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HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

SUMMARY OF AUDITOR'S RESULTS AND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of Auditor's Results

- A. We issued an unqualified opinion on the Housing Authority of Gueydan, Louisiana for the audit of its financial statements for the year ended June 30, 1997.
- B. No reportable conditions in internal control were disclosed by our audit of the financial statements.
- C. The audit did not disclose any noncompliance which is material to the financial statements.
- D. No reportable conditions in internal control were disclosed by our audit over major programs.
- E. We issued an unqualified opinion on compliance for major programs.
- F. Our audit disclosed no audit findings that we are required to report under 510(x) of OMB Circular A-133.
- G. Major programs are as follows, and see Schedule of Federal Expenditures for CFDA numbers and amounts:
 - 1. Low Income Housing
 - 2. OIAP
- H. The dollar threshold to distinguish Type A and Type B programs is \$ 300,000.
- I. The Housing Authority of Gueydan, Louisiana qualified for the year ended June 30, 1997 as a low-risk auditee.

Schedule of Findings and Questioned Costs

- J. There are no findings in these financial statements that are required to be reported in accordance with 5A03AS.
- K. There are no audit findings or questioned costs for Federal awards which shall include audit findings as described in 510(x) of OMB Circular A-133.

ESTES & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
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FORT WORTH, TEXAS 76117

8571 50.000
857120 500.000
857 500.000

10/10/00
CERTIFIED ACCOUNTING AND TAX SERVICE
FIRM: 10/10/00/00

10/10/00 10/10/00

Independent Auditor's Report

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

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

We have audited the accompanying general-purpose financial statements and the combining and individual fund and account group financial statements of the Housing Authority of the Town of Greysden, 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 of the Town of Greysden, Louisiana'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, the authority's policy is to prepare its financial statements on the basis of accounting practices prescribed or permitted by the Department of Housing and Urban Development, which is a comprehensive basis of accounting other than generally accepted accounting principles. This report is intended solely for filing with the Department of Housing and Urban Development and is not intended for any other purpose.

In our opinion, the general-purpose financial statements and the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the Town of Greysden, Louisiana as of June 30, 1997 and the results of its operations and changes in its surplus for the year then ended, on the basis of accounting described in Note A.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 30, 1997 on our consideration of Housing Authority of the Town of Gueydan's 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 statement of the Housing Authority of the Town of Gueydan, 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, *Apply to States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. 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.

Estes and Associates

Ft. Worth, Texas
October 30, 1997

HOUSING AUTHORITY OF THE TOWN OF BUEYDAM

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1987

	Governmental Fund Types			Activity Fund Types		Annual Drives		
	General	Special Revenues	Debt Services	Capital Projects	Trust and Agency	General Fund Assets	General Long-Term Debt	Total (Governmental Driv)
Cash and cash equivalents	\$ 9,258.24	\$	\$	\$	\$ 1,725.00	\$	\$	\$ 10,983.24
Investments	5,638.27							5,638.27
Receivables, net of allowances								
Prepaid								
Property, plant and equipment								
						1,344,025.82		1,344,025.82
Total Assets	\$ 24,896.51	\$ 8.08	\$ 8.08	\$ 8.85	\$ 1,725.00	\$ 1,344,025.82	\$ 8.00	\$ 1,387,962.00

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

HOUSING AUTHORITY OF THE TOWN OF QUERSTAD

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS (Continued)
JUNE 30, 1997

	Governmental Fund Types				Priority Fund Types		Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	Trust	General Assets	Long Term Debt	Total (Miscellaneous Debt)
LIABILITIES AND FUND EQUITY									
LIABILITIES									
Accounts Payable	\$ 1,944.89								\$ 1,944.89
Due to Taxes					1,728.00				1,728.00
Total Liabilities	1,944.89	0.00	0.00	0.00	1,728.00		0.00	0.00	3,682.89
FUND EQUITY						1,844,008.00			1,844,008.00
Investment in general fund assets									
Fund Balances:									
Unassigned	18,056.42								18,056.42
Total Fund Equity	18,056.42	0.00	0.00	0.00	0.00	1,844,008.00		0.00	1,862,064.44
Total Liabilities and Fund Equity	\$ 20,001.31	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,728.00	\$ 1,844,008.00	\$ 0.00	\$ 0.00	\$ 1,887,892.00

