provided on general fixed assets. Donated fixed assets are recorded at estimated fair market value on the date the gift is made. Fixed assets of the Riverwood Apartment Complex include donated land and buildings of \$1,558,000.

K. 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 final statement or termination date.

The cost of current leave privileges, computed in accordance with GASB Codification Section 210, is recognized as a current-year expenditure in the governmental funds when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

L. LONG-TERM OBLIGATIONS

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

M. FUND EQUITY

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

N. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures, or expenses.

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers. Non-reversing or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BUDGETS (Continued)

7. State statute requires a budget amendment when actual revenues within a fund fail to meet budgeted revenues by five percent or more and/or actual expenditures within a fund exceed budgeted expenditures by five percent or more. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments which were not considered significant by management.

E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, the monthly budget reports are reviewed to assure compliance with the budget, and where necessary, revisions to the budget are made.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agent. 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.

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

All purchased inventory items are valued at cost (first-in, first-out). Purchased inventories are offset by a fund balance reserve which indicates that these do not constitute "available spendable resources," even though they are a component of total assets.

Acquisition of materials and supplies are accounted for on the consumption method, that is, the expenditures are charged when the items are consumed.

I. PREPAID ITEMS

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

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT PRINCIPLES AND BASIS OF ACCOUNTING (Continued)

Expenditures — Salaries are recorded as expenditures when paid.

Purchases of various operating supplies are recorded as expenditures in the accounting period they are purchased.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or leave) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. Principal and interest on general long-term debt are recognized when due.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses) — Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

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 deferred revenue is removed from the combined balance sheet and the revenue is recognized.

B. BUDGETS

The following summarizes the budget activities of the Housing Authority during the year ended June 30, 1996:

1. The Housing Authority adopted budgets for the General Fund, Special Revenue Funds and the Capital Projects Funds. The capital projects funds' budget to actual comparison has not been included since the capital projects are a multiple-year endeavor.
2. The budgets are prepared on the modified accrual basis of accounting. All appropriations lapse at year end.
3. Encumbrances are not recognized within the accounting records for budgetary control purposes.
4. Formal budget integration (within the accounting records) is employed as a management control device.
5. 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.
6. HUD approves all budgets adopted by the Housing Authority except the budget for the Riverwood Apartment Complex.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDING JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FUNDS AND ACCOUNT GROUPS (Continued)

Governmental Funds (Continued)

Fiduciary Funds — Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Housing Authority. Fiduciary funds include:

1. **Tenants' Security Deposit Agency Fund** — accounts for assets held by the Housing Authority as an agent for the individual tenants.

Agency funds are recorded in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

The general *fund assets* account group is used to account for fund assets not accounted for in proprietary or trust funds.

The general *long-term debt* account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues — Federal entitlements are recorded as unrestricted grants-in-aid when available and measurable. Federal entitlement grants are recorded when the reimbursable expenditures have been incurred.

Rental income is recorded in the month earned.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available. Interest income on interest-bearing demand deposits is recorded each month when credited by the bank to the account.

Substantially all other revenues are recorded when they become available to the Housing Authority.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

CAPITAL PROJECT FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1998

	PROJECT LA 42-908	PROJECT LA 42-910	PROJECT LA 42-911	PROJECT LA 42-912
REVENUES				
Federal sources:				
Grants	\$ 66,980	\$ 80,582	\$ 87,242	\$ 230,516
Total revenues	\$ 66,980	\$ 80,582	\$ 87,242	\$ 230,516
EXPENDITURES:				
Facilities acquisition and construction	\$ 66,980	\$ 80,582	\$ 87,242	\$ 230,516
Total expenditures	\$ 66,980	\$ 80,582	\$ 87,242	\$ 230,516
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	\$ 0	\$ 0
FUND BALANCES AT BEGINNING OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0
FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

NOTE 9 - CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

	Balance July 1, 1995	Additions	Deductions	Balance June 30, 1996
Agency Funds:				
Treasury Insecurity Deposits	\$16,150	\$13,683	\$423	\$29,410

NOTE 10 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligations transactions for the year ended June 30, 1996:

	Composited Additions	Notes and Bonds	Total
Balance, July 1, 1995	\$19,290	\$5,907,801	\$5,927,091
Additions	4,315	-	4,315
Deductions	-	91,875	91,875
Balance, June 30, 1996	\$23,605	\$5,715,926	\$5,739,531

The following notes and bonds outstanding at June 30, 1996, are HUD-guaranteed with maturities from 1998 to 2009 and interest rates from 4.5% to 6.8%. Bond principal and interest payable in the next fiscal year are \$97,148 and \$71,415, respectively. The debt service fund accounts for bond and principal payments. Debt service requirements are funded by the fixed annual contributions from HUD. The individual issues are as follows:

	Original Issue	Interest Rates	Final Payment Date	Interest to Maturity	Principal Outstanding June 30, 1996
PROJECT NOTES - NON HUD (A)					
LA 41-8					\$3,723,898
LA 41-9					863,737
LA 41-085					386,912
FEDERAL FINANCING BONDS					
LA 41-3	\$ 274,176	6.80%	1998	\$ 8,975	66,484
LA 41-4	223,149	6.60%	1998	7,297	94,878
LA 41-6	1,670,000	6.80%	2009	348,821	640,688
SINGLE ISSUE BOND					
LA 41-5	935,000	4.50%	2008	147,788	467,825
Total				\$24,881	\$5,711,826

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

STATEMENT OF CERTIFICATION OF ACTUAL
MODERNIZATION COMPLETED
June 30, 1988

Schedule D

PHA OWNED HOUSING (PHC PH 0166)

1. The actual modernization costs for the completed modernization program is as follows:

	PROJECT LA 42-019
Funds approved	\$ 788,878
Funds expended	<u>788,878</u>
Excess of funds approved	\$ <u> 0</u>
Funds advanced	\$ 788,878
Funds expended	<u>788,878</u>
Excess of funds advanced	\$ <u> 0</u>

2. The distribution of costs as shown on the actual modernization cost certificate dated May 14, 1988 for the above project is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

Schedule 3

	PROJECT LA 49-704	PROJECT LA 49-700	TOTAL
\$	41,014 \$	4,000 \$	45,014 \$
	<u>0</u>	<u>0</u>	<u>0</u>
\$	41,014 \$	4,000 \$	45,014 \$
\$	20,890 \$	2,000 \$	41,890 \$
	<u>5,935</u>	<u>1,165</u>	<u>7,100</u>
\$	41,825 \$	4,000 \$	45,825 \$
\$	0 \$	0 \$	0 \$
\$	0 \$	0 \$	0 \$
\$	41,000 \$	4,000 \$	45,000 \$

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
 Bossier City, Louisiana

CAPITAL PROJECT FUNDS
 Combining Balance Sheet
 June 30, 1999

	<u>PROJECT</u> <u>LA 40-909</u>	<u>PROJECT</u> <u>LA 40-910</u>	<u>PROJECT</u> <u>LA 40-911</u>	<u>PROJECT</u> <u>LA 40-912</u>
ASSETS				
Receivables	\$ 0	\$ 0	\$ 2,295	\$ 0
Other assets	0	0	0	0
TOTAL ASSETS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,295</u>	<u>\$ 0</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 0	\$ 0	\$ 2,295	\$ 0
Interest payable	0	0	0	0
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,295</u>	<u>\$ 0</u>
Fund equity				
Fund balances:				
Unreserved-undesignated	\$ 0	\$ 0	\$ 0	\$ 0
Total Equity	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,295</u>	<u>\$ 0</u>

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

CAPITAL PROJECTS FUNDS

PROJECT LA 42-889

(Comprehensive Improvement Assistance Program, CFDA# 14.852)

Project LA 42-889 is a Federal (FUD) funded "Comprehensive Improvement Assistance Program" for modernizing project LA 42 - 3. This project was completed May 14, 1996.

PROJECT LA 42-910

(Comprehensive Improvement Assistance Program, CFDA# 14.852)

Project LA 42-910 is a Federal (HUD) funded "Comprehensive Improvement Assistance Program" for modernizing project LA 42 - 8/9. This project was completed May 14, 1996.

