

HOUSING AUTHORITY OF THE CITY OF PINEVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 1995

Prior Audit Findings and Questioned Cost

There were no prior audit findings.

Current Audit Findings

None.

Questioned  
Cost

**ESTES & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS  
4800 AIRPORT FREIGHTWAY • SUITE 400  
FORT WORTH, TEXAS 76117

MEMPHIS  
MEMPHIS (901) 544-4800  
FAX (901) 544-0540

HOUSING AUTHORITY, CITY

HOUSING  
AUTHORITY, CITY OF PINEVILLE  
LOUISIANA

**Independent Auditors' Report on Compliance with  
Specific Requirements Applicable to Non-Major Federal  
Financial Assistance Program Transactions**

We have audited the financial statements of the Housing Authority of the City of Pineville, Louisiana, as of and for the twelve months ended December 31, 1996, and have issued our report thereon dated April 30, 1997.

In connection with our audit of the financial statements of the Housing Authority of the City of Pineville, Louisiana, as of and for the twelve months ended December 31, 1996, and with our consideration of the Authority's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain non-major federal financial assistance programs for the twelve months ended December 31, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; reporting; cost allocation; analysis of general fund cost-sharing; subsidy eligibility; fair market rent setting on housing assistance payments; rent reasonableness; housing quality standards; property inspections; annual rent adjustment limits; prohibition of the use of lead based paint in construction contracts; and CLAP procurement compliance that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Authority's compliance with these requirements. Accordingly, we do not express such an opinion.

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

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

*Estes and Associates*

Fort Worth, Texas  
April 30, 1997

**KOSTER & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS  
MEMBERSHIP FIRM - SAFTS 100  
SUITE 2000, TEXAS PRISM

MEMPHIS  
MEMPHIS (901) 524-4400  
DALLAS (972) 994-0400

MEMBER  
AMERICAN INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

MEMPHIS OFFICE OF

**Independent Auditor's Report on the Internal  
Control Structure in Accordance with  
Governmental Auditing Standards**

We have audited the financial statements of the Housing Authority of the City of Pineville, Louisiana, as of and for the twelve months ended December 31, 1996, and have issued our report thereon dated April 20, 1997.

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

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

In planning and performing our audit of the financial statements of City of Pineville, Louisiana, for the year ended December 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition

in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

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

### *Colby and Associates*

Fort Worth, Texas

April 30, 1997

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

*Estes and Associates*

Fort Worth, Texas  
April 30, 1967

normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

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

*Estes and Associates*

Fort Worth, Texas

April 30, 1987

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED DECEMBER 31, 1996ANNUAL CONTRIBUTION CONTRACT  
FR — 2115Unreserved Surplus

Balance per prior audit at 12-31-95	\$	(2,999,906.00)
Adjustment		(15,620.50)
Net loss for the year ended 12-31-96 - Exhibit B(3)		(223,365.24)
(Provision for) reduction of Operating Reserve for year ended 12-31-96 - Exhibit D(3)		(8,754.77)
(Provision for) reduction of Project Account for year ended 12-31-96 - Exhibit D(3)		(224,138.00)
Balance at 12-31-96		<u>(3,572,122.51)</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 12-31-95		24,795.54
Adjustment		0.43
Provision for (reduction of) Operating Reserve for the year ended 12-31-95 - Exhibit D(3)		(8,754.77)
Balance at 12-31-96	\$	<u>16,041.20</u>

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED DECEMBER 31, 1999ANNUAL CONTRIBUTION CONTRACT  
198 — 211E**Unreserved Surplus**

Balance per prior audit at 12-31-98	\$	(3,132,824.49)
Adjustment		(128,669.96)
Net loss for the year ended 12-31-99 - Exhibit G(2)		(190,769.97)
(Provision for) reduction of Operating Reserve for year ended 12-31-99 - Exhibit D(2)		(822.19)
(Provision for) reduction of Project Account for year ended 12-31-99 - Exhibit D(2)		(40,408.00)
Balance at 12-31-99		<u>(3,511,783.71)</u>

**Reserved Surplus - Operating Reserve**

Balance per prior audit at 12-31-98		32,484.97
Adjustment		0.45
Provision for (reduction of) Operating Reserve for the year ended 12-31-99 - Exhibit D(2)		822.19
Balance at 12-31-99	\$	<u>33,287.61</u>



## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED DECEMBER 31, 1996ANNUAL CONTRIBUTION CONTRACT  
PW — 1399Cumulative HUD Contributions

Balance per prior audit at 12-31-95	\$	8,037,725.46
Operating subsidy for year ended 12-31-96		<u>95,929.00</u>
Balance at 12-31-96		<u>8,134,654.46</u>

