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**Housing Authority of the Town of Homer
Homer, Louisiana**

**Financial Statements and Supplemental Financial Information
Year Ended June 30, 1998**

with

**Reports of Certified Public Accountants
on Financial and Compliance Examination**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or clerk, and, 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 — Dec 26 1998

Wentzhausen & Miller, L.L.C.
Certified Public Accountants
1500 East Race Avenue
Bossier, Louisiana 71242

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FINANCIAL REGION

Independent Auditor's Report

Board of Commissioners
Housing Authority of the Town of Homer
328 South 4th Street
Homer, LA 71040

We have audited the accompanying general purpose financial statements of Housing Authority of the Town of Homer as of June 30, 1996, and for the year then ended. Those general purpose financial statements and the supplemental financial information and supplemental financial information - statutory basis referred to below 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 and Government Auditing Standards issued by the Comptroller of the United States, and the provisions of 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. 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.

As discussed in Note 1 to the financial statements, in the current year the authority implemented financial reporting under generally accepted accounting principles and discontinued regulator basis financial reporting.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Housing Authority of the Town of Homer as of June 30, 1996, and the results of its operations 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 9, 1996 on our consideration of Housing Authority of the Town of Homer's internal control structure and a report dated October 9, 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. The accompanying financial information listed as supplemental financial information and supplemental financial information - statutory basis in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Housing Authority of the Town of Homer. Such information has been subjected to the auditing procedures applied in the audit of the general purpose and combined financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole. As described in Note 1, the supplemental financial information - statutory basis was prepared in conformity with the accounting practices prescribed by the U.S. Department of Housing and Urban Development, which is a comprehensive basis of accounting other than generally accepted accounting principles. Such supplemental financial information - statutory basis has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in conformity with the comprehensive basis of accounting described in Note 1.

Mark VanRheenen, CPA
Legislative Auditor

October 9, 1996 By

Mark VanRheenen, CPA
VanRheenen & Miller, Ltd.
Certified Public Accountants

GENERAL PURPOSE FINANCIAL STATEMENTS

Balance Sheet of the State of Texas
 2022 - 2023

Financial Statement Item 1: All Fund Types and General Account
 June 30, 2023

	Governmental Fund Types			General Account		
	Special Revenue	State Services	Capital Projects	General Fund	General Long-Term Debt	Total
ASSETS AND OTHER DEBITS						
Current:						
Accounts receivable	\$ 15,992,200	\$ -	\$ -	\$ -	\$ -	\$ 15,992,200
Accounts payable						
Accounts	5,000,000	-	-	-	-	5,000,000
Other governments	-	19,750,000	445,000	-	-	20,195,000
Other	1,000,000	-	-	-	-	1,000,000
Due from other funds	520,000	-	-	-	-	520,000
Organized debt	10,472,200	-	-	-	-	10,472,200
Restricted assets						
Cash	-	500,000	-	-	-	500,000
Other assets	-	-	-	3,400,000.00	-	3,400,000.00
Other debits						
Account 201.1 - to state services fund	-	-	-	-	78,074.83	78,074.83
Net to be provided for retirement or pension long term debt	-	-	-	-	400,000.00	400,000.00
TOTAL ASSETS AND OTHER DEBITS	\$ 32,984,400	\$ 19,750,000	\$ 445,000	\$ 3,400,000.00	\$ 78,074.83	\$ 56,657,474.83
LIABILITIES, DEFERRED, AND OTHER CREDITS						
Liabilities:						
Accounts payable	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000
Trade	5,000,000	-	-	-	-	5,000,000
Due by deposits	5,000,000	-	-	-	-	5,000,000
Due to other funds	-	-	445,000	-	-	445,000
Organized debt	5,000,000	-	-	-	-	5,000,000
Other liabilities	-	-	-	-	78,074.83	78,074.83
Total Liabilities	\$ 15,600,000	\$ -	\$ 445,000	\$ -	\$ 78,074.83	\$ 16,123,074.83
Deferred and Other Credits:						
Liabilities to general fund assets from transfers	\$ -	\$ -	\$ -	\$ 3,400,000.00	\$ -	\$ 3,400,000.00
Reversal for debt service	-	19,750,000	-	-	-	19,750,000
Reversal for program	10,472,200	-	-	-	-	10,472,200
Transfers, unexpended	1,700,000	-	-	-	-	1,700,000
Total Equity and Other Credits	\$ 16,674,400	\$ 19,750,000	\$ -	\$ 3,400,000.00	\$ -	\$ 39,874,400.00
NET, LONG-TERM ASSETS AND OTHER DEBITS	\$ 16,384,000	\$ 19,750,000	\$ 445,000	\$ 3,400,000.00	\$ 78,074.83	\$ 39,874,474.83

This accompanying table and all attached parts of the financial statements.