PROJECT LA 42-911

(Comprehensive Improvement Assistance Program, CFDA# 14.852)

Project LA 42-911 is a Federal (HUD) funded "Comprehensive Improvement Assistance Program" for modernizing project LA 42 - 12/13/14/15.

PROJECT LA 42-912

(Comprehensive Improvement Assistance Program, CFDA# 14.852)

Project LA 42-912 is a Federal (HUD) funded "Comprehensive Improvement Assistance Program" for modernizing project LA 42 - 2/5/6.

PROJECT LA 42-701

(Comprehensive Grant Program, CFDA# 14.854)

Project LA 42-701 is a Federal (HUD) funded "Comprehensive Grant Program" for modernizing project LA 42 - 12/13/14/15.

PROJECT LA 42-702

(Comprehensive Grant Program, CFDA# 14.854)

Project LA 42-702 is a Federal (HUD) funded "Comprehensive Grant Program" for modernizing project LA 42 - 12/13/14/15.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1999

SCHEDULE 2

	RIVERWOOD		TOTAL
	CLOVERDALE	APARTMENTS	
REVENUES			
Local sources:			
Dwelling rental	\$ 0	\$ 864,870	\$ 864,870
Interest earnings	6,823	1,389	8,212
Other	0	30,360	30,360
Federal sources:			
Grants	520,533	0	520,533
Total Revenues	\$ 520,533	\$ 896,619	\$ 1,417,152
EXPENDITURES			
Current:			
Administration	\$ 15,618	\$ 63,341	\$ 78,959
Utilities	0	36,385	36,385
Ordinary maintenance & operations	0	239,203	239,203
General expenditures	720	86,277	86,997
Housing assistance payments	892,439	0	892,439
Facilities acquisition and construction	0	21,385	21,385
Total Expenditures	\$ 898,777	\$ 471,588	\$ 1,370,365
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 521,756	\$ 425,031	\$ 946,787
FUND BALANCES AT BEGINNING OF YEAR	39,746	0	39,746
FUND BALANCES AT END OF YEAR	\$ 961,512	\$ 425,031	\$ 1,386,543

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
 Bossier City, Louisiana

SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 June 30, 1998

Schedule 1

	RIVERWOOD-		
	CLOVERDALE	APARTMENTS	TOTAL
ASSETS			
Cash and cash equivalents	\$ 81,968	\$ 248,268	\$ 330,236
Receivables	8,612	778	9,390
TOTAL ASSETS	<u>\$ 90,580</u>	<u>\$ 249,046</u>	<u>\$ 339,626</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 3,292	\$ 21,532	\$ 24,824
Total Liabilities	<u>\$ 3,292</u>	<u>\$ 21,532</u>	<u>\$ 24,824</u>
Fund Equity			
Fund balances:			
Unreserved and undesignated	\$ 86,388	\$ 227,514	\$ 313,902
Total Equity	<u>\$ 86,388</u>	<u>\$ 227,514</u>	<u>\$ 313,902</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 90,680</u>	<u>\$ 249,046</u>	<u>\$ 339,626</u>

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

SPECIAL REVENUE FUNDS

CLOVERDALE

(Lower Income Housing Assistance, Section 8 - New Construction, CTR# 414.158)

Provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for very low-income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution towards rent.

RIVERWOOD APARTMENTS

This fund accounts for the activity of a 364-unit multifamily complex acquired by the Housing Authority from HUD on September 27, 1995.

Board of Commissioners
HOUSING AUTHORITY OF THE CITY OF
BOSSIER CITY
Bossier City, Louisiana

schedule of federal financial assistance. 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.

We noted one matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants as described in condition #1 of the Schedule of Reportable Conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Housing Authority's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

A material weakness is a reportable 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 in 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described in condition #1 of the Schedule of Reportable Conditions is not a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported in the management of the Housing Authority in a separate letter dated January 17, 1987.

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

Allen Green Robnett

ALLEN, GREEN & ROBBETTE, L.L.P.