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1997**

	Governmental Fund Types				Total (Miscellaneous Only)
	General	Special Revenue	Debt Service	Capital Projects	
REVENUES					
Rentals	\$ 30,976.77	\$	\$	\$	\$ 31,976.77
Intergovernmental	17,480.00			77,226.00	94,946.00
Interest	289.88				289.88
Other	1,264.27				1,264.27
Total Revenues	50,010.92	0.00	0.00	77,226.00	128,170.92
EXPENDITURES					
Administration	14,856.00				14,856.00
Utilities	11,526.00				11,526.00
Ordinary maintenance	4,326.81				4,326.81
General expenditures	12,411.04				12,411.04
Capital expenditures	1,040.50			77,226.00	78,266.50
Total expenditures	44,200.40	0.00	0.00	77,226.00	121,426.40
Excess (deficiency) of revenues over (under) expenditures	4,747.41	0.00	0.00	0.00	4,747.41
OTHER FINANCING SOURCES(USES)					
Operating transfers in					0.00
Operating transfers out					0.00
Total other financing sources(uses)	0.00	0.00	0.00	0.00	0.00
FUND BALANCE, beginning of year	18,188.01				18,188.01
FUND BALANCE, end of year	\$ 19,096.42	\$ 0.00	\$ 0.00	\$ 0.00	\$ 19,096.42

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

HOUSING AUTHORITY OF THE TOWN OF GURYOON

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND AND SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1997**

	General Fund		Special Revenue Funds		Over (Under) Budget
	Budget	Actual	Budget	Actual	
REVENUES					
Fees	\$ 24,620.00	\$ 21,379.37	\$	\$	\$ 0.00
Intergovernmental	17,400.00	17,400.00			0.00
Interest	150.00	289.85			0.00
Other income	200.00	1,284.27			0.00
Total Revenues	<u>\$2,870.00</u>	<u>\$2,953.49</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
EXPENDITURES					
Administration	16,840.00	14,388.29			0.00
Utilities	16,700.00	12,528.85			0.00
Ordinary maintenance	7,200.00	4,208.81			0.00
General expenditures	16,800.00	13,477.21			0.00
Capital expenditures	1,600.00	1,044.55			0.00
Total Expenditures	<u>\$57,140.00</u>	<u>\$45,647.61</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (4,270.00)	\$ 4,345.81	\$ 0.00	\$ 0.00	\$ 0.00
Transfer of net income to unreserved deficit					
FUND BALANCES, beginning of year		<u>15,100.00</u>			
FUND BALANCES, end of year		<u>\$ 10,854.19</u>		<u>\$ 0.00</u>	

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

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 DEBT SERVICE AND CAPITAL PROJECTS FUNDS
 YEAR ENDED JUNE 30, 2007

	Debt Service Fund			Capital Projects Fund		
	Budget	Actual	Over/Under Budget	Budget	Actual	Over/Under Budget
REVENUES						
Intergovernmental						
Total Revenues	0.00	0.00	0.00	\$ 77,278.00	\$ 77,000.00	\$ 0.00
EXPENDITURES						
Capital expenditures						
Total Expenditures	0.00	0.00	0.00	77,278.00	77,200.00	0.00
Excess (shortage) of revenues over (under) expenditures	0.00	0.00	0.00	0.00	0.00	0.00
Transfer of net revenues to unassigned funds						
FUND BALANCES, beginning of year						
FUND BALANCES, end of year						
		\$ 0.00			\$ 0.00	

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS JUNE 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

(1) Financial Reporting Entity

Generally accepted accounting principles require that the financial statements present the accounts and operations of the Authority and its component units, entities for which the Authority is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations and data from these units, if any, are combined with data of the Authority. Each discretely presented component unit, if any, would be reported in a separate column in the combined financial statements to emphasize that it is legally separate from the Authority. As of June 30, 1997, 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 TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)
JUNE 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(2) 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.