**Working Activities of the Town of Essex
Maine, Incidence**

Detailed Statement of Revenues, Expenditures, and Changes in Fund Equations
All Governmental Fund Types
Year Ended June 30, 1995

	Governmental Fund Types			
	Special Revenue	Fund Service	Capital Projects	Main Revenue (2000)
Revenues:				
Income	\$ 47,336.00	\$.00	\$.00	\$ 47,336.00
Operational suballocations	46,336.00	77,794.00	146,779.00	270,909.00
Interest	587.00	.00	.00	587.00
Miscellaneous	8,007.10	.00	.00	8,007.10
Total Revenues	\$ 102,266.10	\$ 77,794.00	\$ 146,779.00	\$ 376,846.10
Expenditures:				
Currents				
Fund op expenditures	\$ 100,000.00	\$.00	\$.00	\$ 100,000.00
capital outlay	154.00	.00	146,779.00	146,933.00
main services	.00	14,000.00	.00	14,000.00
interest	.00	14,794.00	.00	14,794.00
Total Expenditures	\$ 100,154.00	\$ 14,794.00	\$ 146,779.00	\$ 261,727.00
Change in Net Assets over				
primary expenditures	\$ 1	\$ 480,711	\$.00	\$ 1,111,477
Fund Balance, beginning of period	16,440.00	74,007.00	.00	90,447.00
Fund Balance, end of period	\$ 16,441.00	\$ 74,006.00	\$.00	\$ 90,448.00

The accompanying notes are an integral part of the financial statements.

Working Paper of the Board of State
 Finance, Louisiana

Certified Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual - All Governmental Fund Types
 Year Ended June 30, 2008

Special Revenue Funds

	Budget	Actual	% Change Favorable Unfavorable
Revenues:			
State	\$ 107,000.00	\$ 10,000.00	(9,000.00)
Operational maintenance	10,000.00	10,000.00	.00
Tuition	1,000.00	100.00	(900.00)
Other income	1,000.00	9,000.00	7,000.00
Total revenues	\$ 119,000.00	\$ 39,000.00	(80,000.00)
Expenditures:			
<i>Current:</i>			
Administrative salaries	\$ 10,000.00	\$ 10,000.00	.00
Employee (incl. fee)	1,000.00	1,000.00	.00
Tuition	1,000.00	.00	(1,000.00)
Industry maintenance	1,000.00	1,000.00	.00
Tuition overage	100.00	.00	(100.00)
Utilities	10,000.00	10,000.00	.00
Maintenance salaries	15,000.00	15,000.00	.00
Maintenance materials	1,000.00	1,000.00	.00
Other maintenance costs	10,000.00	10,000.00	.00
Equipment	1,000.00	10,000.00	(9,000.00)
DEED	1,000.00	1,000.00	.00
Employee benefits	11,000.00	11,000.00	.00
Materials (incl. fuel)	.00	1,000.00	(1,000.00)
Capital expenditures	.00	.00	.00
Total Expenditures	\$ 100,000.00	\$ 100,000.00	0.00
Change or decrease (inc)	18,000.00	(61,000.00)	(79,000.00)
Fund balance, beginning of period			
		10,000.00	
Fund balance, end of period			
		\$ 49,000.00	

This accompanying notes are an integral part of the financial statements.

Housing Authority of the Town of Homer
Homer, Louisiana

Notes to the Financial Statements
June 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Organization.** The entity is chartered as a public corporation for the purpose of administering housing programs for low income families.

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 income housing programs in the United States. Accordingly, HUD has contracted with the entity to administer certain HUD funds.

- B. Financial Reporting.** The financial reporting policies of the entity conform to generally accepted accounting principles.

Specific accounting policies. The following is a summary of significant accounting policies:

- 1. Financial reporting entity.** The entity is a public corporation, legally separate and fiscally independent. As required by generally accepted accounting principles, these financial statements present the financial position and results of operations of Housing Authority of the Town of Homer, a primary government. There are no component units to be included herewith, but this report does include all funds, account groups, and programs which are controlled by the entity's governing body.
- 2. Fund accounting.** The accounts of the entity are organized on the basis of funds or account groups, each of which is considered to be a separate accounting unit. The operations of each fund are reported as a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Resources are allocated to and for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into one general fund type (governmental) and the following broad fund categories:

Governmental Fund Types

Special revenue fund - The special revenue funds are used to account for specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt service fund - The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term principal, interest, and related costs.

Capital projects fund - The capital projects fund is used to account for financial resources to be used for the acquisition, construction, and major renovation of major capital facilities.

Special reporting treatment is also applied in governmental funds when prepaid items are present to indicate that they do not represent "available spendable resources", even though they are a component of net current assets. Such amounts are offset by fund balance reserve accounts.

- 3. Fixed assets and long-term liabilities.** The accounting and reporting treatment applied to fixed assets and long-term liabilities associated with a fund is determined by its measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements (current revenues, expenses, and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available operating resources" during a period.

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. No depreciation has been provided on such assets.

Housing Authority of the Town of Homer
Homer, Louisiana

Notes to the Financial Statements (Continued)
June 30, 1998

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Depreciated assets are valued at their estimated fair value on the date stated. The entity classifies capital(s) and "intangible" assets (patents, copyrights, trademarks, storage systems, and similar assets that are intangible) which are paid for by the entity. During project development, indirect expenditures were capitalized under pre-1987 financing arrangements. Post-1986 capital projects are being financed by grants from HUD. Consequently, there are no interest expenditures to capitalize. Subsequent to financial developments, interest expenditures are not accrued but are recorded when paid.