Monroe, Louisiana
January 13, 1987

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

STATEMENT OF CERTIFICATION OF ACTUAL
MODERNIZATION COSTS
June 30, 1998

Schedule C

PHA OWNED HOUSING (AOC PW 1144)

1. The actual modernization costs for the completed modernization program is as follows:

	PROJECT LA 43-809
Funds approved	\$ 1,729,608
Funds expended	_____ 1,729,608
Excess of funds approved	\$ _____
Funds advanced	\$ 1,729,608
Funds expended	_____ 1,729,608
Excess of funds advanced	\$ _____

2. The distribution of costs as shown on the actual modernization cost certificate dated May 14, 1998 for the above project is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are recorded in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting practices, 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 non-compliance may nevertheless occur and not be detected. Also, projections 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.

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

Cash

- Expenditures for goods and services and accounts payable
- Payroll and related liabilities
- Property, equipment, and capital expenditures
- Single Audit and similar grant programs

Administrative Controls

General Requirements:

- Political activity
- Debarment and compliance
- Civil rights
- Cash management
- Federal financial reports
- Allowable cost/price principles
- Drug-Free Workplace Act
- Administrative requirements

Specific Requirements:

- Eligibility
- Type of services
- Special reporting requirements
- Special tests and provisions

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 City of Bossier City, Louisiana, expended 100 percent of its total federal financial assistance under major federal financial assistance programs.

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 considered relevant to preventing or detecting material non-compliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the Housing Authority's major federal financial assistance programs, which are identified in the accompanying

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance with laws and regulations required by Government Auditing Standards issued by the Comptroller General of the United States. The report on internal control structure is based solely on the audit of the general purpose financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses. The report on compliance with laws and regulations is, likewise, based solely on the audit of the general purpose financial statements and programs, where applicable, compliance matters that would be material to the general purpose financial statements.



ALLEN, GREEN & ROBINETTE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
HOUSING AUTHORITY OF THE
CITY OF BOSSIER CITY
Bossier City, Louisiana

U. S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT
Housing Management Division
301 Magazine Street, 9th Floor
New Orleans, Louisiana

We have audited the general purpose financial statements of the Housing Authority of the City of Bossier City, Louisiana, as of and for the year ended June 30, 1998, and have issued our report thereon dated January 17, 1999.

We conducted our audit in accordance with generally accepted auditing standards, 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 general purpose financial statements are free of material misstatements.

The management of the Housing Authority of the City of Bossier City, 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 the generally accepted accounting principles. 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 general purpose financial statements of the Housing Authority of the City of Bossier City, Louisiana, for the year ended June 30, 1998, 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 general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Board of Commissioners
HOUSING AUTHORITY OF THE CITY OF
BOSSIER CITY
Bossier City, Louisiana

We could obtain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants as described in the Schedule of Reportable Conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable conditions described above are not material weaknesses.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of the Housing Authority in a separate letter dated January 17, 1997.

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

Allen, Green & Robbette

ALLEN, GREEN & ROBBETTE, L.L.P.

Monroe, Louisiana
January 17, 1997



ALLEN, GREEN & ROBINETTE, L.L.P.

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INDEPENDENT AUDITORY REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
HOUSING AUTHORITY OF THE
CITY OF MONROE, CITY
Monroe, City, Louisiana

U. S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT
Housing Management Division
361 Magazine Street, 9th Floor
New Orleans, Louisiana

We have audited the general purpose financial statements of the Housing Authority of the City of Monroe, City, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated January 17, 1997.

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

Compliance with laws, regulations, contracts, and grants applicable to the Housing Authority is the responsibility of the Housing Authority's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Housing Authority's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit 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. However, the results of our tests disclosed immaterial instances of noncompliance which are reported in Findings #2 and #3 of the accompanying Schedule of Findings and Questioned Costs.

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

Allen Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
January 17, 1997

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**OTHER REPORTS REQUIRED BY
OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-128**

The following pages contain information on internal control and compliance with laws and regulations required by OMB Circular A-128. The report on internal accounting and administrative controls relates to matters that would be significant and/or material to federal assistance programs. The report on compliance with laws and regulations is, however, related to tests of compliance with laws and regulations relating to federal financial assistance programs.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. TOTAL COLUMNS ON COMBINED STATEMENTS

The total columns on the combined statements are captioned Miscellaneous. Only to indicate that they are presented only to facilitate financial analysis. There is those columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Intended eliminations have not been made in the aggregation of this data.

