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INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE

Board of Commissioners
Housing Authority of Monro
Monroe, Louisiana

We have audited the financial statements of the Town of Monro Housing Authority, Monro, Louisiana as of and for the year ended June 30, 1996, and have issued our report thereon dated December 5, 1996. We have also audited the Town of Monro Housing Authority's compliance with requirements applicable to HUD-assisted programs and have issued our reports thereon dated December 5, 1996.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States and the Consolidated Audit Guide for Audits of HUD Programs (the "Guide"), issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General in July 1993. Those standards and the Guide require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether Monro Housing Authority complied with laws and regulations, noncompliance with which would be material to a HUD-assisted program.

In planning and performing our audits for the year ended June 30, 1996, we considered the Monro Housing Authority's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the Monro Housing Authority's basic financial statements and on its compliance with specific requirements applicable to its major HUD-assisted programs and not to provide assurance on the internal control structure.

The management of the Monro Housing Authority 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

HOUSING AUTHORITY OF THE TOWN OF MONROE
MONROE, LOUISIANA

ACTIVITIES OF THE HHA

The HHA administers 120 units of covered low-income housing.

The HHA administers 30 units of housing assistance payment vouchers.

The HHA is also administering a modernization project.

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Board of Commissioners
Housing Authority of Monro
Monro, Louisiana

Independent Auditors' Report on Federal Financial Assistance

We have audited the general purpose financial statements of the Housing Authority of the Town of Monro, Louisiana, for the year ended June 30, 1986, and have issued our report thereon dated December 3, 1986. These general purpose financial statements are the responsibility of the Housing Authority of the Town of Monro, 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 Government Auditing Standards, issued by the Comptroller General of the United States and the Consolidated Audit Guide for Audits of HUD Programs issued by the U. S. Department of Housing and Urban Development, office of the Inspector General in July 1983. These standards and the guide require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Housing Authority of the Town of Monro, Louisiana, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

William Vign & Tunjos
William, Vign & Tunjos
December 3, 1986

HOUSING AUTHORITY OF THE TOWN OF MONROE
 Monroe, Louisiana

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

Federal grantor/ Program Title	CFDA No.	Grant ID No.	Grant Amount Received	Program Expenditures
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Direct Programs:				
Low Income HAP	14.810	PH-2813	\$143,322	\$143,322
CIAP	14.883	PH-2813	228,930	228,930
Section 8 HAP	14.346	PH-2264	52,315	47,432
TOTAL U.S. DEPT. OF HOUSING AND URBAN DEVELOP- MENT			424,567	419,684
TOTAL FEDERAL ASSISTANCE			424,567	419,684

3. The Department of Housing and Urban Development has guaranteed through the Annual Contribution contract the Housing Authority of the Town of Monroe, Louisiana, bonded indebtedness and P.F.B. notes. This bonded indebtedness and notes payable were \$400,387 at June 30, 1996.

HOUSING AUTHORITY OF THE TOWN OF MONROE
 Monroe, Louisiana

STATEMENT OF REVENUE AND EXPENDITURES - PMA OWNED HOUSING
 Year Ended June 30, 2004

Annual contributions Contract PM-2813

Operating Income

Dwelling rental	\$ 143,758.04
Interest on general fund investments	1,246.22
Other income	<u>4,241.88</u>
Total operating income	148,245.94

Operating Expenditures

Administration	82,813.29
Utilities	78,082.83
Ordinary maintenance and operation	82,393.10
General expense	<u>84,322.63</u>
Total operating expenditures	327,611.85

Net operating loss (179,365.91)

Other charges

Prior year adjustment not affecting	
Residual Receipts	1,905.75
Loss on Sale of Asset	5,600.80
Interest on bonds and notes	<u>24,892.27</u>
Total Other Charges	32,398.82
NET LOSS	\$ (147,017.09)