Long-term liabilities expected to be financed from governmental fund types are accounted for in the General Long-Term Debt Account Group. Expenditures related to such debt are reflected in the Debt Service Fund.

The two above-named account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with the measurement of results of operations.

4. **Basis of accounting.** All governmental fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All significant revenue sources are susceptible to accrual.

Expenditures in governmental fund types are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid salaries and sick pay which are not accrued, and (2) principal and interest on general long-term debt which is recognized when due.

Vested and earned vacation and sick leave that are not accrued are reported in the general long-term debt account group. No expenditure is reported for those amounts. No liability is recorded for accumulating vesting rights to receive sick pay benefits.

The entity does not utilize encumbrance accounting.

In the current year, the entity implemented fiscal reporting under generally accepted accounting principles and discontinued regulatory basis reporting.

5. **Supplemental financial information - statutory basis.** The supplemental financial information - statutory basis has been prepared in conformity with the accounting provisions prescribed by HUD, which differ from generally accepted accounting principles as follows:

- a. Governmental fund accounting principles are not utilized.
- b. Accounts receivable are stated without an allowance for doubtful accounts. Accounts are written off as collection losses only after the fiscal has reported the and the entity has taken reasonable actions to collect.
- c. Annual Contributions and subsidies earned and/or received from HUD are recorded as contributions to surplus and are not included in the Statement of Income and Expenses.
- d. Items of routinely recurring expenses are recognized when paid and are therefore not accrued.
- e. Premiums and/or discounts on bonds are recognized if income or expense in the year bonds are sold.
- f. The cost of accumulated unpaid vacation and sick leave is not accrued.
- g. Financial statement formats vary from GAAP.
- h. The entity does not utilize encumbrance accounting.
- i. Expenditures under HUD's Comprehensive Improvements Assistance Program (CIAP) and similar consumer programs are fully capitalized, notwithstanding the fact that expenditures are normally in nature of repairs, replacements and improvements. Consequently, some amounts represented as Fixed Assets may include costs substantially in excess of value.

Housing Authority of the Town of Homer
Homer, Louisiana

Notes to the Financial Statements (Continued)
June 30, 1998

1. During project development, interest expenditures are capitalized under pre-1987 financing agreements. Post-1986 capital projects are being financed by grants from HUD. Consequently, there are no interest expenditures to capitalize. Subsequent to completion of Pre-1987 financed developments, interest expenditures are not accrued but are recognized when paid.
6. **Comparative data.** Comparative total data for the prior year have not been presented in the accompanying financial statements due to the conversion to GAAP financial reporting from statutory reporting in the prior fiscal year.
7. **Total columns on combined statements.** Total columns on the combined statements are captioned Memo Totals to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.
- C. **Budget.** The entity follows these procedures in establishing the budgetary data reflected in the financial statements:

 1. The entity prepares annual budgets for each fund (except Debt Service Fund and the Capital Projects Fund). Prior to the beginning of each budget year, the entity's annual budget is approved by the entity's governing body. Budgetary amendments require approval by the governing body. Budget amounts shown in the financial statements are the final authorized amounts for the year. All budgetary appropriations lapse at the end of each fiscal year.
 2. Budgets for the Capital Projects Fund are prepared on a project-by-project basis rather than on an annual basis and, therefore, have been omitted from the accompanying financial statements.
 3. Budgets for the Debt Service Fund are not prepared inasmuch as all revenues and expenditures of this fund are controlled by and processed by HUD. The entity records Debt Service Fund transactions from documents supplied by HUD.
- D. **Income taxes.** The entity is not subject to federal or state income taxes.
- E. **Cash and cash equivalents.** The entity defines cash to include certificates of deposit, money market funds, savings accounts, and demand deposits, and other short-term securities with maturities of three months or less. Consequently, the cost, carrying value, and market value are equivalent.
- F. **Investments.** The entity defines investments to include certificates of deposit with maturities of greater than three months; consequently, the cost, carrying value, and market value are equivalent.

NOTE 2 - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

It is the entity's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at June 30, 1998. The categories are described as follows:

- Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
Category 3 - Uncollateralized.

Housing Authority of the Town of Homer
Homer, Louisiana

Notes to the Financial Statements (Continued)
June 30, 1998

Cash Deposits, categorized by level of risk, are:

Total Bank Balances	Category		
	1	2	3
\$ 21,818.71	\$ 21,818.71	\$.00	\$.00

During the fiscal year ended June 30, 1998, certain deposits caused the entity's bank balances to exceed FDIC insured maximums. The entity did not have sufficient collateral to cover these excess deposits at all times during the fiscal year ending June 30, 1998.