F. NEW APPLICABLE GASB PRONOUNCEMENTS

In November 1994, the GASB issued Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers" (GASB 27). GASB 27 prescribes changes in pension accounting and disclosure requirements for employers participating in single employer/agent multiple defined benefit plans, cost sharing multiple employer defined benefit plans, and defined contribution plans. The Housing Authority sponsors a multiple-employer defined contribution plan which has some characteristics of a defined benefit pension plan. GASB 27 is effective for fiscal years beginning after June 15, 1997. The Housing Authority has not yet determined when GASB 27 will be adopted or determined the effects of adoption.

NOTE 2 - EXPENDITURES - BUDGET AND ACTUAL

	Budget	Actual	Unfavorable Variance
General Fund			
General expenditures	\$187,413	\$171,299	\$16,114

NOTE 3 - DEPOSITS AND INVESTMENTS

Deposits and investments of the primary government are stated at cost which approximates market. Under state law, deposits for 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 collateral bank that is mutually acceptable to both parties.

At year-end, the Housing Authority's carrying amount of deposits was \$948,409 and the bank balance was \$694,648. Of the bank balance, \$580,000 was covered by federal depository insurance or by collateral held by the Housing Authority's Agent in the Housing Authority's name (GASB Category 1). The remaining balance of \$114,648 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name (GASB Category 2).

Cash in the amount of \$60,280 is restricted for payment of tenant security deposits.

HEALING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

ANALYSIS OF SURPLUS
STATUTORY BASIS
June 30, 1999

Schedule B

SECTION B - NEW CONSTRUCTION

PROJECT ACCOUNT UNFUNDED

BALANCE, BEGINNING	\$	5,424,507
Prior audit adjustments		(8,883,276)
Provision for (Reduction of) Project Account Unfunded		<u> (180,280)</u>
BALANCE, ENDING	\$	<u> 1,360,951</u>

CUMULATIVE HUD CONTRIBUTION

BALANCE, BEGINNING	\$	10,464,589
Annual Contributor-Related		<u> 830,833</u>
BALANCE, ENDING	\$	<u> 11,295,422</u>
TOTAL SURPLUS	\$	<u> 98,131</u>

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HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

ANALYSIS OF SURPLUS
STATUTORY BASIS
June 30, 1988

Schedule A

PIA OWNED HOUSING (ACC 1144)

CUMULATIVE HUD CONTRIBUTION

BALANCE, BEGINNING	\$ 11,880,771
Annual Contribution Earned	198,150
Operating subsidy	<u>300,878</u>
BALANCE, ENDING	\$ <u>12,400,750</u>

CUMULATIVE HUD GRANTS

BALANCE, BEGINNING	\$ 4,809,621
HUD Modernization Grants	<u>1,051,000</u>
BALANCE, ENDING	\$ <u>5,860,621</u>
TOTAL SURPLUS	\$ <u>12,529,600</u>

(CONCLUDED)

Board of Commissioners
 HOUSING AUTHORITY OF THE CITY OF
 MONROE CITY
 Monroe City, Louisiana

B. Supplemental Information Schedule - HUD Prescribed Format, which is an Other Comprehensive Basis of Accounting, has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, except for the following differences, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole:

	GAAP Basis	HUD Prescribed Format
FINANCIAL STATEMENT PRESENTATION		
Fund accounting	Used	Not used
Facilities acquisition and construction	Expenditures	Capitalized
Routine prior year adjustments	Beginning fund balance adjusted	Current expenditures or receipts
Principal payments on notes and bonds	Expenditures	Reduction of the liability
Receipts from federal source	Revenues	Credited to surplus
BASES OF ACCOUNTING		
Federal Grants for Capital Projects	Modified Accrual	Cash
Interest expense	Modified Accrual	Accrual
Loss on disposition of equipment	Modified Accrual	Accrual

In accordance with Government Auditing Standards, we have also issued a report dated January 17, 1997 on our examination of the Housing Authority's internal control structure and a report dated January 17, 1997 on its compliance with laws and regulations.

