



**FINANCIAL SECTION**

Richard C. Urban  
Certified Public Accountant

MEMORANDUM  
SUBMITTED TO THE BOARD OF  
COMMISSIONERS OF THE HOUSING  
AUTHORITY OF THE CITY OF  
OPELOUSAS, LOUISIANA  
DATE: OCTOBER 1, 1997

REPORT  
1017 SOUTH B STREET  
OPELOUSAS, LOUISIANA 71258  
PHONE 337-882-1114

**MEMORANDUM SUBMITTAL TO THE BOARD**

To the Board of Commissioners  
Opelousas Housing Authority  
Opelousas, Louisiana

We have audited the accompanying general-purpose financial statements of the Housing Authority of the City of Opelousas, Louisiana, as of and for the year ended June 30, 1997, as listed in the 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 and the standards applicable to financial audits contained in 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above, present fairly in all material respects, the financial position of the Housing Authority of the City of Opelousas, Louisiana, as of June 30, 1997, 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 our report dated October 1, 1997, on our consideration of the Housing Authority of the City of Opelousas, Louisiana internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general-purpose financial statements. The accompanying supplemental information statements and schedules listed in the table of contents are included to meet HUD regulatory requirements. These statements

Board of Commissioners  
Opelousas Housing Authority  
Opelousas, Louisiana  
Page 2

were prepared in conformity with the accounting practices prescribed by the Department of Housing and Urban Development, which is a comprehensive basis of accounting other than generally accepted accounting principles. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.



RICHARD C. UFFORD, C.P.A.

Opelousas, Louisiana  
October 3, 1993

**GENERAL PURPOSE  
FINANCIAL STATEMENTS**

CINCINNATI HOUSING AUTHORITY  
 CONSOLIDATED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 June 30, 1997

	Governmental Fund Types		
	General	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>			
<b>Assets:</b>			
Cash and cash equivalents	\$ 372,319	\$ 7,604	\$ 262
Receivables (net of allowance for uncollectables)	----	506,876	----
Interfund receivable	4,338	----	----
Prepaid items	71,804	----	----
Land, buildings and equipment	----	----	----
<b>Other Debits:</b>			
Amount available in debt service funds	----	----	----
Amount to be provided for retirement of general long-term obligations	----	----	----
<b>Total Assets</b>	<b>948,158</b>	<b>514,280</b>	<b>262</b>

The accompanying notes are an integral part of this statement.

Fiduciary Fund	Account Groups		TOTALS (Memorandum Only)
	General Fund Assets	General Long-Term Obligations	
\$ 37,885	\$ ---	\$ ---	\$ 317,828
---	---	---	506,878
---	---	---	4,333
---	25,015,514	---	71,888
---	---	514,560	25,015,514
---	---	3,382,008	514,560
37,885	25,015,514	3,823,568	3,382,008
*****	*****	*****	3,139,948

OPPELONAS HOUSING AUTHORITY  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 June 30, 1993

	Governmental Fund Types		
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>			
<b>Liabilities:</b>			
Accounts, salaries, and other payables	\$ 152,237	\$ ---	\$ ---
Interest payable	---	---	---
Deposits due others	---	---	---
Deferred revenues	162	---	---
Refunded bonds and interest payable	---	506,876	---
Comparted advances payable	---	---	---
Bonds payable	---	---	---
<b>Total Liabilities</b>	<b>152,422</b>	<b>506,876</b>	<b>---</b>
<b>Equity and other credits:</b>			
Contributed capital	---	---	---
Investment in general fixed assets	---	---	---
<b>Fund balances:</b>			
Reserved	---	7,664	262
Unreserved	695,736	---	---
<b>Total Equity and Other Credits</b>	<b>695,736</b>	<b>7,664</b>	<b>262</b>
<b>TOTAL LIABILITIES, equity, AND OTHER CREDITS</b>	<b>848,158</b>	<b>514,540</b>	<b>262</b>

The accompanying notes are an integral part of this statement.