NOTE 3 - RESTRICTED CASH

Restricted cash consists of the following:

Cash Service Fund	Credent Housing Program
	\$ 788.28

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

The following schedule as of June 30, 1998 represents interfund receivables and payables:

Fund Type	Interfund Receivables	Interfund Payables
Special Revenue:		
Credent Housing	\$ 620.81	\$.00
Capital Projects	.00	620.81
Total	<u>\$ 620.81</u>	<u>\$ 620.81</u>

NOTE 5 - FIXED ASSETS

Changes in fixed assets are as follows:

	Beg. of Period	Additions	Deletions/Deduct	End of Period
Land, land improvements	\$ 7,398.08	\$.00	\$.00	\$ 7,398.08
Building	1,899,823.17	737,898.08	.00	2,637,721.25
Equipment	88,554.12	81,497.08	(71,500.43)	1,00,550.77
Construction in progress	458,790.57	349,798.04	(738,289.00)	7,299.61
Total	<u>\$ 2,514,565.94</u>	<u>\$ 1,169,193.14</u>	<u>\$ 809,789.43</u>	<u>\$ 2,873,969.65</u>

Construction in progress is composed of expenditures related to major renovation of certain buildings owned by the entity, said renovation having a planned total cost of \$ 214,080.00 to be fully financed by grants from HUD.

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

Housing Authority of the Town of Homer
Homer, Louisiana

Notes to the Financial Statements (Continued)
June 30, 1999

NOTE 5 - FIXED LIABILITIES

Fixed liabilities consist of the following:

	Interest Rate	Principal Balance
Payroll related costs		\$ 3,058.38
Bonds payable, June 1, 1987, series	4.5%	755,178.50
Total		<u>\$ 758,236.88</u>

The bonds mature in series annually in varying amounts with the final maturity date in 2008. All required debt service to maturity on the bonds, including principal and interest, is payable by HLD under a debt service contract with the entity.

Changes in fixed liabilities are as follows:

	Bonds	Payroll Related Costs	Total
Balance, beginning of period	\$ 749,908.28	\$ 2,828.82	\$ 752,737.10
Principal retirement	(44,831.25)	.00	(44,831.25)
Net Change	.00	378.64	378.64
Balance, end of period	<u>\$ 705,077.03</u>	<u>\$ 3,207.46</u>	<u>\$ 708,284.49</u>

Scheduled retirements of fixed liabilities are as follows:

	Bonds	Interest	Total
Within one year	\$ 48,112.50	\$ 21,747.87	\$ 69,860.37
Within second year	48,083.75	20,857.81	77,941.56
Within third year	48,076.00	21,483.59	77,559.59
Within fourth year	52,427.50	25,249.21	77,676.71
Within fifth year	52,427.50	22,844.23	75,271.73
Thereafter	454,278.75	84,494.50	\$538,773.25

NOTE 6 - RETIREMENT PLAN

The entity provides pension 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-month probationary period. The employee contributes 5% and the entity contributes 7% 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.

The entity's total payroll for fiscal year ended June 30, 1999 was \$18,283.48. The entity's contributions were calculated using the base salary amount of \$14,853.71. Contributions to the plan were \$732.73 and \$1,025.78 by the employee and the entity, respectively.

NOTE 7 - CONTINGENCIES

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

SUPPLEMENTAL FINANCIAL INFORMATION

Summary Summary of the State of Maryland
 State, Department

Summary of Federal Financial Assistance
 from Federal June 30, 1968

Federal Program/ Program Title	Grant or Subsidy	Federal Cost Share	Source		Total Program or Subsidy	Number of States/ Territories	Number of Beneficiaries	Total Federal Expenditure	Total State/Local Expenditure	Total Federal/State/Local Expenditure	Total Federal/State/Local Expenditure per Beneficiary	Total Federal/State/Local Expenditure per Beneficiary
			Federal	State/Local								
U.S. Department of Housing & Urban Development												
Housing Programs												
Low-Income Housing												
Annual construction	19-025	14,000		15,144.26	15,144.26		15,144.26	15,144.26	15,144.26	15,144.26	15,144.26	15,144.26
Operating assistance	19-026	14,000		.00	.00		15,144.26	15,144.26	15,144.26	15,144.26	15,144.26	15,144.26
Total Low-Income Housing				15,144.26	15,144.26		30,288.52	30,288.52	30,288.52	30,288.52	30,288.52	30,288.52
Other												
		14,000		15,144.26	15,144.26		15,144.26	15,144.26	15,144.26	15,144.26	15,144.26	15,144.26
Total Other and Grand Total				15,144.26	15,144.26		30,288.52	30,288.52	30,288.52	30,288.52	30,288.52	30,288.52

Major programs are defined by HUD Section 2-2.25.

*As reported in HUD's U.S. Census Bureau report, U.S. Dec. 1, 1967, p. 1-1, the housing assistance expenditures (total) included were used in calculating federal program totals.

See also the financial statements.