HOUSING AUTHORITY OF THE TOWN OF GLEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1997

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-Cost Housing Programs, 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 grantor approval.

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

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)
JUNE 30, 1997

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 portions 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 forward 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 June 30, 1997.

(8) Interfund Transactions

During the course of normal operations, the Authority has numerous transactions between funds to provide services, construct assets, and service debt. Those transactions are generally reflected as operating transfers except for transactions reimpairing 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.

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)
JUNE 30, 1997

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

At June 30, 1997, the Authority had invested excess funds as follows:

	Amount
Certificate of Deposits	\$ <u>6,838.27</u>
	\$ <u>6,838.27</u>

Cash and investments are insured as follows:

FDIC Insurance	\$ <u>17,822.61</u>
	\$ <u>17,822.61</u>

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)
JUNE 30, 1997

NOTE C - ACTIVITIES OF THE PHA

At June 30, 1997, the PHA was managing 34 units of low-rent in two projects under Program PW - 122.

NOTE D - CONTINGENCIES

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

NOTE E - PROPERTY, PLANT AND EQUIPMENT

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

	Beg. of Period	Additions	Deletions	End of Period
Land, land impets.	\$ 290,418.99	\$	\$	\$ 290,418.99
Buildings	804,042.75			804,042.75
Equipment	38,526.81	1,080.50		39,607.31
Total	\$ 1,042,988.55	\$ 1,080.50	\$ 0.00	\$ 1,044,069.05

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 TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1997

NOTE F - 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 G - 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.

NOTE H - 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.

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

HOUSING AUTHORITY OF THE TOWN OF GUSTADAN

CAPITAL PROJECT FUND TYPES
COMBINING BALANCE SHEET
JUNE 30, 1987

CMAP Housing Programs

	CMAP 1986	CMAP 1985	Total
ASSETS			
Total Assets	\$ 0.00	\$ 0.00	\$ 0.00
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Total liabilities	0.00	0.00	0.00
FUND EQUITY			
Reserves for capital projects			0.00
Total fund equity	0.00	0.00	0.00
Total liabilities and fund equity	\$ 0.00	\$ 0.00	\$ 0.00

HOUSING AUTHORITY OF THE TOWN OF QUEBEC

CAPITAL PROJECT FUND TYPES
 COMPARING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 JUNE 30, 1997

Child Housing Programs

	CHP 1,995	CHP 1,996	Total
REVENUES			
Intergovernmental	\$ 64,818.75	\$ 44,807.25	\$ 109,626.00
Total Revenues	<u>64,818.75</u>	<u>44,807.25</u>	<u>109,626.00</u>
EXPENDITURES			
Capital expenditures	64,817.00	14,708.00	79,525.00
Total Expenditures	<u>64,817.00</u>	<u>14,708.00</u>	<u>79,525.00</u>
Revenue (excess) of revenues over (under) expenditures	(64,175)	88.75	0.80
FUND BALANCE, beginning of year			
FUND BALANCE, end of year	<u>\$ 64,175</u>	<u>\$ 88.75</u>	<u>\$ 0.80</u>

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

FIDUCIARY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1997

	Agency Funds	
	Tenant Security Deposit Funds	Total Fiduciary Funds
ASSETS		
Cash and cash equivalents	\$ 1,725.00	\$ 1,725.00
Total Assets	\$ 1,725.00	\$ 1,725.00
LIABILITIES		
Due to tenants	\$ 1,725.00	\$ 1,725.00
Total Liabilities	\$ 1,725.00	\$ 1,725.00

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

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN
 FIDUCIARY FUNDS
 SCHEDULE OF CHANGES IN DEPOSITS DUE TO OTHERS
 JUNE 30, 1997