Allen, Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
 January 17, 1997

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
 Bossier City, Louisiana

ALL FUNDS TYPES AND ACCOUNT GROUPS
Combined Balance Sheet
 June 30, 1999

	GOVERNMENTAL FUNDS			
	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECT FUNDS
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents	\$ 504,662	\$ 330,866	\$ 812	\$ 0
Receivables	5,164	9,288	768,182	48,014
Impairment receivable	7,127	0	0	0
Prepaid items	71,732	0	0	0
Inventory	28,640	0	0	0
Land, buildings, and equipment	0	0	0	0
Other debits				
Amount available in debt service funds	0	0	0	0
Amount to be provided for retirement of general long-term obligations	0	0	0	0
TOTAL ASSETS AND OTHER DEBITS	\$ 646,325	\$ 340,154	\$ 158,004	\$ 48,014
LIABILITIES, EQUITY AND OTHER CREDITS				
LIABILITIES:				
Accounts payable	\$ 121,022	\$ 24,258	\$ 0	\$ 41,887
Interest payable	0	0	0	1,127
Deposits due others	0	0	0	0
Deferred revenues	1,735	0	188,182	0
Compensated absences payable				
Notes and bonds payable	0	0	0	0
Total Liabilities	\$ 122,757	\$ 24,258	\$ 188,182	\$ 42,914
Equity and Other Credits:				
Investment in general fixed assets	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances:				
Reserved for debt payment	0	0	812	0
Reserved for inventory	28,640	0	0	0
Reserved for prepaid items	71,732	0	0	0
Unassigned and undesignated	428,136	315,894	0	0
Total Equity and Other Credits	\$ 428,136	\$ 315,894	\$ 812	\$ 0
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 550,893	\$ 340,152	\$ 158,994	\$ 42,914

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement A

FEDERAL FUNDS AGENCY NUMBER	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND ASSETS	GENERAL LONG-TERM LIABILITIES	
\$ 18,382 \$	\$ 0 \$	\$ 0 \$	\$48,408
\$ 0	\$ 0	\$ 0	231,048
\$ 0	\$ 0	\$ 0	7,127
\$ 0	\$ 0	\$ 0	71,793
\$ 0	\$ 0	\$ 0	35,580
\$ 0	18,017,358	\$ 0	18,017,358
\$ 0	\$ 0	\$ 0	\$12
		8,748,432	8,748,432
<u>\$ 18,382 \$</u>	<u>18,017,358 \$</u>	<u>8,748,432 \$</u>	<u>26,093,328</u>
\$ 0 \$	\$ 0 \$	\$ 0 \$	231,188
\$ 0	\$ 0	\$ 0	7,127
88,280	\$ 0	\$ 0	60,280
\$ 0	\$ 0	\$ 0	958,877
\$ 0	\$ 0	33,811	33,811
\$ 0	\$ 0	8,715,828	8,715,828
<u>\$ 88,280 \$</u>	<u>\$ 0 \$</u>	<u>8,749,639 \$</u>	<u>8,794,958</u>
\$ 0 \$	18,017,358 \$	\$ 0 \$	18,017,358
			\$12
			35,580
			71,793
\$ 0		\$ 0	738,380
<u>\$ 0 \$</u>	<u>18,017,358 \$</u>	<u>\$ 0 \$</u>	<u>18,048,352</u>
<u>\$ 88,280 \$</u>	<u>18,017,358 \$</u>	<u>8,749,632 \$</u>	<u>26,098,328</u>

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

GOVERNMENTAL FUNDS
Condensed Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1998