Cumulative HUD Grants

Balance per prior audit at 12-31-95		277,770.00
Advances for year ended 12-31-96		<u>240,606.00</u>
Balance at 12-31-96		<u>518,376.00</u>
Total Surplus - Exhibit A(1)	\$	<u>4,383,904.39</u>

HOUSING AUTHORITY OF THE CITY OF INNEVILLE  
 STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS  
 ANNUAL CONTRIBUTION CONTRACT  
FB – 1308

	Year Ended
	02-01-06
Operating Income	
Dwelling rental	\$ 182,240.00
Interest on general fund investments	4,222.18
Other income	916.55
Total Operating Income - Exhibit D(1)	187,448.73
Operating Expenses	
Administration	26,346.62
Tenant Expense	1,584.18
Utilities	26,466.76
Ordinary maintenance and operation	104,191.69
General expense	60,898.15
Nonroutine maintenance	(1,814.79)
Total Operating Expense - Exhibit D(1)	225,506.63
Net Operating Income (Loss)	(28,055.10)
Net Loss - Exhibit C(1)	\$ (28,055.10)

conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

Accounting Controls	Administrative Controls
Revenues, receivables, and cash receipts	Political activity
Procurement, payables, and cash disbursement	Davis-Bacon Act
Property and equipment	Civil rights
Payroll	Cash management
Finance, debt, debt service	Federal financial reports
	Allowable costs/Cost principles
	Drug Free Workplace Act
	Administrative requirements
	Types of services - allowability
	Eligibility
	Reporting
	Cost allocation
	Special requirements

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

During the year ended December 31, 1996, the Housing Authority of the City of Pineville, Louisiana, had no major federal financial assistance programs and expended 100 percent of its total federal financial assistance under nonmajor federal financial assistance programs: Low Income Housing, CIAP, Section 8.

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

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

**KOTER & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS  
4000 AIRPORT FREEWAY - SUITE 100  
IRVING, TEXAS 75039

PH: 972-352-1000  
METRO: (972) 424-4000  
FAX: (972) 352-0240

MEMBER  
AMERICAN INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

ISSUE DATE: APRIL 30, 1997

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

We have audited the financial statements of the Housing Authority of the City of Pineville, Louisiana, as of and for the twelve months ended December 31, 1996, and have issued our report thereon dated April 30, 1997.

We have applied procedures to test the Housing Authority of the City of Pineville, Louisiana's compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the twelve months ended December 31, 1996.

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

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

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

**ESTES & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS  
NEW AIRPORT FREEWAY - SUITE 300  
FORT WORTH, TEXAS 76117

TELEPHONE  
(817) 333-3333  
FAX  
(817) 333-3333

MEMBER  
AMERICAN INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

MEMBER, STATE CPA

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

We have audited the financial statements of the Housing Authority of the City of Pineville, Louisiana, as of and for the twelve months ended December 31, 1996, and have issued our report thereon dated April 30, 1997.

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

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

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

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

*Estes and Associates*

Fort Worth, Texas  
April 30, 1997

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

## ANALYSIS OF GENERAL FUND CASH BALANCE

## ANNUAL CONTRIBUTION CONTRACT

JW - 2115Composition Before Adjustments

Net operating receipts retained:

Operating reserves - Exhibit C (2)

\$ 66,827.66

Rounding

0.4166,828.07

## Adjustments

Expenses/costs not paid:

Accounts payable

109,609.15

Income not received:

Accounts receivable

0.00

General Fund Cash Available

226,487.41

General Fund Cash - Exhibit A(2)

\$ 226,487.41

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED DECEMBER 31, 1996ANNUAL CONTRIBUTION CONTRACT  
PA — 2115Project Account

Balance per prior audit at 12-31-95	\$	637,126.74
Adjustment		138,169.26
Provisions for (refunding of) Project Account for year ended 12-31-96 - Exhibit D(2)		<u>40,408.00</u>
Balance at 12-31-96		<u>734,887.99</u>

Cumulative HUD Contributions

Balance per prior audit at 12-31-95		2,619,406.20
Adjustment		(11,200.20)
Annual contribution for year ended 12-31-96 - Exhibit D(2)		<u>197,172.00</u>
Balance at 12-31-96	\$	<u>2,805,378.00</u>

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

ANALYSIS OF SURPLUS - STATUTORY BASIS  
TWELVE MONTHS ENDED DECEMBER 31, 1999ANNUAL CONTRIBUTION CONTRACT  
PW - 2115Project Account

Balance per prior audit at 12-31-98	\$	734,851.10
Adjustment		13,010.90
Provisions for (reduction of) Project Account for year ended 12-31-99 - Exhibit D(3)		<u>224,138.00</u>
Balance at 12-31-99		<u>523,724.00</u>

Cumulative HUD Contributions

Balance per prior audit at 12-31-98		1,368,484.90
Adjustment		2,917.10
Annual contribution for year ended 12-31-99 - Exhibit D(3)		<u>232,150.00</u>
Balance at 12-31-99		<u>1,603,552.00</u>
Total Surplus - Exhibit A(2)	\$	<u>79,518.13</u>



## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

ANALYSIS OF SURPLUS - STATUTORY BASIS  
TWELVE MONTHS ENDED DECEMBER 31, 1999ANNUAL CONTRIBUTION CONTRACT  
PW - 1329Unreserved Surplus

Balance per prior audit at 12-31-98	\$	(5,003,410.78)
Net loss for the year ended 12-31-99 - Exhibit B(1)		(28,055.10)
(Provision for) reduction of Operating Reserve for year ended 12-31-99 - Exhibit D(1)		<u>65,935.95</u>
Balance at 12-31-99		<u>(5,267,401.84)</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 12-31-98		142,940.61
Provision for (reduction of) Operating Reserve for the year ended 12-31-99 - Exhibit D(1)		<u>65,935.66</u>
Balance at 12-31-99 - Exhibit F(1)	\$	<u>208,276.27</u>

HOUSING AUTHORITY OF THE CITY OF PINEVILLE  
 STATEMENT OF INCOME AND EXPENSES — STATUTORY BASIS  
 ANNUAL CONTRIBUTION CONTRACT  
FW — 2115

		<u>Year Ended</u>
		<u>12-31-90</u>
Operating Income		
Interest income	\$	<u>3,281.59</u>
Total Operating Income - Exhibit D(2)		<u>3,281.59</u>
Operating Expenses		
Administration		35,214.47
Housing assistance payments		196,081.17
Independent public accountant audit costs		<u>481.10</u>
Total Operating Expense - Exhibit D(2)		<u>231,776.74</u>
Net Operating Income (Loss)		<u>(228,495.14)</u>
Net Loss - Exhibit C(2)	\$	<u>(228,495.14)</u>

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

## COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT  
PW — 1323

	Year Ended
	<u>12-31-86</u>
<b>Computation of Residual Receipts</b>	
<b>Operating Receipts</b>	
Operating income - Exhibit B(1)	\$ 197,448.73
HUD operating subsidy	<u>98,829.00</u>
Total Operating Receipts	<u>294,277.73</u>
<b>Operating Expenditures</b>	
Operating expenses - Exhibit B(1)	225,203.83
Capital expenditures:	
Replacement of nonexpendable equipment	<u>2,937.94</u>
Total Operating Expenditures	<u>228,141.77</u>
Residual receipts (deficit) per audit before provision for reserve	66,135.96
Audit adjustments (backed out)	<u>                    </u>
Residual receipts per PHA before provision for reserve	66,135.96
(Provision for) or reduction of operating reserve - Exhibit C(1)	<u>(66,135.96)</u>
Residual receipts per PHA	\$ <u>0.00</u>

HOUSING AUTHORITY OF THE CITY OF PINEVILLE  
 ANALYSIS OF GENERAL FUND CASH BALANCE  
 ANNUAL CONTRIBUTION CONTRACT  
FW-1309

## Composition Before Adjustments

Net operating receipts retained:		
Operating reserves - Exhibit C(1)	\$	208,278.77
Deficiency in operating reserves -		
- leased washer		(24,488.08)
Deferred credits		288.00
Delinquent modernization funds - Exhibit E		<u>(1,355.89)</u>
		182,711.90

## Adjustments

Expenses/credits not paid:		
Accounts payable		71,754.58
Accrued payments in lieu of taxes		16,877.02
Income not received:		
Accounts receivable		<u>(122,847.15)</u>

General Fund Cash Available 148,196.35

## General Fund Cash:

Applied to deferred charges		
(propaid insurance, inventories, etc.)		<u>(7,086.63)</u>
General Fund Cash - Exhibit A(1)	\$	<u>141,109.72</u>

HOUSING AUTHORITY OF THE CITY OF PINEVILLE  
 STATEMENT OF MODERNIZATION COSTS — UNCOMPLETED  
 DECEMBER 31, 1998

		Project 1995
Funds Approved	\$	<u>358,000.00</u>
Funds Expended		<u>243,621.89</u>
Excess of Funds Approved	\$	<u>114,378.11</u>
Funds Advanced	\$	242,206.00
Funds Expended		<u>243,621.89</u>
Deficiency of Funds Advanced - Exhibit F(1)	\$	<u>(1,355.89)</u>

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT -- OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAMANNUAL CONTRIBUTION CONTRACT  
FW - 2113