	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
DEPOSIT BALANCES AT BEGINNING OF YEAR	\$ 1,725.00	\$ 1,725.00
DEPOSIT BALANCES AT END OF YEAR	\$ 1,725.00	\$ 1,725.00

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

BALANCE SHEET — STATUTORY BASIS
JUNE 30, 1997

ANNUAL CONTRIBUTION CONTRACT

PW-122ASSETS

Cash - Exhibit F	\$	10,000.34
Accounts receivable - tenants		100.04
Investments - Note B		6,639.27
Deferred charges		5,795.18
Land, structures and equipment		<u>1,123,662.13</u>
Total Assets	\$	<u>1,147,198.53</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	1,725.00
Accrued liabilities		<u>1,944.00</u>
Total Liabilities		3,669.00
Surplus - Exhibit C		<u>1,143,529.53</u>
Total Liabilities and Surplus	\$	<u>1,147,198.53</u>

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN
 STATEMENT OF INCOME AND EXPENSES — STATUTORY BASIS
 ANNUAL CONTRIBUTION CONTRACT
JFY -- 122

	Year Ended
	06-30-97
Operating Income	
Dwelling rental	\$ 24,801.66
Excess utilities	7,047.11
Interest on general fund investments	289.85
Other income	1,204.27
Total Operating Income - Exhibit D	33,342.89
Operating Expenses	
Administration	14,804.89
Utilities	12,528.83
Ordinary maintenance and operation	4,206.81
General expense	12,411.01
Total Operating Expense - Exhibit D	43,951.54
Net Operating Income (Loss)	(11,608.65)
Other Credits	
Prior year adjustments - affecting residual receipts	6.36
Total Other Credits	6.36
Net Loss - Exhibit D	\$ (11,602.29)

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

ANALYSIS OF SURPLUS — STATUTORY BASIS
TWELVE MONTHS ENDED JUNE 30, 1997ANNUAL CONTRIBUTION CONTRACT
FW -- 122**Unassigned Surplus**

Balance per prior audit at 06-30-96	\$	(293,603.22)
Net loss for the year ended 06-30-97 - Exhibit B		(11,632.09)
(Provision for) reduction of Operating Reserve for year ended 06-30-97 - Exhibit D		(4,747.41)
Balance at 06-30-97		<u>(309,982.72)</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 06-30-96		15,109.01
Provision for (reduction of) Operating Reserve for the year ended 06-30-97 - Exhibit D		(4,747.41)
Balance at 06-30-97 - Exhibit F	\$	<u>10,361.60</u>

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

ANALYSIS OF SURPLUS -- STATUTORY BASIS
TWELVE MONTHS ENDED JUNE 30, 1997

ANNUAL CONTRIBUTION CONTRACT

Part - 122Cumulative HUD Contributions

Balance per prior audit at 06-30-96 \$ 1,398,698.34

Annual contribution for year ended
06-30-97 - Exhibit D 0.00Operating subsidy for year ended
06-30-97 17,420.00Balance at 06-30-97 1,358,018.34Cumulative HUD Grants

Balance per prior audit at 06-30-96 2,400.00

Advances for year ended 06-30-97 77,226.50Balance at 06-30-97 79,626.50Total Surplus - Exhibit A \$ 1,443,518.34

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT

PW - 122

	<u>Year Ended</u> <u>06-30-97</u>
<u>Computation of Accruing Annual Contributions</u>	
Fixed annual contribution	\$ <u>0.00</u>
Total Annual Contribution - Exhibit C	\$ <u>0.00</u>

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN
 STATEMENT OF MODERNIZATION COSTS — UNCOMPLETED
 JUNE 30, 1997

	Project 1995	Project 1996
Funds Approved	\$ 79,000.00	\$ 223,575.00
Funds Expended	<u>64,917.30</u>	<u>14,709.00</u>
Excess of Funds Approved	\$ <u>10,982.70</u>	\$ <u>208,866.00</u>
Funds Advanced	\$ 64,918.75	\$ 14,807.75
Funds Expended	<u>64,917.50</u>	<u>14,709.00</u>
Excess(Deficiency) of Funds Advanced	\$ <u>(98.75)</u>	\$ <u>98.75</u>