HOUSING AUTHORITY OF THE TOWN OF HARCO
Harco, Louisiana

STATEMENT OF SURPLUS
Year Ended June 30, 1996

	Annual Contributions Contract FM-2022	FM-2261
UNRESERVED SURPLUS		
Balance per audit at June 30, 1995	\$ (2,940,989.43)	\$ (283,713.82)
Net loss, June 30, 1996		
FHA Cured Housing		
Housing Assistance Payments Program	(282,878.37)	(47,454.74)
Provision for Reduction of Reserves		
For year ended June 30, 1996:		
FHA Cured Housing	5,316.00	
Prior Period Adjustment	(5,225.34)	(2,563.87)
Housing Assistance Payments Program:		
Operating reserve		<u> 3,441.26</u>
Balance at June 30, 1996	<u>\$ (2,243,574.18)</u>	<u>\$ (327,233.87)</u>
RESERVED SURPLUS - OPERATING RESERVE		
Balance per audit at June 30, 1995	\$ 52,829.29	\$ 89,321.38
Prior period adjustment	-	3,825.80
Provision for (reduction of)		
operating reserves for year ended		
June 30, 1996:		
FHA Cured Housing	(5,316.00)	
Housing Assistance Payments Program		<u> 3,441.26</u>
Balance at June 30, 1996	<u>\$ 47,313.29</u>	<u>\$ 96,387.84</u>
CUMULATIVE HUD CONTRIBUTIONS		
Balance per audit at June 30, 1995	\$ 5,640,864.56	\$ 588,667.50
Annual Contributions, year ended		
June 30, 1996:		
FHA Cured Housing	75,888.88	-
Housing Assistance Payments Program	-	57,315.00
Housing Assistance Payments Not Paid	-	(4,603.00)
Operating subsidy, June 30, 1996	143,322.00	-
Cumulative HUD Grants - CIAP -		
June 30, 1996	204,704.25	-
Balance at June 30, 1996	<u>\$ 6,064,699.69</u>	<u>\$ 641,379.50</u>
TOTAL SURPLUS	\$ 3,162,808.39	\$ 314,145.63

HOUSING AUTHORITY OF THE TOWN OF HAROU
Harou, Louisiana

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL
CONTRIBUTIONS - FHA URBAN HOUSING
Year Ended June 30, 1996

Annual Contributions Contract EM-2813

Computation of Residual Receipts

Operating Receipts

Operating Income	\$ 248,244.52
ADD operating subsidy	<u>243,322.00</u>
Total operating receipts	<u>491,566.52</u>

Operating Expenditures

operating expenditures	<u>308,638.85</u>
Total operating expenditures	<u>308,638.85</u>

Residual receipts (deficit) per audit (17,802.33)

Audit adjustments added back 11,529.22

Residual receipts (deficit) before
provision for reserve (6,273.11)

Reduction of operating reserves 3,518.60

Residual receipts \$ -0-

Computation of Accruing Annual Contribution

Fixed Annual Contribution \$ 26,085.00

Accruing annual contribution \$ 26,085.00

HEARING AUTHORITY OF THE TOMB OF HANOU
Hano, Louisiana

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND
PROJECT ACCOUNT - OPERATING RESERVE CHANGES
HEARING ASSISTANCE PAYMENTS PROGRAM
Year ended June 30, 1998

Annual Contributions Contract FM-1161

Maximum contribution Available

Maximum annual contribution authorized	\$ 37,388.00
Maximum contribution for period	54,337.28
Project account balance at beginning of fiscal year	52,944.38
Total annual contribution available	347,381.68

Annual contribution Required

Administration expenses	9,824.80
Hearing assistance payments	41,972.80
Total funds required	51,806.80
Total annual contribution required	51,806.80

Project Account Change

Provision for project account	56,381.68
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Annual Contribution Earned	50,836.08
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Operating Reserve Change

Annual contribution earned	50,836.08
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Total operating receipts earned	50,836.08
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Operating Expenditures

Operating Expenditures (Page 5)	47,454.24
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Net operating receipts available (per audit)	3,441.26
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Provision for operating reserve	\$ 3,441.26
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HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED
AT JUNE 30, 1956

Area 3 Contributions Contract PW-3813

1955 TRACE LA 88-5211607

Funds approved	\$ 308,513.88
Funds advanced and due	\$ 195,400.88
Funds expended	<u>195,400.88</u>
Excess of funds advanced over funds expended	<u>\$ 0-</u>

HOUSING AUTHORITY OF THE TOWN OF MONROE
MONROE, LOUISIANA

STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
As June 30, 1998

1991 PHASE LA 48 P031002 (LA 31-2)

FUNDS APPROVED	\$473,468
FUNDS EXPENDED	<u>422,468</u>
EXCESS OF FUNDS APPROVED	<u>51,000</u>
FUNDS ADVANCED	\$437,468
FUNDS EXPENDED	<u>417,468</u>
EXCESS OF FUNDS ADVANCED	<u>20,000</u>

1992 PHASE LA 48 P031002 (LA 31-4)

FUNDS APPROVED	\$165,952
FUNDS EXPENDED	<u>165,952</u>
EXCESS OF FUNDS APPROVED	<u>\$ -0-</u>
FUNDS ADVANCED	\$283,952
FUNDS EXPENDED	<u>283,952</u>
EXCESS OF FUNDS ADVANCED	<u>\$ -0-</u>

1) The distribution of costs by project as shown on the Final Statement of Modernization Cost submitted to HUD for approval is in agreement with the PHA's records.