Fiduciary Fund	Account Groups		TOTALS (Memorandum Only)
	General Fixed Assets	General Long-term Obligations	
Agency Fund			
\$	\$	\$	\$
4,335	----	----	4,335
33,550	----	----	33,550
----	----	----	185
----	----	----	508,875
----	----	25,900	25,900
----	----	3,797,668	3,797,668
<u>37,885</u>	----	<u>3,823,568</u>	<u>4,320,713</u>
----	----	----	----
----	25,815,514	----	25,815,514
----	----	----	3,940
----	----	----	<u>289,726</u>
----	<u>25,815,514</u>	----	<u>25,719,186</u>
37,885	25,815,514	3,823,568	30,239,948
*****	*****	*****	*****

**OPOLONA REGIONAL AUTHORITY**  
**Condensed Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - All Governmental Fund Types**  
**Year Ended June 30, 1997**

	Governmental Fund Types			TOTALS (Memorandum Only)
	General	Debt Service	Capital Projects	
<b>REVENUES</b>				
<b>Local sources:</b>				
Dwelling rental	\$211,993	\$ ---	\$ ---	\$211,993
Excess utilities	179,558	---	---	179,558
Interest earnings	16,395	---	---	16,395
Other	12,593	---	---	12,593
<b>Federal sources:</b>				
Operating subsidy	504,209	---	---	504,209
Annual Contributions Contract	---	504,874	---	504,874
Grants	---	---	884,577	884,577
<b>Total revenues</b>	<u>7,624,744</u>	<u>504,874</u>	<u>884,577</u>	<u>7,114,195</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Administration	329,607	---	---	329,607
Utilities	617,498	---	---	617,498
Tenant services	14,508	---	---	14,508
Ordinary maintenance	268,683	---	---	268,683
Professional services	77,445	---	---	77,445
General expenditures	312,251	---	---	312,251
Facilities acquisition and construction	2,897	---	871,698	874,595
<b>Debt services:</b>				
Principal retirement	---	312,276	---	312,276
Interest and bank charges	---	183,494	---	183,494
<b>Total expenditures</b>	<u>7,624,249</u>	<u>504,770</u>	<u>871,698</u>	<u>7,640,717</u>
<b>EXCESS (deficiency) OF REVENUES OVER EXPENDITURES</b>				
	<u>495</u>	<u>1,117</u>	<u>( 3,121)</u>	<u>77,259</u>
<b>OTHER FINANCIAL SOURCES (uses)</b>				
Operating transfers in	---	---	---	---
Operating transfers out	---	---	---	---
<b>Total other financing sources (uses)</b>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>EXCESS (deficiency) OF REVENUES AND OTHER SOURCES OVER EXPEN- DITURES AND OTHER USES</b>				
	<u>495</u>	<u>1,117</u>	<u>( 3,121)</u>	<u>77,259</u>
<b>FUND BALANCE, BEGINNING</b>	<u>614,241</u>	<u>6,567</u>	<u>1,525</u>	<u>622,333</u>
<b>FUND BALANCE, ENDING</b>	<u>614,736</u>	<u>7,684</u>	<u>262</u>	<u>622,682</u>

The accompanying notes are an integral part of this statement.

OPTIMUM LEASING AUTHORITY  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL,  
 DEBT SERVICE, AND CAPITAL PROJECT FUNDS  
 For the Year ended June 30, 1997