	Year Ended
	<u>12-31-96</u>
Status of Project Account	
Project account balance at the beginning of fiscal year	\$ 747,662.00
Increase (decrease) during fiscal year - Exhibit C(2)	<u>224,138.00</u>
	<u>972,000.00</u>
Provision for Operating Reserve	
Operating receipts	
Operating income - Exhibit E(3)	3,381.50
Annual contributions earned	<u>232,150.01</u>
	<u>235,531.51</u>
Operating Expenditures	
Operating expenses - Exhibit B(3)	<u>228,776.74</u>
	<u>228,776.74</u>
Residual receipts (deficit) before provision for operating reserve	8,754.77
Audit adjustments - backed out	
(Provision for) reduction of operating reserve - Exhibit C(2)	<u>(8,754.77)</u>
Residual receipts (deficit) per PHA	\$ <u>0.00</u>

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT - OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAMANNUAL CONTRIBUTION CONTRACT  
2011-2012

	Year Ended
	<u>12-31-06</u>
Maximum Contribution Available	
Maximum annual contribution authorized	\$ 455,288.00
Project account balance at beginning of fiscal year	<u>747,862.00</u>
Total Annual Contribution Available	<u>1,203,150.00</u>
Annual Contribution Required	
Housing assistance payments	199,061.17
Administrative fee	36,733.00
Hard-to-house fee	135.00
Independent public accountant audit costs	<u>481.50</u>
	236,410.67
Project receipts other than annual contribution	<u>1,280.26</u>
Total Contribution Required - Exhibit C(2)	<u>232,150.01</u>
Excess in Annual Contribution Available	\$ <u>971,000.00</u>
Year-end Settlement	
Annual contribution due for fiscal year	232,150.00
Total partial payments received by PHA for fiscal year	<u>250,894.00</u>
(Over) Under Payment Due (HUD) PHA	\$ <u>[28,254.00]</u>

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT — OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAMANNUAL CONTRIBUTION CONTRACT  
PA — 2115

	Year Ended
	<u>12-31-66</u>
Status of Project Account	
Project account balance at the beginning of fiscal year	\$ 675,000.00
Increase (decrease) during fiscal year - Exhibit C(2)	<u>40,600.00</u>
	715,600.00
Provision for Operating Reserve	
Operating receipts	
Operating income - Exhibit D(2)	2,262.40
Annual contributions earned	<u>197,171.58</u>
	199,433.98
Operating Expenditures	
Operating expenses - Exhibit E(2)	193,082.27
Property betterments and additions	<u>5,579.42</u>
	198,661.79
Residual receipts (deficit) before provision for operating reserve	62.19
Audit adjustments - backed out	
(Provision for) reduction of operating reserve - Exhibit C(2)	<u>(62.19)</u>
Residual receipts (deficit) per PHA	\$ 0.00



## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT -- OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAMANNUAL CONTRIBUTION CONTRACT  
PW - 2113

		Year Ended
		<u>12-31-86</u>
Maximum Contribution Available		
Maximum annual contribution authorized	\$	237,580.00
Project account balance at beginning of fiscal year		<u>675,286.00</u>
Total Annual Contribution Available		<u>912,866.00</u>
Annual Contribution Required		
Housing assistance payments		189,231.00
Administrative fee		27,941.00
Hard-to-house fee		125.00
Independent public accountant audit costs		<u>349.30</u>
		187,646.30
Project receipts other than annual contribution		<u>483.72</u>
Total Contribution Required - Exhibit C(2)		<u>187,171.58</u>
Excess in Annual Contribution Available	\$	<u>715,694.42</u>
Year-end Settlement		
Annual contribution due for fiscal year		597,172.00
Total partial payments received by PHA for fiscal year		<u>202,210.00</u>
(Over) Under Payment Due (HMD) PHA	\$	<u>(18,132.00)</u>

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

## SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 1999

<u>FEDERAL GRANTOR</u> <u>PROGRAM TITLE</u>	<u>CDFA</u> <u>NO.</u>	<u>GRANT</u> <u>ID NO.</u>	<u>AWARD</u> <u>AMOUNT</u>	<u>PROGRAM</u> <u>EXPENDITURES</u>
U.S. Department of Housing and Urban Development				
Direct Programs:				
Low-Income Housing				
Annual Contribution	14.050	FW- 1309	\$ 0.00	\$ 0.00
Operating Subsidy	14.050	FW- 1309	<u>99,929.00</u>	<u>99,929.00</u>
NonMajor Program Total			<u>99,929.00</u>	<u>99,929.00</u>
Section 8 Map -				
Existing	14.199	FW- 2115	<u>197,171.58</u>	<u>197,171.58</u>
NonMajor Program Total			<u>197,171.58</u>	<u>197,171.58</u>
Vouchers	14.177	FW- 2115	<u>232,150.01</u>	<u>232,150.01</u>
NonMajor Program Total			<u>232,150.01</u>	<u>232,150.01</u>
Comprehensive				
Improvement				
Assistance Program				
Project 1993	14.662	FW- 1309	<u>340,606.00</u>	<u>340,606.00</u>
NonMajor Program Total			<u>340,606.00</u>	<u>340,606.00</u>
Total HUD			\$ <u>769,855.59</u>	\$ <u>769,855.59</u>

HOUSING AUTHORITY OF THE CITY OF PINEVILLE

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

(6) Cash and Cash Equivalents

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

(7) Tenant Receivables

Receivables for rents and service charges are reported in the General Fund, net of allowances for doubtful accounts amounting to \$ 0 at December 31, 1996.