2) All modernization costs have been paid and all related liabilities have been discharged through payment.

NOTES TO FINANCIAL STATEMENTS (continued)

All authority bonds outstanding at June 30, 1990, in the amount of \$650,387, are single issue bonds with maturities from 1993 to 2014 and interest rates from 3.375% to 6.0%. Bond principal and interest payable in the next fiscal year are \$43,256 and \$31,609, respectively. The individual issues are as follows:

Bond Issue	Original Issue	Interest Rates	First Payment Due	Interest to Maturity	Principal Outstanding June 30, 1988
Federal					
Financing	\$173,447	6.60%	11/1/97	\$ 3,188	\$ 31,760
Single issue	160,880	3.375%	8/1/08	18,343	92,327
Single issue	216,060	6.125%	8/1/14	281,615	525,872
Total bonds				\$313,146	\$650,387

All principal and interest requirements are funded in accordance with Federal law by the annual contributions contract from HUD. At June 30, 1988, the authority has accumulated \$1,489 in the debt service fund for future debt requirements. The bonds are due as follows:

Fiscal Year Ending 6/30	Principal Payments	Interest Payments	Total
1987	\$ 43,256	\$ 32,809	\$ 76,065
1988	44,376	32,809	77,185
1989	28,738	27,867	56,605
1990	32,888	24,775	57,663
1991	38,328	28,108	66,436
	<u>\$187,586</u>	<u>\$142,368</u>	<u>\$330,470</u>

NOTE 10 - DEFERRED ASSETS/LIABILITIES

Interfund receivable/payable:

Receivable Fund	Payable Fund	Amount
Fiduciary Fund	General Fund	\$ 8,000
General Fund	Special Revenues	\$11,880

NOTE 11 - LITIGATION AND CLAIMS

At June 30, 1988, the authority was not involved in any lawsuits or aware of any claims against it.

NOTE 12 - FEDERAL COMPLIANCE CONTINGENCIES

No questions of disallowed costs were noted for inclusion in our report.

BOARDING AUTHORITY OF THE TOWN OF MARSH
 Monro, Louisiana

Schedule of Adjusting Journal Entries
 June 30, 1986

	Debit	Credit	Acct. No. for PMA Books
1) Contract costs	828.84		2810
Materials	800.40		2810
Miscery	284.08		2810
Utilities	4,487.99		2810
Accounting	275.00		2810
Accounting - section 8	75.00		28201
Modernization Costs 1983	70,380.00		1480,4
Accounts Payable		77,619.13	2111
To Record Accrual of Accounts Payable			
2) Insurance Expenses	4,782.00		2810
Prepaid Insurance		4,782.00	1211
To Adjust Prepaid Insurance to actual			
3) Personnel Notes - FFB	12,784.50		2012
New PMA Bonds Retired	628.78		2042
MUD Annual Contributions Rec.	45,547.00		1174
Cumulative Mud Contributions		92,135.88	2040
Interest Expenses	20,444.38		2020
Cash-Debt Service		598.75	1171
Unreserved surplus	3,341.01		2010
To Adjust Accounts to Actual			
4) Dwelling Rental	1,000.00		-
Insurance		1,000.00	-
To Reverse Insurance Refunds Posted to Rent Income			
5) Accounts Receivable - CIAP	8,303.43		1129
Cumulative MUD Contributions		8,303.43	2020
To record grant revenues earned on 1983 CIAP			
6) Operating Reserve - Sect. 8	2,000.00		20202
Due to MUD		8,603.00	2118
Accounts Receivable - Sect. 8		820.30	11202
Unreserved Surplus		2,040.80	20201
Cumulative MUD Contribution	4,603.00		
To adjust Sect. 8 accounts to actual			

NOTES TO FINANCIAL STATEMENTS (continued)

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

The authority's total payroll for the fiscal year ended June 30, 1996, was \$131,087. The authority's contributions were made based on the total covered payroll of \$78,840. The authority and the covered employees made the required contributions for the year ended June 30, 1996. The employee contributions totaled \$3,742 while the authority's contributions totaled \$3,974 for the year ended June 30, 1996.