SUPPLEMENTAL FINANCIAL INFORMATION - STATUTORY BASIS

**Working Retention of the Trust of James
Harris, Decedent**

**Balance Sheet - Working Assets
June 30, 1994**

Amended Trust Agreement Document, 89-100

Assets	
Accounts receivable-trustee	\$ 5,499.00
Accounts receivable-trustee	1.00
Prepaid insurance	105,574.00
Investments	10,000.00
Bank administration funds	78,574.17
Debit card charges	600.00
Fixed assets	1,485,821.17
	<hr/>
Total Assets	\$ 1,685,974.34
	<hr/>
LIABILITIES AND EQUITY	
Cash overdraft	\$ 100.00
Trustee's working deposits	5,100.00
Accounts payable-trustee	5,411.00
Accrued and withheld payroll taxes	94.00
Accrued FICA	5,141.33
Fixed liabilities	785,171.00
	<hr/>
Trust Fixed Income	\$ 708,054.04
Reserve	1,036,174.04
	<hr/>
Total Liabilities and Equity	\$ 1,685,974.34
	<hr/>

Bonding Authority of the State of Texas
 State, Louisiana

STATEMENT OF INCOME AND EXPENSES - STATISTICAL DATA
 Grand Bonding Program
 Year Ended June 30, 1988

Annual Contributions Contract #0-88

Operating Income	
Bonding rental	\$ 97,034.00
Interest on general fund investments	987.48
Other income	4,830.54
Total operating income	\$ 102,852.02
<hr/>	
Operating Expenses	
Administration	\$ 21,085.51
Printing	43,000.00
Ordinary maintenance and operation	47,000.00
Interest expense	22,075.00
DEPRECIATION EXPENSE	3,040.00
Total operating expenses	\$ 136,200.51
<hr/>	
Net Operating Income (Loss) before other items	\$ (33,348.49)
<hr/>	
Other charges (credits)	
Interest expense	\$ 11,740.75
Other year adjustments affecting net	101,710.00
Other year adjustments not affecting net	22,611.00
Loss from disposition of equipment	(5,033.07)
Total other charges (credits)	\$ 120,028.68
<hr/>	
Net Income (Loss)	\$ (12,319.81)
<hr/>	

Accounting Authority of the Post of Honor
 Baton Rouge, Louisiana

Analysis of Budget - Monthly Basis
 Year 1964 (Yr 0), 1965

General Conference Expense FY 64

Unexpended surplus		
Balance per 4-30-64 audit	\$	11,993,077.87
Plus: Budget Allowance subsequently booked		37,171.90
Less: Income (Loss) FY 4-30-64	(140,116.34)
Or provision FY 4-30-64		6,824.00
Balance at 6-30-64	\$	11,883,309.43
<hr/>		
Unexpended surplus		
Balance per 4-30-64 audit	\$	95,874.44
Or provision per 4-30-64	(5,482.35)
Balance at 6-30-64	\$	90,392.09
<hr/>		
Conference expenditures from 64		
Balance per 4-30-64 audit	\$	1,107,496.77
Conferences FY 4-30-64		77,194.13
Operating surplus FY 4-30-64		68,141.90
Balance at 6-30-64	\$	1,252,832.80
<hr/>		
Excess from 64		
Balance per 4-30-64 audit	\$	487,114.14
Excess FY 4-30-64		337,171.90
Balance at 6-30-64	\$	824,286.04
<hr/>		
Total Excess	\$	1,238,704.14
<hr/>		

**Working Activities of the Town of Green
Green, Louisiana**

Computation of Monthly Receipts and Operating Expense (continued)
Month Ending August
Year Ended June 30, 1990

Annual Contributions Contract PA-888

Computation of Monthly Receipts

Operating receipts	
Operating income	\$ 202,700.00
Net operating subsidy	75,000.00
	\$ 277,700.00

Operating expenditures

Operating expenses	
Prior year adjustments affecting monthly receipts	\$ 200,000.00
Current expenditures	65,000.00
	\$ 265,000.00

Net balance provision for reserves, per 8001 total adjustments (total net)	
	\$ 22,700.00
	22,700.00

Net balance provision for reserves, per 8001 provision for operating reserves	
	\$ 5,000.00
	5,000.00

Monthly receipts per 8001	
	\$.00

Computation of Monthly Annual Contribution

From annual contribution	
Less current savings	\$ 10,000.00
	10,000.00

Total annual contribution received	
Less current savings for reduction of annual contribution - 8001 items	\$ 11,704.31
	.00

Monthly annual contribution	
	\$ 11,704.31

Subject to adjustment to 8001

Reserve Authority of the State of Texas
STATE, TEXAS

Statement of Indebtedness Data - Receipts/Dis
June 30, 1999

Annual Contribution Contract FY-99

	1999 <u>06-30-1999-00</u>
1. Funds approved	\$ 105,000.00
Funds expended	7,000.00
	<u>\$ 107,999.99</u>
2. Funds advanced	\$ 6,000.00
Funds expended	7,000.00
Excess (deficiency) of funds advanced	\$ (1,000.00)

Bonding Authority of the State of Texas
 State, Comptroller

SUMMARY AND CERTIFICATION OF BOND SUBSTITUTION CASH
 June 30, 1999

Annual Appropriation Calendar FY-1999

	01-01-FY99-001	01-01-FY99-002	Total
1. Funds approved	\$ 250,000.00	\$ 200,000.00	\$ 450,000.00
Funds expended	250,000.00	200,000.00	450,000.00
Balance of funds approved	\$.00	\$.00	\$.00
2. Funds advanced	\$ 200,000.00	\$ 100,000.00	\$ 300,000.00
Funds expended	200,000.00	100,000.00	300,000.00
Balance (deficiency) of funds advanced	\$.00	\$.00	\$.00

3. The allocation of cash by project as shown on the Fiscal Statement of Substitution Cash accompanying the annual Substitution Cash Certificates (SAC) for 01-01-FY99-001 and 01-01-FY99-002 for 01-01-FY99-001 is in agreement with the SAC records. SAC substitution cash have been paid and all required documentation have been reconciled through papers.