	General Fund		
	Budget	Actual	Variance - Favorable (Disadvantage)
<b>REVENUES</b>			
<b>Local sources:</b>			
Dwelling rental	\$ 899,430	\$ 971,993	\$ 72,563
Income utilities	167,400	179,954	12,554
Interest earnings	27,630	56,395	28,765
Other	19,648	12,593	( 7,055)
<b>Federal sources:</b>			
Operating subsidy	504,309	504,309	---
Annual Contributions Contract	---	---	---
Grants	---	---	---
<b>Total revenues</b>	<u>1,608,317</u>	<u>1,629,744</u>	<u>21,427</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Administration	229,940	229,627	313
Utilities	623,039	677,486	( 54,447)
Tenant services	14,580	14,500	---
Ordinary maintenance	120,248	288,883	168,635
Protective services	173,448	17,445	156,003
General expenditures	393,143	212,251	180,892
Facilities adaptation & construction	6,408	2,857	3,551
<b>Debt services:</b>			
Principal retirement	---	---	---
Interest and bank charges	---	---	---
<b>Total expenditures</b>	<u>1,877,806</u>	<u>1,825,793</u>	<u>52,013</u>
<b>EXCESS (deficiency) OF REVENUES OVER EXPENDITURES</b>	( 2,489)	81,405	83,894
<b>FUND BALANCE, BEGINNING</b>	---	<u>618,281</u>	<u>618,281</u>
<b>FUND BALANCE, ENDING</b>	( 2,489)	699,736	702,247

The accompanying notes are an integral part of this statement.

Debt Service Fund			Capital Projects Fund		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$	\$	\$	\$	\$	\$
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
506,876	506,876	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
<u>506,876</u>	<u>506,876</u>	-----	<u>886,577</u>	<u>886,577</u>	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	891,890	891,890	-----
-----	-----	-----	-----	-----	-----
372,375	362,376	-----	-----	-----	-----
182,484	182,484	-----	-----	-----	-----
<u>554,859</u>	<u>544,860</u>	-----	<u>891,890</u>	<u>891,890</u>	-----
-----	-----	-----	-----	-----	-----
1,119	1,112	-----	f 9,713	d 5,313	-----
-----	<u>6,567</u>	<u>6,567</u>	-----	<u>6,878</u>	<u>6,878</u>
-----	-----	-----	-----	-----	-----
<u>1,117</u>	<u>7,684</u>	<u>6,567</u>	d 5,313	262	<u>6,878</u>
-----	-----	-----	-----	-----	-----

OPELOUSAS HOUSING AUTHORITY  
Opelousas, Louisiana  
MEMO TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 1977

**INTRODUCTION**

The Opelousas Housing Authority (authority) was created by Louisiana Revised Statute (LSR-R.S.) 40:595 to engage in the acquisition, development, and administration of a low rent housing program to provide safe, sanitary, and affordable housing to the citizens of Opelousas, Louisiana.

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

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contribution contract with the authority for the purpose of assisting the authority in financing the acquisition, construction, and leasing of housing units and to make annual contributions (subsidies) to the authority for the purpose of maintaining this low rent character.

As June 30, 1977, the authority manages 490 public housing units.

In addition, the authority is currently administering three separate modernization programs.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Basis of Presentation**

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

**Reporting Entity**

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the authority is legally separate and fiscally independent, the authority is a separate governmental reporting entity, or appointment of governing body, and other general oversight responsibility.

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

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

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

**Fund Accounting**

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

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

Funds of the authority are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate fund types. The fund

classifications and a description of each existing fund type follow:

#### **Governmental Funds**

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

1. **General Fund**--the general operating fund of the authority accounts for all financial resources, except those required to be accounted for in other funds. The General Fund includes transactions of the low rent housing assistance program.
2. **Debt service funds**--account for transaction relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group. Debt service funds contain current year payments of principal and interest on project notes and bonds payable.
3. **Capital projects funds**--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. Capital projects funds contain transactions relating to active modernization and development programs.

#### **Fiduciary Funds**

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

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

#### Basis of Accounting

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

#### **Revenues**

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

## NOTES TO FINANCIAL STATEMENTS (continued)

Rental income, excess utilities, and other income are recorded in the month earned.

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

### Expenditures

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

Expenditures for principle and interest on long-term obligations are recognized when due. The authority's liability for compensated absences is accounted for in the general long-term obligation account group and is recorded annually. At June 30, 1997, the liability for accumulated compensated absences was \$25,808 for the general fund.