NOTE 7 - ACCOUNTS, SPARINGS, AND OTHER PAYABLES

The payables of \$78,508 at June 30, 1996, are as follows:

General Fund	Amount
Construction costs	\$ 90,780
Withholdings	3,347
Accounts	<u>8,380</u>
Total	<u>\$ 12,366</u>

NOTE 8 - CHANGES IN AGENCY FUND/DEPOSITS DUE OTHERS

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

	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
Agency fund/ Tenant security deposits	<u>\$ 11,325</u>	<u>\$ 8,978</u>	<u>\$ 8,925</u>	<u>\$ 18,082</u>

NOTE 9 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

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

	Needed Debt	Compensated Assessors/Other	Total
Long-term obligations at June 30, 1995	\$687,342	\$ ---	\$687,342
Additions	---	48,270	48,270
Reductions	<u>(18,855)</u>	<u>---</u>	<u>(18,855)</u>
Long-term obligations at June 30, 1996	<u>\$668,487</u>	<u>\$ 48,270</u>	<u>\$690,657</u>

financial statements in accordance with generally accepted accounting principles and that HUD-assisted programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities or instances of noncompliance may nevertheless occur and not be detected. Also, 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.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories: cash receipts, cash disbursements, and reporting.

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.

We performed tests of controls, as required by the Guide, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements applicable to the Housing Housing Authority's HUD-assisted programs. Our procedures were less in scope than would be necessary to render an opinion on internal control structure policy and procedures. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statements or to administer HUD-assisted programs in accordance with applicable law and regulations.

In our consideration of the Internal Control System, we noted that, as a material weakness, the size of the Housing Authority's operation precludes an adequate segregation of duties, although to employ such controls may not be cost beneficial.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material to a HUD-assisted program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

William W. Wipe

William Wipe and Tolson
December 5, 1986

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PUBLIC ACCOUNTING FIRMS

SMALL FIRM, 1987
MEMBER S. I. A. C. P. A.

NO. 10000
MEMBER IIA
1987-1990

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC
REQUIREMENTS APPLICABLE TO MAJOR HUD PROGRAMS**

The Board of Commissioners
Housing Authority of Monro
Monro, Louisiana

We have audited the financial statements of the Town of Monro Housing Authority as of and for the year ended June 30, 1998 and have issued our report thereon dated December 9, 1998. In addition, we have audited the Town of Monro Housing Authority's compliance with the specific program requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; construction contracts prohibiting the use of lead-based paints; procurement actions and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs; that are applicable to each of its major HUD-assisted programs, for the year ended June 30, 1998. The management of the Monro Housing Authority is responsible for compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the consolidated Audit Guide for Audits of HUD Programs (the "Guide") issued by the U.S. Department of Housing and Urban Development, Office of Inspector General in July 1993. These standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Monro Housing Authority's compliance with these requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Monro Housing Authority complied, in all material respects, with the requirements described above that are applicable to each of its HUD-assisted programs for the year ended June 30, 1998.

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

Veillon, Vigo & Tojayan

Veillon, Vigo and Tojayan
December 3, 1986

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH FEDERAL
REQUIREMENTS APPLICABLE TO MAJOR HUD PROGRAMS

Board of Commissioners
Housing Authority of Natchez
Natchez, Louisiana

We have applied procedures to test the Housing Authority of the Town of Natchez, Louisiana, compliance with the following requirements applicable to each of its major Federal financial assistance programs, which are identified in the schedule of Federal financial assistance programs, for the year ended June 30, 1994: Political activity, Davis-Bacon Act, civil rights, cash management, Federal financial reports, relocation assistance and real property acquisition, allowable cost/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 Housing Authority of the Town of Natchez, Louisiana, compliance with the requirements listed in the preceding paragraphs. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the first paragraph of this report, except that the Authority's cash balance exceeded its insurance coverage by \$18,871 on June 30, 1994. With respect to items not tested, nothing came to our attention that caused us to believe that the Housing Authority of Town of Natchez, Louisiana had not complied, in all material respects, with these requirements.