(8) Interfund Transactions

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

(9) General Fixed Assets

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

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

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SERVICES  
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HOUSING AUTHORITY OF THE CITY OF PINEVILLE, LOUISIANA

REPORT ON EXAMINATION OF  
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

TWELVE MONTHS ENDED DECEMBER 31, 1998

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or reviewed, and by and other appropriate public officials. This 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 Jan 28 1999

**Ernst & Associates**  
Certified Public Accountants

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**ESTES & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS  
1400 AIRPORT FREEWAY - SUITE 100  
FARM WOODS, TEXAS 75117

800 455-0000  
METRO 610-64-6000  
FAX 610-64-6000

MEMBER  
AMERICAN INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

MEMBER AICPA, CPA, CFP

**Report of Independent Certified Public Accountants  
on Financial Statements and Financial Schedules**

Board of Commissioners  
Housing Authority of the  
City of Pineville  
Pineville, Louisiana

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

We have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of the Housing Authority of the City of Pineville, Louisiana (the Authority) as of December 31, 1996, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." 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 Pineville, Louisiana as of December 31, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Housing Authority of the City of Pineville, Louisiana as of December 31, 1996, and the results of operations of such funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated April 30, 1997, on our consideration of the Authority's system of internal control and a report dated April 30, 1997, on its compliance with laws and regulations.

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

*Estes and Associates*

Fort Worth, Texas

April 30, 1997



HOUSING AUTHORITY OF THE CITY OF RINGVILLE  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES AND ACCOUNT GROUPS  
 DECEMBER 31, 1999

	Governmental Fund Types			Primary Fund Types		Account Group		Total (Major Account Only)
	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General Fund Assets	General Long-Term Debt		
4502175								
Cash and cash equivalents	\$ 155,478.72	\$ 226,462.41	\$	\$ 5,000.00	\$	\$	\$ 387,941.13	
Receivables, net of allowances		222.22					222.22	
Due from								
Other								
Other funds	124,300.04						124,300.04	
Prepaid expenditures	7,288.62				3,262,318.27		7,288.62	
Property, plant and equipment							3,262,318.27	
Total Assets	\$ 287,067.38	\$ 226,747.47	\$ 0.00	\$ 5,000.00	\$ 3,265,618.27	\$ 0.00	\$ 4,448,732.27	

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

HOUSING AUTHORITY OF THE CITY OF PINEVILLE

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS (Continued)  
DECEMBER 31, 1998

	Governmental Fund Types				Fiduciary Fund Types		Account Groups		Total (Major/Minority Diff)
	General	Special Revenue		Debt Service	Capital Projects	Total Fund and Agency	General Long Term Debt		
		120,947.15	30,872.00				1,352.00	0.00	
<b>LIABILITIES</b>	\$ 65,024.08	\$	\$	\$	\$	\$	\$	\$	64,124.58
Accounts payable	79,877.00								19,977.00
Accrued liabilities					9,800.00				9,800.00
Due to:									
Tennessee		120,947.15		1,352.00					129,299.14
Other Funds		30,872.00							30,872.00
Other governments	280.20								280.20
Deferred revenue									
<b>Total Liabilities</b>	<b>93,081.80</b>	<b>159,919.15</b>	<b>0.00</b>	<b>1,352.00</b>	<b>9,800.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>249,952.94</b>
<b>FUND EQUITY</b>									<b>3,970,918.47</b>
Investment in general fund assets				11,284.84					11,284.84
Fund balances:									
Reserved for capital projects	90,807.78	88,800.20	0.00	11,284.84					190,892.82
Unreserved:									
Unobligated	180,807.78	89,800.20							270,607.98
<b>Total Fund Equity</b>	<b>90,807.78</b>	<b>89,800.20</b>	<b>0.00</b>	<b>11,284.84</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,908,795.51</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 203,989.58</b>	<b>\$ 239,719.35</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 9,800.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 4,448,758.27</b>

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

**HOUSING AUTHORITY OF THE CITY OF PINEVILLE**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
YEAR ENDED DECEMBER 31, 1999**