### Other Financing Sources (Uses)

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

### Deferred Revenues

The authority reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the authority before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the 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.

### Budgets

The authority uses the following budget practices:

1. The Executive Director prepares a proposed budget and submits same to the Board of Commissioners no later than thirty days prior to the beginning of each fiscal year.
2. Following discussion and acceptance of the budget by the Board, it is sent to HUD for approval.
3. Upon approval by HUD, the budget is formally adopted.
4. Any budgetary amendments require the approval of the Executive Director and Board of Commissioners.
5. Any budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the General, Debt Service, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).



## NOTES TO FINANCIAL STATEMENTS (continued)

7. The budget comparison presented in the financial statements includes the original budget and all amendments.

### Cash and Cash Equivalents

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

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

### Short-term Interfund Receivables/Payables

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

### Prepaid Items

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 1997 are recorded as prepaid insurance.

### 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 domain or infrastructures are not capitalized. No construction period interest costs have been incurred and capitalized for the fiscal year ended June 30, 1997. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

### Compensated Absences

The authority follows Civil Service guidelines pertaining to the accumulation of vacation and sick leave. This leave may be accumulated and carried over between fiscal years, with a maximum of 300 hours of payment of leave upon termination or retirement. In addition, the Executive Director's employment contract allows him to accrue annual leave in excess of 300 hours to be paid upon retirement.

The cost of current leave privileges, computed in accordance with GASB Codification Section 640, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

## NOTES TO FINANCIAL STATEMENTS (continued)

### Long-Term Obligations

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

### Fund Equity

#### Reserves

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

#### Designated Fund Balances

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

### Interfund Transactions

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

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

### TOTAL COLUMN on Combined Statements

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

### NOTE 2 - BUDGETING - ACTUAL AND BUDGET

There were no individual funds with expenditures/expenses over budgeted expenditures/expenses for the year ended June 30, 1997.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 1997, the authority has cash and cash equivalents totaling \$748,960 as follows:

General deposits	\$517,850
Time deposits	<u>231,110</u>
Total	\$748,960

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by Federal deposit insurance or the pledge of securities owned by the fiscal agent banks. The market value of the pledged securities plus the Federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1997, the authority has \$817,658 in deposits. These deposits are secured from risk by \$303,748 of federal deposit insurance and \$5,096 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). The remaining balance of \$513,910 is not secured by the pledge of securities and is a violation of state law.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 18:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 15 days of being notified by the authority that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES

The receivables of \$506,876 at June 30, 1997, are as follows:

Class of Receivable	General Fund	Debt Service Fund	Total
Local sources:			
Taxes	\$ ---	\$ ---	\$ ---
Federal sources:			
Accounting annual costs	<u>      </u>	<u>506,876</u>	<u>506,876</u>
Total	<u>      </u>	<u>506,876</u>	<u>506,876</u>

NOTE 5 - FIXED ASSETS

The changes in general fixed assets are as follows:

NOTES TO FINANCIAL STATEMENTS (continued)

	Balance June 30, 1996	Additions	Deletions	Balance June 30, 1997
Land	\$ 1,181,434	\$ ---	\$ ---	\$ 1,181,434
Buildings	28,783,876	---	---	28,783,876
Equipment	1,118,681	2,858	---	1,121,539
Construction in progress:				
modernization costs	1,038,877	887,880	---	1,926,757
Total	24,723,758	888,738	---	25,612,514

NOTE 6 - RETIREMENT SYSTEMS

The authority participates in the Housing-Retirement and Local Agency Retirement Plan which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through the plan, the authority provides pension benefits for all full-time employees. All eligible individuals must be employed for at least six months before participating in the plan. The authority has seventeen employees participating as of June 30, 1997.

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

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

The authority's total payroll for the fiscal year ended June 30, 1997, was \$499,800. The authority's contributions were made based on the total covered payroll of \$202,214. The authority and the covered employees made the required contributions for the year ended June 30, 1997. The employee contributions totaled \$26,330 while the authority's contributions totaled \$135,845 for the year ended June 30, 1997.