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND
REVENUES			
Local sources			
Crewing rental	\$ 681,007	\$ 684,518	\$ 0
Interest earnings	22,505	8,881	0
Other	28,158	30,388	0
Federal sources			
Operating subsidy	338,870	0	0
Annual contributions	0	0	188,183
Grants	0	820,823	0
Total revenues	<u>\$ 1,069,540</u>	<u>\$ 1,525,659</u>	<u>\$ 188,183</u>
EXPENDITURES			
Current:			
Administration	\$ 187,758	\$ 188,453	\$ 0
Offices	88,827	28,048	0
Ordinary maintenance & operations	214,887	225,292	0
General expenditures	272,280	89,887	0
Minority maintenance	5,885	0	0
Moving assistance payments	0	852,430	0
Facilities, acquisition and construction	28,734	21,055	0
Debt service:			
Principal retirement	0	0	91,875
Interest and bank charges	0	0	78,512
Total expenditures	<u>\$ 681,584</u>	<u>\$ 1,285,271</u>	<u>\$ 188,487</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ 387,956</u>	<u>\$ 240,388</u>	<u>\$ 0</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>442,000</u>	<u>78,745</u>	<u>832</u>
FUND BALANCES AT END OF YEAR	<u>\$ 830,956</u>	<u>\$ 319,133</u>	<u>\$ 832</u>

THE NOTES TO THE FINANCIAL STATEMENT ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement B

<u>CAPITAL</u> <u>PROJECT</u> <u>FUNDS</u>	<u>TOTAL</u> <u>(MEMORANDUM</u> <u>OB.LY)</u>
\$ 0	\$ 1,218,823
0	28,000
0	88,518
0	306,870
0	188,182
<u>1,008,813</u>	<u>1,889,593</u>
\$ 1,008,813	\$ 3,884,306
\$ 0	\$ 587,224
0	87,787
0	844,188
0	383,288
0	6,988
0	883,428
<u>1,008,813</u>	<u>1,889,728</u>
0	81,878
<u>0</u>	<u>78,523</u>
\$ 1,008,813	\$ 3,889,281
\$ 0	\$ 288,884
0	823,170
<u>0</u>	<u>823,170</u>
\$ 0	\$ 823,170

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND
Condensed Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Statement 6

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE:</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
REVENUES			
Local sources:			
Dwelling rental	\$ 540,000	\$ 661,000	\$ 121,000
Interest earnings	27,000	22,306	(4,694)
Other	15,000	26,158	11,158
Federal sources:			
Operating subsidy	<u>505,870</u>	<u>508,870</u>	<u>3,000</u>
Total revenues	\$ 1,097,870	\$ 1,196,334	\$ 98,464
EXPENDITURES			
Current:			
Administration:			
Salaries	\$ 298,880	\$ 307,766	\$ 8,886
Utilities	83,478	89,033	5,555
Ordinary maintenance & operations	238,240	244,897	6,657
Special expenditures	287,870	272,800	(15,070)
Merchandise maintenance	33,126	8,889	(24,237)
Facilities, equipment and construction	<u>54,890</u>	<u>28,728</u>	<u>(26,162)</u>
Total expenditures	\$ 948,484	\$ 957,309	\$ 8,825
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 149,386	\$ 239,025	\$ 89,639
FUND BALANCES AT BEGINNING OF YEAR	<u>440,500</u>	<u>441,889</u>	<u>1,389</u>
FUND BALANCES AT END OF YEAR	\$ 589,886	\$ 680,914	\$ 91,028

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 6 - RETIREMENT SYSTEM

The Housing Authority participates in The Housing-Financial and Local Agency Retirement Plan which is a defined contribution plan. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment. Each participant in the plan is required to make a monthly contribution equal to six percent of his basic compensation. The employer makes a monthly contribution equal to 8.5 percent of each participant's basic compensation. The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The Housing Authority's contributions and interest earned by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority's total payroll for the fiscal year ended June 30, 1996 was \$334,858. The Housing Authority's contributions were calculated using the base salary amount of \$289,340. Both the Housing Authority and the covered employees made the required contributions for the year ended June 30, 1996. Employer contributions to the plan totaled \$17,599. The Housing Authority contributions totaled \$24,919 for the year ended June 30, 1996.