This report is intended for the information of the Board of Commissioners, management, and the Department of Housing and Urban Development. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Verlon, Vig & Tunjague

Verlon, Vig and Tunjague
December 1, 1994

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC
REQUIREMENTS APPLICABLE TO MAJOR HUD PROGRAM TRANSACTIONS**

Board of Commissioners
Housing Authority of Newco,
Newco, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Newco, Louisiana as of and for the year ended June 30, 1998, and have issued our report thereon dated December 3, 1998.

In connection with our audit of the 1998 financial statements of the Housing Authority of the Town of Newco, Louisiana and with our consideration of Housing Authority of the Town of Newco, Louisiana internal control structures used to administer HUD programs, as required by the consolidated Audit Guide for Audits of HUD Programs (the "Guide") issued by the U.S. Department of Housing and Urban Development in July 1993, we selected certain transactions applicable to certain nonmajor HUD-assisted programs for the year ended June 30, 1998.

As required by the Guide, we performed auditing procedures to test compliance with the requirements governing types of services allowed or excluded; eligibility; and any special provisions 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 Newco Housing Authority's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these 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 Newco Housing Authority had not complied, in all material respects, with those requirements.

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

Weldon, Vice & Tunnicliffe
Weldon, Vice and Tunnicliffe
December 3, 1998

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REPORT NO. 10-1986
PAGE 2 OF 2 PAGES

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ISSUED BY
DATE
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF THE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Housing Authority of Monro
Monro, Louisiana

We have audited the general purpose financial statements of the Housing Authority of the Town of Monro, Louisiana, as of and for the year ended June 30, 1986, and have issued our report thereon dated December 5, 1986.

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

Compliance with laws, regulations, contracts, and grants applicable to the Housing Authority of the Town of Monro, Louisiana, is the responsibility of the Housing Authority's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Housing 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.

The results of our tests indicate that, with respect to the items tested, the Housing Authority of the Town of Monro, Louisiana, complied, in all material respects, with those provisions referred to in the preceding paragraph, except that the Authority's cash balance exceeded its insurance coverage by \$16,971 on June 30, 1986. With respect to items not tested, nothing came to our attention that caused us to believe that the Housing Authority had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Commissioners, Management, and the Department of Housing and Urban Development. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Vedlin Vega & Tzujue

Vedlin, Vega and Tzujue
December 3, 1990

BOULDER AUTHORITY OF THE TOWN OF BACOU
Bacou, Louisiana

STATUS OF PRIOR AUDIT FINDINGS

Prior audit findings cleared.

ISSUING AUTHORITY OF THE TOWN OF HARBO
Monroe, Louisiana

FINDINGS, RECOMMENDATIONS, AND REPLIES

FINDINGS: At June 30, 1986 The Authority had \$166,571 of cash in the bank. The FDIC limit is \$100,000, therefore, \$16,571 was not covered by insurance. This coverage was due to CIAP money deposited June 27, 1986 but not spent until July 1, 1986.

RECOMMENDATION: We recommend that the authority have the bank purchase securities to insure any cash over the \$100,000 limit.

REPLY: At audit date, management had the bank pledge collateral securities to cover any future occurrence of cash balances greater than \$100,000.

1

HOUSING AUTHORITY OF THE TOWN OF HAMOU
Hamou, Louisiana

ANALYSIS OF GENERAL FUND CASH BALANCE
AT JUNE 30, 1994

	Annual Contributions Contract EM-2833	EM-2743
Composition Before Adjustments		
net operating receipts retained:		
operating reserve	\$ 47,319.38	\$ 533.45
Trust security deposits	18,062.80	-
audit adjustments affecting general fund cash	<u>(13,536.33)</u>	<u>-</u>
	\$3,845.85	\$533.45
Adjustments		
Expenses/Costs not paid:		
Accounts payable	77,419.13	11,865.83
Accrued liabilities	2,347.04	-
Due to HAD		4,400.00
Income not received:		
Accounts receivable	<u>(22,821.48)</u>	<u>-</u>
General fund cash available	112,821.83	<u>16,222.35</u>
Other Applications of general Fund Cash		
Prior year adjustments not affecting		
Residual Receipts	(7,406.45)	-0-
deferred charges	(4,400.00)	-0-
Investments	<u>(18,000.00)</u>	<u>-0-</u>
	(29,806.45)	-0-
GENERAL FUND CASH	\$ 83,015.38	\$ 16,222.35

HOUSING AUTHORITY OF THE TOWN OF MAPOU
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET (GRAP BASIS) AND ACTUAL - GENERAL
AND SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2006