NOTE 7 - ACCOUNTS, SALARIES, AND OTHER DEBITABLES

The payables of \$182,217 at June 30, 1997, are as follows:

General Fund	Amount
Payments in lieu of taxes	\$47,408
Withholdings	744
Accounts	134,065
Total	\$182,217

NOTE TO FINANCIAL STATEMENTS (continued)

NOTE 8 - CHANGES IN AGENCY FUNDS/DEPOSITS FOR OTHERS

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

Agency Fund	Balance at Beginning of Year	Additions	Deletions	Balance at end of Year
Tenant security deposits	\$ 35,300	\$ 4,405	\$ 4,235	\$ 35,565

NOTE 9 - CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 1990:

	Bonded Debt	Compenated Reserves	Total
Long-term obligations at June 30, 1989	\$4,705,544	\$ 10,908	\$4,716,452
Additions	---	6,900	6,900
Deductions	( 312,275)	---	( 312,275)
Long-term obligations at June 30, 1990	3,797,669	26,908	3,824,577

All authority bonds outstanding at June 30, 1990, in the amount of \$3,797,669, are single issue bonds with maturities from 2000 to 2091 and interest rates from 3.175% to 5.125%. Bond principal and interest payable in the next fiscal year are \$328,678 and \$479,678, respectively. The individual issues are as follows:

Bond Issues	Original Amount	Interest Rates	Fiscal Payment Due	Interest to Maturity	Principal Outstanding June 30, 1990
Single issue	\$3,800,000	3.175 %	6/1/2000	\$ 28,157	\$ 400,000
Single issue	1,375,000	3.425 %	6/1/2006	95,404	499,826
Single issue	3,620,000	5.125 %	6/1/2041	1,264,155	2,895,843
Total bonds	9,475,000			1,378,696	3,797,669

All principal and interest requirements are funded in accordance with Federal law by the annual contributions contract from HUD. At June 30, 1990, the authority has accumulated \$7,684 in the debt service funds for future debt requirements. The bonds are due as follows:

Fiscal Year Ending 1/31	Principal Payments	Interest Payments	Total
1990	\$328,678	\$179,678	\$ 508,356
1991	342,897	140,404	509,721
2000	157,144	171,588	328,732
	1,628,716	497,082	2,125,798

NOTE TO FINANCIAL STATEMENTS (continued)

NOTE 10 - DEFERRED ASSETS/LIABILITIES

deferred receivable/payable:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Likelihood fund	\$ 4,305

NOTE 11 - LITIGATION AND CLAIMS

At June 30, 1997, the authority was not involved in any lawsuits or suits of any claims against it.

NOTE 12 - FINANCIAL COMPLIANCE CONTINGENCIES

No questioned or disallowed costs were noted for inclusion in our report.

NOTE 13 - DEFERRED SERVICES

At June 30, 1997, employees of the authority have accumulated and vested \$25,600 of employee leave benefits, which was computed in accordance with GASB Classification Section 090. This amount is not expected to be paid from current available resources; therefore, the liability of \$25,600 is recorded in the general long-term obligations account group.

NOTE 14 - INSURANCE COVERS

The authority obtained an adequate pledge of securities to insure its deposits with its fiscal agent bank on October 1, 1997. As indicated in Note 3, the authority was inadequately insured from June 1, 1997 until October 1, 1997.