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<b>REVENUES</b>					
Fees/fees	\$ 106,240.00	\$	\$	\$	\$ 106,240.00
Intergovernmental	68,629.00	429,021.50		240,805.00	738,695.50
Interest	4,280.18	5,943.80			10,223.98
Other	916.55				916.55
<b>Total Revenues</b>	<u>179,865.73</u>	<u>434,965.30</u>	<u>0.00</u>	<u>240,805.00</u>	<u>855,636.03</u>
<b>EXPENDITURES</b>					
Administration	25,248.82	64,496.94			89,745.76
Utilities	25,458.70				25,458.70
Ordinary maintenance	181,191.89				181,191.89
Tenant services	1,184.78				1,184.78
General expenditures	60,926.15				60,926.15
Extraordinary maintenance	1,874.79				1,874.79
Housing assistance payments		385,312.17			385,312.17
Capital expenditures	3,607.84	5,076.40		241,042.34	249,726.58
<b>Total expenditures</b>	<u>228,417.77</u>	<u>425,585.51</u>	<u>0.00</u>	<u>241,042.34</u>	<u>895,045.62</u>
Excess (deficiency) of revenues over (under) expenditures	<u>51,447.96</u>	<u>9,379.79</u>	<u>0.00</u>	<u>(102.34)</u>	<u>70,725.40</u>
<b>OTHER FINANCING SOURCES/USES</b>					
Operating transfers in					0.00
Operating transfers out					0.00
<b>Total other financing sources/uses</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>FUND BALANCE, beginning of year</b>	<u>117,871.83</u>	<u>57,251.50</u>		<u>(916.55)</u>	<u>174,206.78</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 169,319.79</u>	<u>\$ 66,631.29</u>	<u>\$ 0.00</u>	<u>\$ (1,286.89)</u>	<u>\$ 234,664.19</u>

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

HOUSING AUTHORITY OF THE CITY OF PINEVILLE

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET (DAMP BASIS) AND ACTUAL

GENERAL FUND AND SPECIAL REVENUE FUNDS

YEAR ENDED DECEMBER 31, 1994

	General Fund		Special Revenue Funds	
	Budget	Actual	Budget	Actual
REVENUES				
Fees	\$183,800.00	\$183,240.00	\$180.00	\$
Miscellaneous	86,000.00	86,000.00	0.00	(86,873.41)
Interest	2,000.00	4,202.18	2,000.00	2,443.00
Other Income	200.00	818.53	210.00	8.00
Total Revenues	<u>\$292,000.00</u>	<u>\$294,270.71</u>	<u>\$492,010.00</u>	<u>\$17,388.59</u>
EXPENDITURES				
Administration	38,084.00	38,348.62	30,708.00	34,488.84
Utilities	23,700.00	23,460.19	2,100.00	0.00
Building maintenance	104,000.00	104,181.20	1186.11	0.00
Transportation	1,200.00	1,704.18	715.62	0.00
General supplies	50,000.00	60,008.15	2,000.00	0.00
Subsidiary maintenance		17,814.70	0.00	0.00
Housing assistance payments		2,907.84	295,889.00	362,792.17
Capital expenditures	8,100.00	5,081.94	15,700.00	10,000.00
Total Expenditures	<u>\$293,384.00</u>	<u>\$298,441.77</u>	<u>\$499,298.00</u>	<u>\$8,679.02</u>
Excess (shortage) of revenues over (under) expenditures	\$1,616.00	\$5,828.94	\$1,712.00	\$8,709.57
Transfer of net income to unreserved funds				
FUND BALANCES, beginning of year				
FUND BALANCES, end of year	\$1,616.00	\$7,657.88	\$1,712.00	\$17,419.14

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

HOUSING AUTHORITY OF THE CITY OF RINEVILLE

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 (BUDGET (GAAP BASIS) AND ACTUAL  
 DEBT SERVICE AND CAPITAL PROJECTS FUNDS  
 YEAR ENDED DECEMBER 31, 1999)

	Debt Service Fund			Capital Projects Funds		
	Budget	Actual	Over/Under Budget	Budget	Actual	Over/Under Budget
REVENUES						
Intergovernmental	\$	\$	0.00	\$40,858.08	\$	0.00
Total Revenues	0.00	0.00	0.00	\$40,858.08	0.00	0.00
EXPENDITURES						
Capital expenditures			0.00	241,042.34		147,375
Total Expenditures	0.00	0.00	0.00	\$40,858.00	241,042.34	147,375
Excess (deficiency) of revenues over funded expenditures	0.00	0.00	0.00	\$	147,341	\$ (407,040)
Transfers of net income to (in arrears) debit						
FUND BALANCES, beginning of						
FUND BALANCES, end of year						
		\$ 0.00			\$ 0.00	
					\$ 1,268,098	
					\$ 1,268,098	

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

HOUSING AUTHORITY OF THE CITY OF PINEVILLE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

(1) **Financial Reporting Entity**

Generally accepted accounting principles require that the financial statements present the accounts and operations of the Authority and its component units, entities for which the Authority is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations and data from these units, if any, are combined with data of the Authority. Each discretely presented component unit, if any, would be reported in a separate column in the combined financial statements to emphasize that it is legally separate from the Authority. As of December 31, 1996, and for the fiscal year then ended, the Authority had no discretely presented component units or any component units required to be blended in these financial statements.