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	Variance Favorable Disadvantage	BUDGET	ACTUAL	Net Change Fund Balances and Reserves
REVENUES						
LOCAL SOURCES						
Investing income	\$0.00	\$0.00	\$ 0.00	\$ -	\$ -	\$ -
Interest earnings	5,877	5,244	(633)	-	-	-
Rent	5,400	4,743	(657)	-	-	-
Federal sources						
Operating subsidy	160,000	160,000	-	50,000	50,000	-
Annual Contributions	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Total revenues	<u>201,277</u>	<u>200,087</u>	<u>(1,190)</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
EXPENDITURES						
Current						
Administration	57,184	60,855	3,671	4,000	4,000	500
Utilities	20,750	20,895	145	-	-	-
Security services	62,800	62,591	(209)	-	-	-
Monthly Payments	-	-	-	50,000	41,970	8,030
General expenses	66,678	66,397	(281)	-	1,000	(1,000)
Facilities acquisition & construction	10,000	-	10,000	-	-	-
MMF services	-	-	-	-	-	-
Employee retirement (major and bank)	-	-	-	-	-	-
Deprec	-	-	-	-	-	-
Total expenditures	<u>217,412</u>	<u>210,738</u>	<u>6,674</u>	<u>54,000</u>	<u>47,000</u>	<u>7,000</u>
DEBT (payments) or RECEIVES OVER EXPENDITURES						
	(16,135)	(9,651)	6,484	-	4,000	4,000
Other financing sources						
Sale of Assets	-	4,200	4,200	-	-	-
DEBT (payments) or RECEIVES AND OTHER SOURCES OVER EXPENDITURES						
	(16,135)	(5,451)	10,684	-	4,000	4,000
Fund balance, beginning	-	34,328	34,328	-	11,111	11,111
Fund balance, ending	<u>118,000</u>	<u>128,327</u>	<u>10,327</u>	<u>-</u>	<u>33</u>	<u>33</u>

The accompanying notes are an integral part of this statement.

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**FINANCIAL STATEMENT OF THE
TOWN OF MARCO, LOUISIANA**

**Report on Audit of
Financial Statements and
Supplementary Information**

For the Year Ended June 30, 1996

Under provisions of state law, this report is a public document. A copy of this report has been permitted 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.

Release Date **FEB 12 1997**

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Board of Directors
Houma Housing Authority
Houma, Louisiana 70554

Independent Auditors' Report

We have audited the accompanying General Purpose financial statements of the Housing Authority of the Town of Houma, Louisiana, as of and for the year ended June 30, 1998, as listed in the table of contents. These financial statements are the responsibility of the management of the Housing Authority of the Town of Houma, Louisiana. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Audit 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 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 Town of Houma, Louisiana, as of June 30, 1998, and the results of its operations and changes in its surplus for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information statements and schedules listed in the table of contents are included to meet HUD regulatory requirements. These statements were prepared in conformity with the account practices prescribed by the Department of Housing and Urban Development, which is a non-professional basis of accounting other than generally accepted accounting principles. Such information has been subjected to the auditing procedures applied in the audit of the

general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Vallin, Vige & Tojaque

Vallin, Vige & Tojaque
December 8, 1994

FINANCIAL SECTION

1

ISSUING AUTHORITY OF THE TOWN OF MARSH
CONSOLIDATED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1996

	Governmental Fund Types		
	General	Special Revenue	Debt Service
ASSETS AND OTHER DEBITS			
Assets:			
Cash and cash equivalents	\$ 27,376	\$ 14,222	\$ 1,488
Receivables (net of allowances for uncollectables)			75,085
Interfund receivable	568	-	-
Prepaid items	11,988	-	-
Land, buildings and equipment	9,880	-	-
Other debits:			
Amount available in debt service funds	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-
Total Assets	\$ 43,602	\$ 14,222	\$ 76,573

The accompanying notes are an integral part of this statement.