HOUSING AUTHORITY OF THE CITY OF Opelousas  
Opelousas, Louisiana

SCHEDULE OF INCURRED LIABILITIES OF FEDERAL AWARDS  
Year Ended June 30, 1997

<u>Federal Grantor/ Program Title</u>	<u>CYSA No.</u>	<u>Grant ID No.</u>	<u>Federal Award Received</u>	<u>Program Expenditures</u>
U. S. Dept. of Housing and Urban Development				
Direct Programs:				
Low-Income HAP	14.850	PA-1197	\$1,017,084.38	\$1,017,084.38
Reimbursements:				
Program Year 1994	14.852	PA-1197	268,427.44	268,427.44
Program Year 1995	14.852	PA-1197	477,750.83	477,750.83
Program Year 1996	14.852	PA-1197	147,751.35	147,751.35
Total U.S. Dept. of Housing and Urban Development			<u>1,892,681.94</u>	<u>1,892,681.94</u>
Total federal assistance			1,892,681.94	1,892,681.94
Federal funds on hand at June 30, 1996			5,574.70	
Grant amounts received			1,897,661.94	
Program expenditures			(1,892,681.94)	
Federal funds on hand at June 30, 1997			262.74	

1) The Department of Housing and Urban Development has guaranteed through the Annual Contribution Contract the Housing Authority of the City of Opelousas, Louisiana, bonded indebtedness. This bonded indebtedness was \$3,797,689.16 at June 30, 1997.

**RICHARD C. URBAN**  
CHIEF FIELD PUBLIC ACCOUNTANT

CLIENT:  
City of Opelousas  
107 North Third Street  
Opelousas, Louisiana  
LA 70554-1001

OFFICE:  
1101 Poydras Street  
Baton Rouge, Louisiana 70801  
Phone 848-6600

Board of Commissioners  
Housing Authority of Opelousas  
Opelousas, Louisiana

Department of Housing and  
Urban Development  
New Orleans, Louisiana

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

We have audited the financial statements of the Housing Authority of the City of Opelousas, Louisiana, as of and for the year ended June 30, 1997, and have issued our report thereon dated October 1, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Opelousas, Louisiana financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as item 1.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Housing Authority of the City of Opelousas, Louisiana internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting could not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



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



RICHARD C. USHER, C.P.A.

Opaloussa, Louisiana  
October 3, 1987

Richard C. Uffman  
CERTIFIED PUBLIC ACCOUNTANT

ISSUED  
AND RETURNED TO: OFFICE OF  
THE COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548  
OFFICIALS: OFFICIALS: OFFICIALS:  
OFFICIALS: OFFICIALS: OFFICIALS:

OFFICE  
1100 BUREAU BUILDING  
OFFICIALS: OFFICIALS: OFFICIALS:  
OFFICIALS: OFFICIALS: OFFICIALS:  
OFFICIALS: OFFICIALS: OFFICIALS:

Board of Commissioners  
Housing Authority of Opelousas  
Opelousas, Louisiana

Department of Housing and  
Urban Development  
New Orleans, Louisiana

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND INDIVIDUAL ENTITY OVER COMPLIANCE IN ACCORDANCE  
WITH ONE CIRCULAR A-133

Compliance

We have audited the compliance of the Housing Authority of the City of Opelousas, Louisiana, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1997. The Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on the Housing Authority of the City of Opelousas, Louisiana compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of the City of Opelousas, Louisiana compliance with those requirements.

As described in item 1 in the accompanying schedule of findings and questioned costs, the Housing Authority did not comply with requirements regarding the insurability of its deposits as required by Louisiana law, that are applicable to its low-income HAP program. Compliance with such requirements is necessary, in our opinion, for the Housing Authority to comply with requirements applicable to that program.

is our opinion, except for the noncompliance described in the preceding paragraph, the Housing Authority of the City of Opelousas, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1997.

#### Internal Control Over Compliance

The management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-113.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Housing Authority's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. 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 the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.



RICHARD C. URRAH, C.P.A.

Opelousas, Louisiana  
October 1, 1997

HOUSING AUTHORITY OF THE CITY OF OPELOUSAS  
Opelousas, Louisiana

BALANCE SHEET  
June 30, 1997

Annual Contributions Contract PA-1197

A S S E T S

Cash	\$	500,160.00
Debt amortization funds		508,359.52
Investments		390,806.08
Unearned charges		71,804.28
Land, structures and equipment		<u>25,812,513.32</u>
Total Assets		32,412,643.20

LIABILITIES AND EQUITY

Accounts payable	138,380.56
Deferred credits	384.78
Accrued liabilities	43,808.00
Fixed liabilities	<u>1,787,689.16</u>
Total liabilities	3,950,062.48
Reserve	<u>32,425,402.72</u>
Total liabilities and reserve	35,412,643.20

See notes to financial statements.