Working Activities of the Town of West
Hart, Indiana

Analysis of Income from Real Estate
June 30, 1988

Annual Contributions Contract PW-88

Income and Other Items

reimburse for water funding	0	688.50
income tax/property taxes	0	1,075.00
income tax (contractor-voted)		5.00
Property Income tax		11,076.00
interest income		11,000.00
interest charges		400.00
Total	0	14,244.50

Contributions, Revenues, and Other Items

fees (contract)	0	100.00
income tax/property taxes		4,000.00
income tax/property taxes		4,000.00
income and interest payments taxes		20.00
income tax		4,000.00
operating revenue per PW		24,000.00
allowance reflecting 10 limited mill	1	14,500.00
Total	0	44,600.00

Housing Authority of the Town of Homer
Homer, Louisiana

General Housing Program

Adjusting Journal Entries
June 30, 1999

Annual Contributions Contract FW-025

	Acct. # for audit report	Acct. # for posting by PHA	Debit	Credit
(1)				
Operating Reserve	3930	Do Not	\$ 2,327.11	
Unreserved Surplus	3910	Book		\$ 2,327.11
To adjust for error on line 380 of HUD 92569 - understated by \$2,327.11. This entry was made by PHA, for accountant after 6/30/99.				
(2)				
Cumulative HUD Annual Contr.	2840	2840	641.00	
Interest Expense	5010	6020		320.63
HUD Annual Contr. Receivable	1130	1130		320.63
To adjust balances at 6/30/99.				
(3)				
Cash	1111	1111	140.00	
Drilling Equipment	1405.1	1405.1		140.00
Prior Year Adjust. Not Affct. PH	6820	6820	140.00	
Prior Year Adjust. Affct. PH	6810	6810		140.00
To correct accounting for check #100210 dated JUNE 15.				
(4)				
Prior Year Adjust. Affct. PH	6810	6810	75.00	
Tenants' Security Deposits	2114	2114		75.00
To agree tenants security deposits to PHA, total at 6/30/99.				
(5)				
Maintenance Equipment	1475.2	De	298.00	
Replacement of Non-Exp. Equip.	7520		298.00	
Property - Conts	7580			298.00
Administrative Supply	4160		480.00	
Water	4310		1,284.45	
Electricity	4320	Not	280.39	
Gas	4330		21.18	
Other Utility Expense	4360		2,282.60	
Maintenance Materials	4420		1,172.64	
Maintenance Contract Costs	4430		1,229.12	
Employee Benefit Costs	4540		891.04	
Accounts Payable	2111	Book		8,013.48
To accrue additional liabilities at 6/30/99. PHA policy is to post these items to general ledger at time of payment.				

Housing Authority of the Town of Homer
Homer, Louisiana

Cited Housing Program (Continued)

Adjusting Journal Entries
June 30, 1998

Annual Contributions - Contract PW 828

	Acct. # for audit report	Acct. # for posting by PHA	Debit	Credit
(B) Insurance Expense Prepaid Insurance To adjust prepaid insurance per audit analysis at 5/30/98.	4010 1211	6010 1211	\$ 9,144.80	\$ 9,144.00
(C) Prior Year Adjust. Net Asset RR Loss from Dep. of Man-exp. Equip. To necessary for report purpose (N 80-1 E).	8020 8120	Debit Book	2,683.28	2,683.28
(B) Tenants' Accounts Receivable Dwelling Rent To record projected misstatement based on errors detected in sample of tenant files.	1120 3110	Debit Book	3,181.80	3,181.00

NON-FINANCIAL SECTION

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

Board of Commissioners
Housing Authority of the Town of Homer
320 South 4th Street
Homer, LA 71040

We have audited the general purpose financial statements of Housing Authority of the Town of Homer as of and for the year ended June 30, 1990, and have issued our report thereon dated October 9, 1990.

We rendered our audit in accordance with generally accepted auditing standards and 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 Housing Authority of the Town of Homer is the responsibility of the authority's management. As part of obtaining reasonable assurance about whether the general purpose 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, the objective of our audit of the general purpose financial statements 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 under Government Auditing Standards.