Capital Projects	Fiduciary Fund	Account Groups		TOTALS (Memorandum Only)
	Agency Fund	General Fixed Assets	General Long-term Liabilities	
\$ 61,486	\$ 18,000	\$ -	\$ -	\$ 118,973
8,184	-	-	-	84,957
-	8,000	-	-	39,188
-	"	"	-	6,680
-	-	3,713,240	-	3,713,240
-	-	-	78,573	78,573
-	-	-	<u>614,000</u>	<u>614,000</u>
<u>\$ 70,782</u>	<u>\$ 26,000</u>	<u>\$3,713,240</u>	<u>\$698,602</u>	<u>\$4,823,283</u>

HOUSING AUTHORITY OF THE TOWN OF HANSON
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1998

	Governmental Fund Types		
	General	Special Revenues	Debt Service
LIABILITIES, EQUITY, AND OTHER CREDITS			
Liabilities:			
Accounts, salaries, and other payables	\$ 9,177	\$ -	\$ -
Interfund payable	8,082	11,886	-
Deposits due others	-	-	-
Other Liabilities	-	4,483	-
Matured bonds and interest payable	-	-	78,088
Compensated absences payable	-	-	-
Bonds & Notes payable	-	-	-
	17,259	16,369	78,088
Total Liabilities	17,259	16,369	78,088
Equity and Other Credits:			
Contributed capital	-	-	-
Investment in general fixed assets	-	-	-
Fund balances:			
Reserved	-	-	1,488
Unreserved	28,371	533	-
	28,371	533	1,488
Total Equity and Other Credits	28,371	533	1,488
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 45,630	\$ 16,902	\$ 79,576

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 13 - COMPENSATED ABSENCE

At June 30, 1984, employees of the authority have accumulated and vested \$12,323 of employee leave benefits, which was computed in accordance with GASB Codification Section 640. This amount is not expected to be paid from current available resources; therefore, the liability of \$12,323 is recorded in the general long-term obligations account group.

NOTE 14 - OTHER LIABILITIES

In August, 1995 the former Director was terminated. The Hearing Authority agreed to pay his severance pay and annual leave and buy the remaining portion of his contract in the amount of \$31,461 and \$42,300 plus interest, respectively. The severance and annual pay were paid and is included in administrative expenses in the amount of \$31,461. The remaining portion of his contract will be paid in three installments:

2/28/96	\$15,750
10/1/96	\$15,750
10/1/97	\$9,961

The February payment in the amount of \$15,750 was made and is included in General Expenses. The remaining amount of \$31,161 is not expected to be paid from Current Available Resources and is therefore recorded in the General Long-Term Obligations Account group.

HOUSING AUTHORITY OF THE TOWN OF HANCOI
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
Year Ended June 30, 1999

	Governmental Fund Types			Capital Projects	TOTALS (Minor section Only)
	General	Special Revenues	Trust Accounts		
REVENUES					
Local sources:					
Facility rental	\$148,760	\$ -	\$ -	\$ -	\$148,760
Interest earnings	3,348	-	-	-	3,348
Other	4,343	-	-	-	4,343
Federal sources:					
Specialty subsidy	143,303	37,313	-	-	280,616
Special Contributions Contract	-	-	78,085	-	78,085
Grants	-	-	-	304,978	304,978
Total revenues	295,411	37,313	78,085	304,978	655,812
EXPENDITURES					
Current:					
Administration	\$2,813	4,396	-	-	\$7,209
Utilities	78,083	-	-	-	78,083
Building maintenance	\$2,381	-	-	-	\$2,381
Housing Payments	-	41,873	-	-	\$41,873
General expenditures	\$4,523	1,891	-	-	\$6,414
Facilities acquisition and maintenance	-	-	-	304,978	304,978
Debt service:					
Principal retirement	-	-	34,955	-	34,955
Interest and bond charges	-	-	24,883	-	24,883
Total expenditures	87,797	47,169	59,838	304,978	299,822
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(13,386)	9,860	2,133	(264)	(13,387)
OTHER FINANCING SOURCES (USES)					
Sale of Assets	\$-	-	-	-	\$-
Total other financing sources (uses)	\$-	-	-	-	\$-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENSES AND OTHER USES	17,763	9,860	2,133	(264)	4,973
FUND BALANCE, BEGINNING	28,128	(18,327)	(12,647)	268	28,128
FUND BALANCE, ENDING	45,891	(8,467)	(10,514)	242	45,891

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

STATEMENT OF REVENUE AND EXPENDITURES - HOUSING ASSISTANCE
PAYMENTS PROGRAM
Year Ended June 30, 1996

Annual Contributions Contract 89-2251

Operating Expenditures

Administrative expenses	\$ 5,482.96
Housing assistance payments	<u>41,931.78</u>
total operating expenditures	<u>47,414.74</u>
net operating loss	<u>\$147,824.74</u>