(2) **Fund Accounting**

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

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

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

BALANCE SHEET -- STATUTORY BASIS  
DECEMBER 31, 1995ANNUAL CONTRIBUTION CONTRACT  
EW - 1369ASSETS

Cash - Exhibit F(1)	\$	541,109.72
Accounts receivable - other		132,647.15
Deferred charges		7,096.83
Land, structures and equipment		<u>4,181,452.49</u>
Total Assets	\$	<u>4,452,306.99</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	71,754.58
Accrued liabilities		16,877.02
Deferred credits		<u>280.00</u>
Total Liabilities		88,911.60
Surplus - Exhibit C(1)		<u>4,363,394.39</u>
Total Liabilities and Surplus	\$	<u>4,452,306.99</u>

HOUSING AUTHORITY OF THE CITY OF PINEVILLE

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1994

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**ACCOUNT GROUPS**

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

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

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

(4) **Basis of Accounting**

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

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

(5) **Budgetary Data**

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

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



HOUSING AUTHORITY OF THE CITY OF PINEVILLE  
 SPECIAL REVENUE FUND TYPES  
 COMBINED BALANCE SHEET  
 DECEMBER 31, 1998

	Assisted Housing Programs		
	Childing Units Program	Weather Programs	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 180,000.00	80,373.61	\$ 260,373.61
Receivables, net of allowance:			
Other	285.00	-	285.00
Total Assets	\$ 180,285.00	80,373.61	\$ 260,658.61
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES:</b>			
Due to:			
Other funds	120,947.15		120,947.15
Other governments	10,138.00	28,804.80	38,942.80
Total liabilities	131,085.15	28,804.80	159,890.00
<b>FUND EQUITY</b>			
Unreserved and unencumbered	30,308.45	51,568.81	81,877.26
Total fund equity	30,308.45	51,568.81	81,877.26
Total liabilities and fund equity	\$ 161,393.60	80,373.61	\$ 241,767.21

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

HOUSING AUTHORITY OF THE CITY OF PINEVILLE

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(10) General Long-Term Debt

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

(11) Compensated Absences

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

(12) Total Columns on Combined Statements

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

NOTE B - CASH AND INVESTMENTS

Cash and investments are insured as follows:

FDIC Insurance	\$	100,000.00
Collateralized by pledged securities		<u>267,577.13</u>
	\$	<u>367,577.13</u>

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

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

## NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1996

## NOTE C - ACTIVITIES OF THE PHA

At December 31, 1996, the PHA was managing 120 units of low-rent in two projects under Program PW - 1309, 79 units of section 8 existing, and 95 units of section 8 vouchers under Program PW - 2115.

## NOTE D - CONTINGENCIES

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

## NOTE E - PROPERTY, PLANT AND EQUIPMENT

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

	<u>Beg. of Period</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Period</u>
Land, land improvements	\$ 453,982.87	\$	\$	\$ 453,982.87
Buildings	3,090,511.42	276,199.80		3,366,711.22
Equipment	181,547.72	8,517.35		190,065.07
Total	\$ 3,626,041.99	\$ 284,717.15	\$ 0.00	\$ 3,910,759.14

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

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

HOUSING AUTHORITY OF THE CITY OF PINEVILLE

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1995

NOTE F - RETIREMENT PLAN

The entity provides benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. The employee contributes 6 % and the entity contributes 8.5 % 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 30% annually for each year of participation. An employee is fully vested after 5 years of participation.

Contributions to the plan were \$ 8,660.76 and \$ 8,571.91 by the employee and the entity, respectively.

NOTE G - DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Investments

The carrying amount approximates fair value because of the short maturity of these instruments.

Long Term Debt

It is not possible to estimate the fair value of long term debt owed to the federal government by this governmental entity, a housing authority. The housing authority is unable, by law, to secure long term financing from any other source. FASB 107 describes fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

NOTE H - ACCOUNTING FOR THE IMPAIRMENT OF LONG - LIVED ASSETS

The full amount of the carrying value of buildings and land improvements are deemed recoverable from future cash flows.

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

HOUSING AUTHORITY OF THE CITY OF FINEVILLE

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1996

NOTE 1 - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of these financial statements requires the use of estimates by management. No significant estimates have been made by management that require disclosure.