HEADING AUTHORITY OF THE CITY OF OLFERINE  
Olfersine, Louisiana

STATEMENT OF REVENUES AND EXPENDITURES - PWA CARRIED FORWARD  
Year Ended June 30, 1997

Annual Contributions Contract PA-1192

OPERATING INCOME

Revolving rental	\$	971,983.50
Excess utilities		<u>179,553.48</u>
		1,151,537.18
Interest on general fund investments		16,994.87
Other income		<u>12,583.36</u>
Total operating income		1,181,515.41

OPERATING EXPENDITURES

Administration	329,826.80	
Tenant Services	14,500.00	
Utilities	677,406.40	
Ordinary maintenance and operation	288,893.67	
Protective services	77,445.48	
General expenses	<u>213,321.43</u>	
Total operating expenditures	<u>1,548,393.78</u>	
Net operating loss	(	418,657.37)

OTHER CHARGES

Interest on bonds	<u>193,404.68</u>	
Total other charges	<u>193,404.68</u>	
Net loss	(	812,042.05)

See notes to financial statements.

BOARDING AUTHORITY OF THE CITY OF OPILOUSAS  
Oploousas, Louisiana

STATEMENT OF SURPLUS  
Year Ended June 30, 1997

Annual Contributions Contract PA-1187

OPERATING SURPLUS

Balance per audit at June 30, 1996	\$1 16,426,000.00
Net loss at June 30, 1997	1 813,942.00
Provision for operating reserves, June 30, 1997	1 87,485.00
Balance at June 30, 1997	1 17,108,717.00

RESERVED SURPLUS - OPERATING RESERVE

Balance per audit at June 30, 1996	684,719.78
Provision for operating reserves, June 30, 1997	51,489.00
Balance at June 30, 1997	736,208.78

COMBUSTIBLE AND CONTRIBUTIONS

Balance per audit at June 30, 1996	36,866,291.50
Averaging annual contribution, June 30, 1997	506,676.78
Operating subsidy, June 30, 1997	504,289.80
Comprehensive Grant Program funds - Fiscal year ended June 30, 1997	688,577.16
Balance at June 30, 1997	38,765,813.26

TOTAL SURPLUS	32,438,402.77
---------------	---------------

See notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF MONROE  
Monroe, Louisiana

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING  
ANNUAL CONTRIBUTIONS - PER ORGAS MONROE  
Year Ended June 30, 1967

Annual Contributions Contract No-1182

COMPUTATION OF RESIDUAL RECEIPTS

Operating Receipts

Operating income	\$ 1,120,536.40
HO operating subsidy	<u>284,208.08</u>
Total operating receipts	1,404,744.48

Operating Expenditures

Operating expenditures	1,546,382.38
Replacement of non-expendable equipment	<u>2,896.80</u>
Total operating expenditures	1,549,279.18

Residual receipts (deficit) per audit	\$1,495.60
---------------------------------------	------------

Provision for operating reserve	<u>81,495.08</u>
---------------------------------	------------------

Residual receipts (deficit)	.60
*****	

COMPUTATION OF ACCRUING CONTRIBUTIONS

Fixed Annual Contribution	<u>506,875.78</u>
---------------------------	-------------------

Accruing Annual Contribution	506,875.78
*****	

HOUSING AUTHORITY OF THE CITY OF OBERLIN  
Oberlin, Louisiana

STATEMENT OF RECONSTRUCTION COSTS -  
UNCOMPLETED AT JUNE 30, 1997

Annual Contributions Contract #A-1097

COMPREHENSIVE GRANT PROGRAM LA 1995 71794

Funds approved	\$ 886,561.00
Funds advanced	950,404.28
Funds expended	<u>768,141.80</u>
Excess of funds advanced over funds expended	182.48 *****