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

October 9, 1990

VanRheenen & Miller, Ltd.
VanRheenen & Miller, Ltd.
Certified Public Accountants

**Independent Auditor's Report on Compliance with Specific Requirements
Applicable to Major HUD Programs**

Board of Commissioners
Housing Authority of the Town of Homer
326 South 4th Street
Homer, LA 71648

We have audited the general purpose financial statements of Housing Authority of the Town of Homer as of and for the year ended June 30, 1996, and have issued our report thereon dated October 9, 1996.

We have also audited Housing Authority of the Town of Homer compliance with the specific program requirements governing types of services offered or unallowed; eligibility; reporting; cost allocation; claims for advances and reimbursements; and special test and provisions that are applicable to each of its major HUD-assisted programs, for the year ended June 30, 1996. The management of Housing Authority of the Town of Homer is responsible for the authority's compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, Office of Management and Budget Circular A-128, "Audit of State and Local Governments" and the provisions of the Public and Indian Housing Compliance Supplement, dated May 29, 1996. These standards and the OMB Circular A-128 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 authority's compliance with these requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are disclosed in the accompanying schedule of findings and questioned costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, Housing Authority of the Town of Homer complied, in all material respects, with the requirements described above that are applicable to each of its HUD-assisted programs for the year ended June 30, 1996.

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

October 9, 1996


C. Mark VanHeenen & Miller, Ltd.
VanHeenen & Miller, Ltd.
Certified Public Accountants

**Independent Auditor's Report on Compliance with the General Requirements
Applicable to Federal Financial Assistance Programs**

Board of Commissioners
Housing Authority of the Town of Homer
328 South 48th Street
Homer, LA 71040

We have audited the general purpose financial statements of Housing Authority of the Town of Homer as of and for the year ended June 30, 1999, and have issued our report thereon dated October 9, 1999.

We have applied procedures to test Housing Authority of the Town of Homer 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 year ended June 30, 1999:

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 Audit 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 Housing Authority of the Town of Homer 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 and Urban Development. However, this report is a matter of public record, and its distribution is not limited.

October 9, 1999

C. Mark VanHeenen & Maurice E. Miller, Jr.
VanHeenen & Miller, Ltd.
Certified Public Accountants

**Independent Auditor's Report on the 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 Town of Homer
329 South 4th Street
Homer, LA 71040

We have audited the general purpose financial statements of Housing Authority of the Town of Homer as of and for the year ended June 30, 1988, and have issued our report thereon dated October 9, 1988.

We conducted our audit in accordance with generally accepted auditing standards and 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.

The management of Housing Authority of the Town of Homer 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 disclosed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with 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 Housing Authority of the Town of Homer for the year ended June 30, 1988, 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.

We noted certain 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. 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 general purpose financial statements.

Our study of the authority's internal control structure disclosed a reportable condition in internal controls relating to segregation of duties. Due to its limited size, the entity does not have the personnel to adequately separate the internal accounting control duties. The segregation of duties is a decision that must be made by management on a cost-benefit basis. Management must determine if the costs of implementing an adequate internal control system will outweigh the benefits derived from such a system. This reportable condition is inherent in all small entities, and should not be considered as a failure in proper management. We concur with management's opinion that the costs incurred to implement an adequate internal control system would exceed the benefits derived from such a system. Consequently, this should not be considered a controlled audit finding. Our study of the authority's internal control structure and its operation also disclosed reportable conditions relating to uncollateralized deposits above FDIC limits, budget overruns in certified accounts, and payroll related records, which are described in the accompanying schedule of findings and questioned costs.

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 reduce to a relatively low level the risk that errors and irregularities in amounts that could be material in relation to the general purpose 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 none of the reportable conditions described above is a material weakness.

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

October 9, 1999

John Williamson & Patten, Ltd.
Chartered Accountants
Certified Public Accountants

**Independent Auditor's Report on the Internal Control Structure Used in
Administering Federal Financial Assistance Programs**

Board of Commissioners
Housing Authority of the Town of Homer
329 South 4th Street
Homer, LA 71046

We have audited the general purpose financial statements of Housing Authority of the Town of Homer for the year ended June 30, 1996, and have issued our report thereon dated October 9, 1996. We have also audited Housing Authority of the Town of Homer's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated October 9, 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-133, Audit of State and Local Governments. Those 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 and about whether Housing Authority of the Town of Homer 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 authority's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the authority's general purpose financial statements and on its compliance with requirements applicable to major programs, and its report on the internal control structure in accordance with OMB Circular A-133. 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 general purpose financial statements in a separate report dated October 9, 1996.