HOUSING AUTHORITY OF THE CITY OF PINEVILLE  
 STATEMENT OF INCOME AND EXPENSES — STATUTORY BASIS  
 ANNUAL CONTRIBUTION CONTRACT  
FW — 2112

		Year Ended
		12-31-86
Operating Income		
Interest income	\$	2,262.40
Total Operating Income - Exhibit D(2)		2,262.40
Operating Expenses		
Administration		20,453.07
Housing assistance payments		169,531.00
Independent public accountant audit costs		348.30
Total Operating Expense - Exhibit D(2)		190,332.37
Net Operating Income (Loss)		(188,069.97)
Net Loss - Exhibit C(2)	\$	(188,069.97)

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

BALANCE SHEET - STATUTORY BASIS  
DECEMBER 31, 1998ANNUAL CONTRIBUTION CONTRACT  
FW - 2112ASSETS

Cash - Exhibit F(2)	\$	206,467.41
Land, structures and equipment		<u>12,667.87</u>
Total Assets	\$	<u>219,135.28</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	122,007.15
Accounts payable - HUD - Exhibit D(3) & D(3)		<u>36,972.00</u>
Total Liabilities		158,979.15
Surplus - Exhibit C(2)		<u>79,516.13</u>
Total Liabilities and Surplus	\$	<u>238,495.28</u>

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

## COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT  
PW - 1998

		<u>Year Ended</u>
		<u>12-31-98</u>
<u>Composition of Accruing Annual Contributions</u>		
Fixed annual contribution	\$	<u>0.00</u>
Total Annual Contribution	\$	<u>0.00</u>



HOUSING AUTHORITY OF THE CITY OF PINEVILLE  
 FIDUCIARY FUNDS  
 SCHEDULE OF CHANGES IN DEPOSITS DUE TO OTHERS  
 DECEMBER 31, 1995

	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
DEPOSIT BALANCES AT BEGINNING OF YEAR	\$ 5,545.00	\$ 5,545.00
ADDITIONS		
Receipts from tenants	<u>85.00</u>	<u>85.00</u>
Total Additions	<u>85.00</u>	<u>85.00</u>
DEPOSIT BALANCES AT END OF YEAR	\$ <u>5,630.00</u>	\$ <u>5,630.00</u>

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

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

FIDUCIARY FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 1998

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	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 5,000.00	\$ 5,000.00
Total Assets	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>
<b>LIABILITIES</b>		
Due to tenants	\$ 5,000.00	\$ 5,000.00
Total Liabilities	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>

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

HOUSING AUTHORITY OF THE CITY OF PINEVILLE  
 CAPITAL PROJECT FUND TYPES  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 DECEMBER 31, 1996

	GAP Housing Programs	
	GAP 1995	Total
REVENUES		
Intergovernmental	\$ 243,000.00	\$ 243,000.00
Total Revenues	243,000.00	243,000.00
EXPENDITURES		
Capital expenditures	201,000.00	201,000.00
Total Expenditures	201,000.00	201,000.00
Excess (deficiency) of revenues over (under) expenditures	(58,000.00)	(58,000.00)
FUND BALANCE, beginning of year	(988.00)	(988.00)
FUND BALANCE, end of year	\$ (1,568.00)	\$ (1,568.00)

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

HOUSING AUTHORITY OF THE CITY OF PRINCEVILLE

CAPITAL PROJECT FUND TYPES  
COMBINING BALANCE SHEET  
DECEMBER 31, 1998

CMAP Housing Programs

	CMAP 1998	Total
<b>ASSETS</b>		
Total Assets	\$ 0.00	\$ 0.00
<b>LIABILITIES AND FUND EQUITY</b>		
<b>LIABILITIES</b>		
Due to		
Other funds	1,285.00	1,285.00
Total liabilities	1,285.00	1,285.00
<b>FUND EQUITY</b>		
Received for capital projects	(1,285.00)	(1,285.00)
Total fund equity	(1,285.00)	(1,285.00)
Total liabilities and fund equity	\$ 0.00	\$ 0.00

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

## HOUSING AUTHORITY OF THE CITY OF PINEVILLE

SPECIAL REVENUE FUND TYPES  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
DECEMBER 31, 1998

	Annexed Housing Programs		
	Existing Units Program	Weather Program	Total
REVENUES			
Intergovernmental	\$ 187,371.58	\$ 232,150.81	\$ 429,522.39
Interest	2,292.40	3,381.80	5,674.20
Total Revenues	189,663.98	235,532.61	425,196.59
EXPENDITURES			
Administration	23,805.37	28,895.57	52,700.94
Housing assistance payments	189,231.08	188,881.17	378,112.25
Capital expenditures	5,278.42		5,278.42
Total Expenditures	198,314.87	217,776.74	416,091.61
Excess (deficiency) of revenues over (under) expenditures	\$ 2,292.40	\$ 17,755.87	\$ 20,048.27
FUND BALANCE, beginning of year	\$ 24,466.26	\$ 24,768.04	\$ 49,234.30
FUND BALANCE, end of year	\$ 26,758.66	\$ 28,523.91	\$ 55,282.57

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

HOUSING AUTHORITY OF THE CITY OF PINEVILLE

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(3) Fund Accounting (continued)

GOVERNMENTAL FUNDS

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

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

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

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

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

FIDUCIARY FUNDS

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

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

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