COMPREHENSIVE GRANT PROGRAM LA 1995 70495

Funds approved	\$ 938,434.00
Funds advanced	603,013.76
Funds expended	<u>603,014.06</u>
Excess of funds expended over funds advanced	\$ .30 *****

COMPREHENSIVE GRANT PROGRAM LA 1995 715-95

Funds approved	\$ 797,315.00
Funds advanced	747,711.33
Funds expended	<u>747,711.33</u>
Excess of funds advanced over funds expended	-0- *****



HOUSING AUTHORITY OF THE CITY OF Opelousas  
Opelousas, Louisiana

ANALYSIS OF GENERAL FUND CASH BALANCE  
AT JUNE 30, 1997

Annual Contributions Contract PA-1197

COMPLETION BEFORE ADJUSTMENTS

Net operating receipts retained:	
Operating reserves	\$ 756,204.79
Tenant security deposits	24,599.90
Residual receipts	83
Excess modernization funds on hand at June 30, 1997	282.14
Audit adjustments affecting general fund cash	( 78,430.97)
	<u>729,546.69</u>

ADJUSTMENTS

Expenses/costs not paid:	
Accounts payable	104,838.56
Accrued PFCF	47,406.08
Income received in advance:	
Deferred credits	<u>184.75</u>
General fund cash available	<u>687,970.01</u>

CASH APPLICATIONS OF GENERAL FUND CASH

Deferred charges	( 71,804.22)
Investments	( 200,068.03)
	<u>( 271,872.25)</u>
GENERAL FUND CASH	<u>518,185.81</u>

LEGISLATIVE AUTHORITY OF THE CITY OF OROUSSI  
 OROUSSI, LOUISIANA

SCHEDULE OF ADJUSTING JOURNAL ENTRIES  
 June 30, 1997

<u>Acct. No. for Audit Purpose</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>	<u>Acct. No. for P/B Books</u>
87A	(7) Prior year adjustment affecting res. receipts	\$ 78,470.87		6810.0
87A	Prior year adjustment not affecting res. receipts		\$ 78,470.87	6820.0
	To correctly record prior years adjusting entries affecting operating reserves.			
1400.4	(8) Land, structures & equip.	2,856.00		1400.4
2850.0	Unreserved surplus		2,856.00	2810.0
	To correctly record equipment additions for fiscal year ending June 30, 1997.			

HOUSING AUTHORITY OF THE CITY OF MONROE  
Monroe, Louisiana

SOURCE OF PRIOR AUDIT FINDINGS

No findings were noted in the previous audit report.

BOARD AUTHORITY OF THE CITY OF OPELOUSAS  
Opelousas, Louisiana

FINDINGS AND QUESTIONED COSTS

The following have been identified as major federal programs for the year ended June 30, 1987.

Federal Grant/Program Title	CFDA No.	Grant ID No.	Program Expenditures
U.S. Dept. of Housing and Urban Development:			
Low-Income HBP	54.852	FM-1197	\$1,311,085
Comp. Grant - 1985 Program	54.852	FM-1197	471,751

Item 1 - UNSECURED DEPOSITS

At June 30, 1987, the PWA had \$500,000 of its deposits unsecured by its fiscal agent bank. The problem appears to have been the bank's failure to replace pledged securities that were released on June 3, 1987. On October 1, 1987, following our discovery and recommendation to obtain the adequate pledges, the PWA received the appropriate pledges of securities from its fiscal agent bank. Although this finding is resolved, from June 3, 1987 until October 1, 1987, the PWA was in violation of Louisiana law regarding the insurability of its deposits.

This finding did not result in any questioned costs being recognized in this report.

The PWA should require monthly statements from its fiscal agent bank indicating the status of its pledged securities. In addition, no securities should be released until a pledge of replacements is obtained and is signed for by the appropriate official.