NOTE 7 - ACCOUNTS PAYABLE

The payables of \$203,198 at June 30, 1996, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	Total
Vendors	\$ 24,155	\$24,159	\$41,887	\$ 90,201
Contract Retentions	61,515	-	-	61,515
Due to Other Governments				
Payments in Lieu of Taxes	48,928	-	-	48,928
Other	<u> 80</u>	<u> -</u>	<u> -</u>	<u> 80</u>
Total	<u>\$134,678</u>	<u>\$24,159</u>	<u>\$41,887</u>	<u>\$200,724</u>

NOTE 8 - COMPENSATED ABSENCES

At June 30, 1996, employees of the Housing Authority have accumulated and vested \$32,611 of employee leave benefits, which was computed in accordance with GASB Codification Section 650. This amount is not expected to be paid from current available resources; therefore the liability of \$32,611 is recorded within the general long-term obligations account group.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

ANALYSIS OF SURPLUS
STATUTORY BASIS
June 30, 1988

Schedule A

PHA OWNED HOUSING (ADC 1944)

UNRESERVED SURPLUS

BALANCE, BEGINNING	\$ (5,061,070)
Plus Add: Adjustments	46,180
NET LOSS	(261,140)
(Provision for) Reduction of Operating Reserve	<u>261,000</u>
BALANCE, ENDING	\$ <u>(5,055,930)</u>

OPERATING RESERVE

BALANCE, BEGINNING	\$ 442,500
Provision for (Reduction of) Operating Reserve	<u>60,852</u>
BALANCE, ENDING	\$ <u>503,352</u>

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

INTRODUCTION

Housing Authorities are established as a public corporation under the laws (LSA-RS 40:795) of the State of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority of the City of Bossier City is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the City of Bossier City, serve a four year staggered term.

Under the United States Housing Act of 1937, as amended, the U. S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the 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 has 497 units in management of projects LA 42-179 and is the contract administrator for LA 480512-1 consisting of 173 units as shown below:

		<u>Units</u>
PHS Overall Housing	FW 1144	497
Section 8 - New Construction	FW 2171	173

The Housing Authority acquired a 204-unit multifamily complex from HUD during the year with the restriction that the property will be maintained as rental or cooperative housing for a period of twenty years and as housing for low to moderate income persons for a period of thirty years. The complex is not subsidized by HUD.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Housing Authority of the City of Bossier City 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. 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 separately elected 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, or set rates or charges, and issue debt. The Housing Authority also has no component units, defined by GASB Statement 14 as other legally separate organizations for which the elected Housing Authority Board members are financially accountable. There are no other primary governments with which the Housing Authority has a significant relationship.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

ANALYSIS OF SURPLUS
STATUTORY BASIS
June 30, 1991

Schedule B

SECTION B - NEW CONSTRUCTION

UNRESERVED SURPLUS

BALANCE, BEGINNING	\$ 18,666,820
Prior year adjustments	4,882,278
NET LOSS	(900,249)
Provision for Reduction of Operating reserve	17,082
Project account	<u>300,288</u>
BALANCE, ENDING	\$ <u>13,945,939</u>

OPERATING RESERVE

BALANCE, BEGINNING	\$ 76,747
Provision for (Reduction of) Operating Reserve	<u>17,082</u>
BALANCE, ENDING	\$ <u>93,829</u>

continued

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Statement D

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
REVENUES			
Local sources:			
Dwelling rental	\$ 694,412	\$ 694,818	\$ 404
Interest earnings	0	8,891	8,891
Other	11,708	28,508	16,800
Federal sources:			
Grants	<u>608,008</u>	<u>608,820</u>	<u>(18,212)</u>
Total revenues	\$ <u>1,314,128</u>	\$ <u>1,331,057</u>	\$ <u>16,929</u>
EXPENDITURES			
Current:			
Administration	\$ 151,825	\$ 156,433	\$ 4,608
Utilities	42,735	56,885	14,150
Ordinary maintenance & operations	337,210	339,202	(1,988)
General expenditures	608,835	88,897	519,938
Housing assistance payments	907,812	892,438	15,374
Facilities acquisition and construction	24,008	21,098	2,890
Total expenditures	\$ <u>1,583,425</u>	\$ <u>1,588,273</u>	\$ <u>(4,848)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ <u>38,997</u>	\$ <u>242,228</u>	\$ <u>183,231</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>0</u>	<u>28,738</u>	<u>28,738</u>
FUND BALANCES AT END OF YEAR	\$ <u>38,997</u>	\$ <u>271,884</u>	\$ <u>232,887</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

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