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN
 ANALYSIS OF GENERAL FUND CASH BALANCE
 ANNUAL CONTRIBUTION CONTRACT
PR - 122

Composition Before Adjustments:

Net operating receipts retained:

Operating reserves - Exhibit C	\$	19,856.42
		19,856.42

Adjustments:

Expenses/costs not paid:

Accounts payable		1,725.00
Accrued payments in lieu of taxes		1,944.00

Income not received:

Accounts receivable		(108.64)
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General Fund Cash Available		20,417.77
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General Fund Cash:

Invested		(6,638.27)
Applied to deferred charges (prepaid insurance, inventories, etc.)		(5,789.16)

General Fund Cash - Exhibit A	\$	10,983.34
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HOUSING AUTHORITY OF THE TOWN OF GUEYDAN
 SCHEDULE OF EXPENDITURES FOR FEDERAL AWARDS

YEAR ENDED JUNE 30, 1997

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	GRANT ID NO.	AWARD AMOUNT	PROGRAM EXPENDITURES
U.S. Department of Housing and Urban Development				
Direct Programs:				
Low-Income Housing				
Operating Subsidy	14-850	FW- 122	\$ 17,420.00	\$ 17,420.00
Major Program Total			17,420.00	17,420.00
Comprehensives				
Improvement				
Assistance Program				
Project 1995	14-852	FW- 122	62,410.75	62,517.00
Project 1990	14-852	FW- 122	14,807.75	12,309.00
Major Program Total			77,220.50	74,826.00
Total HUD			\$ 94,640.50	\$ 92,246.00

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Report on Compliance with Requirements Applicable to Each
Major Program and Internal Control Over Compliance in
Accordance with OMB Circular A-133

Housing Authority of the
Town of Gueydan
Gueydan, Louisiana

Compliance

We have audited the compliance of the Housing Authority of the Town of Gueydan, 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 of the Town of Gueydan, Louisiana'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 of the Town of Gueydan, Louisiana's management. Our responsibility is to express an opinion on the Housing Authority of the Town of Gueydan, Louisiana's 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, *Audit of States, Local Governments, and Non-Profit Organizations*. Those 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 of the Town of Gueydan, Louisiana'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 Town of Gueydan, Louisiana's compliance with those requirements.

In our opinion, the Housing Authority of the Town of Greysden, 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 of the Town of Greysden, Louisiana is responsible for establishing and maintaining 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 of the Town of Greysden, Louisiana'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-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 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. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Ernst and Associates

Fort Worth, Texas
October 30, 1997

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**Report on Compliance and on Internal Control Over Financial
Reporting Based on an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards**

Housing Authority of the
Town of Gouydon
Gouydon, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Gouydon, Louisiana as of and for the year ended June 30, 1997, and have issued our report thereon dated October 30, 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 Town of Gouydon, Louisiana's 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 a opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the Town of Gouydon, Louisiana's 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 would 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 audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Estes and Associates

Fort Worth, Texas
October 30, 1997

HOUSING AUTHORITY OF THE TOWN OF GUEYDAM

SCHEDULE OF ADJUSTING JOURNAL ENTRIES

JUNE 30, 1997

	ACCT. # FOR AUDIT REPORT PURPOSES	DR	CR	ACCT. # FOR POSTING TO PHA BOOKS
*1a	Project Loan Notes - HUD	2100	481,000.87	2100
	Interest Payable	2131.1	10,074.38	2131.1
	Cumulative HUD Cost.	2640		2640
			474,005.31	

To adjust for HUD debt forgiveness.

4040

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HOUSING AUTHORITY OF THE TOWN OF GUEYDAN, LOUISIANA

REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

TWELVE MONTHS ENDED JUNE 30, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Printed Date: JUL 10 1997

ESTES & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

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