The management of Housing Authority of the Town of Homer is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, evaluations 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of general purpose 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, prevention of any evaluation of the structure in 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:

Activity Cycles

- Treasury or financing
- Revenue receipts
- Purchases/disbursements
- Internal financial reporting
- Payroll/personnel

General Requirements

- Political activity
- Debt/Borrow Act
- Civil rights
- Cash management
- Federal financial reports
- Allowable cost/audit principles
- Drug-free workplace
- Administration requirements

Specific Requirements

- Types of services allowed or unallowed
- Eligibility
- Reporting
- Cost allocation
- Special tests and provisions

Claims for Advances and Reimbursements

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, Housing Authority of the Town of Homer expended 180 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 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 each of the authority's major federal financial assistance programs, which are identified in the accompanying 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 certain 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. 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 authority's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

Our study of the authority's internal control structure disclosed a reportable condition in internal controls relating to segregation of duties. Due to its limited size, the entity does not have the personnel to adequately separate the internal accounting control duties. The segregation of duties is a decision that must be made by management on a cost-benefit basis. Management must determine if the costs of implementing an adequate internal control system will outweigh the benefits derived from such a system. This reportable condition is inherent in all small entities, and should not be construed as a failure in proper management. We concur with management's opinion that the costs incurred to implement an adequate internal control system would exceed the benefits derived from such a system. Consequently, this should not be considered a constrained audit finding. Our study of the authority's internal control structure and its operation also disclosed reportable conditions relating to travel files, and PHMAP assessment factors, which are described in the accompanying schedule of findings and questioned costs.

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 induce 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.

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 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 none of the reportable conditions described above are material weaknesses.

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

October 8, 1993

Wong, Shumway & Miller, Ltd.
Wong Shumway & Miller, Ltd.
Certified Public Accountants

Housing Authority of the Town of Homer
Homer, Louisiana

Independent Auditor's Schedule of Findings and Questioned Costs
For the Year Ended June 30, 1999

Questioned
Costs

1. UNCOLLATERALIZED DEPOSITS ABOVE FDIC LIMITS

\$.00

Finding

Low Rent Housing Financial Management Handbook #M75.1, Chapter 4, Section 2, page 7, states that PHA's shall require their depositories to continuously and fully secure all deposits in excess of amount regularly insured by providing certain specified collateral. During FYE 2000, deposits in Bank One did exceed insured maximums, but collateral as required was not provided.

Recommendation

The PHA should request the financial institution to provide the required collateral.

Reply

We were not aware of this requirement. This occurred when GMP money was requisitioned. Additional collateral will be obtained from Bank One.

2. TENANT FILES

.00

Finding

Based on file files selected, we noted three files contained leases that were not signed, three files did not contain signed HUD 5005, one file did not contain income verification, one file did not contain documentation for the child care deduction, three files did not have the re-examination done annually, one file did not have a complete HUD 5005B, one file contained a rent calculation error, and one file could not be found to review.

Recommendation

A thorough review of "tenant" files should be made for the purpose of eliminating the deficiencies.

Reply

We will do so.

3. BUDGET OVERLAP IN CONTROLLED ACCOUNTS

.00

Finding

Section 407 (g) of terms and Conditions, Part Two of the Annual Contributions Contract states that the Authority shall not incur expenditures in excess of the approved budgeted amounts for controlled accounts. A review of the Authority's financial statements revealed the following budget overruns:

	Actual Expenditures	Budgeted Expenditures	Amount Exceeding Budget
a. Routine Expenditures	\$ 185,007.52	\$ 161,280.00	\$ 23,727.52
b. Maintenance Expenses	3,204.84	.00	3,204.84
c. Operating Expenditures	166,712.38	161,280.00	5,432.38

Housing Authority of the Town of Homer
Homer, Louisiana

Independent Auditors' Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2008

	<u>Questioned Costs</u>
3. BUDGET OVERRUNS IN CONTROLLED ACCOUNTING (CONTINUED)	\$.00
Recommendation: Monthly reviews of financial statements should be made to monitor spending so as to not exceed budgeted categories. If circumstances warrant, the Authority should consider amending their spending budget.	
Reply: We will do so.	
4. PHMAP ASSESSMENT FACTORS	.00
Finding: HUD notice PH-00-02 requires auditors to review several PHMAP indicators as reported to HUD with the supporting documentation. The PHMAP report FYE 6/30/08 was not submitted within the 90 day deadline period subsequent to year end and consequently was unavailable for audit review at the date of fieldwork (10/29/08). The prior PHMAP was modified by a subsequent review by HUD and again by another review by Guadalupe Consulting Corporation.	
Recommendation: Review the requirements of HUD Notice PH-00-02 and comply with its directives.	
Reply: We will do so.	
5. PAYROLL RELATED RECORDS	.00
Finding: Audit review of leave records used by the PHA to determine vacation leave and terminal leave upon separation from employment were found to have errors. Also, the quarterly 941's filed with the IRS were not retained for audit review.	
Recommendation: Review all leave records, make needed corrections and adjustments, and update all records on at least a monthly basis. Retain a copy of all payroll documents mailed to the State of Louisiana and the IRS.	
Reply: We will do so.	

Housing Authority of the Town of Homer
Homer, Louisiana

Independent Auditor's General Comments
June 30, 1999

1. There were no findings in the audit preceding audit.
2. The PHA administers 180 units of public housing and a CERP program.
3. HUD requires that tenants' accounts receivable for units in possession should not exceed 12% of the average monthly rental charges. At June 30, 1999, the balance of tenants' accounts receivable was 42% of the average monthly rental charges. HUD also requires that collection losses on tenants' accounts should not exceed 7% of the annual rental charges. Collection losses for fiscal year ending June 30, 1999, were 4% of annual rental charges.