HOUSING AUTHORITY OF THE TOWN OF RAMON
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - (BUDGET (GARP BASIS) AND ACTUAL -
DEBT SERVICE, AND CAPITAL PROJECT FUNDS
Year Ended June 30, 2006

	GEN. FUND BALANCE			CAPITAL PROJECT FUND		
	BUDGET	ACTUAL	Variance Favorable / Unfavorable	BUDGET	ACTUAL	Variance Favorable / Unfavorable
Revenues						
Local revenues						
Debt financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License earnings	-	-	-	-	-	-
Other	-	-	-	-	-	-
Federal revenues						
Operating subsidy	-	-	-	-	-	-
Actual construction program	75,000	75,000	-	-	-	-
Grants	-	-	-	201,000	206,700	57,700
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>201,000</u>	<u>206,700</u>	<u>57,700</u>
EXPENDITURES						
Debt						
Administration	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Debt issue refinancing	-	-	-	-	-	-
Debt issue premium	-	-	-	-	-	-
Interest expenditures	-	-	-	-	-	-
Facilities acquisition & construction						
-	-	-	-	241,000	246,000	5,000
Debt service						
Principal payments	50,000	50,000	-	-	-	-
Interest and bond charges	25,000	25,000	-	-	-	-
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>241,000</u>	<u>246,000</u>	<u>5,000</u>
Change, net increase or decrease						
Debt Fund	0,000	0,000	-	-	2000	2000
FUND BALANCE, beginning	<u>-</u>	<u>11,000</u>	<u>11,000</u>	<u>-</u>	<u>0</u>	<u>0</u>
FUND BALANCE, ending	<u>\$ 0,000</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>-</u>	<u>2000</u>	<u>2000</u>

The accompanying notes are an integral part of this statement.

NOTES TO
GENERAL PURPOSE
FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE TOWN OF MONROE
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 1988

INTRODUCTION

The Housing Authority of the Town of Monroe was created by Louisiana Revised Statute (LSA-R.S.) 48:151 to engage in the acquisition, development, and administration of a low rent housing program to provide safe, sanitary, and affordable housing to the citizens of Monroe, Louisiana.

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

Under the United States Housing Act of 1957, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the authority for the purpose of assisting the authority in financing the acquisition, construction, and leasing of housing units and to make annual contributions (subsidies) to the authority for the purpose of maintaining this low rent character.

The authority participates in The Section 8 housing assistance payment program. The existing and moderate rehabilitation programs provide assistance to low-income persons seeking housing by subsidizing rents between tenants and owners of existing private housing. Under this program, the authority enters into housing assistance payment contracts with landlords.

At June 30, 1988, the authority managed 310 public housing units and provides assistance to 28 Section 8 housing units.

In addition, the authority is currently administering a modernization program.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

NOTES TO FINANCIAL STATEMENTS (continued)

Reporting Entity

CASE Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the authority is legally separate and fiscally independent, the authority is a separate governmental reporting entity.

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

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

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

Fund Accounting

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

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

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

NOTES TO FINANCIAL STATEMENTS (continued)

Governmental Funds

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

1. **General Fund**--the general operating fund of the authority accounts for all financial resources, except those required to be accounted for in other funds. The General Fund includes transactions of the low rent housing assistance programs.
2. **Special revenue funds**--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Special revenue funds contain transactions of the various Section 8 housing assistance programs administered by the authority.
3. **Debt service funds**--account for transaction relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group. Debt service funds contain current year payments of principal and interest on project notes and bonds payable.
4. **Capital projects funds**--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. Capital projects funds contain transactions relating to active modernization and development programs.

Fiduciary Funds

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

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

Basis of Accounting

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

NOTES TO FINANCIAL STATEMENTS (continued)

all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

Rental income and other income are recorded in the month earned.

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

Expenditures

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

Expenditures for principal and interest on long-term obligations are recognized when due. The authority's liability for compensated absences is accounted for in the general long-term obligation account group and is recorded annually. At June 30, 1988, the liability for accumulated compensated absences was \$12,333.

Other Financing Sources (Uses)

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

Budgets

The authority uses the following budget practices:

1. The Executive Director prepares a proposed budget and submits same to the Board Commissioners no later than thirty days prior to the beginning of each fiscal year.
2. Following discussion and acceptance of the budget by the Board, it is sent to HUD for approval.
3. Upon approval by HUD, the budget is formally adopted.
4. Any budgetary amendments require the approval of the Executive Director and Board of Commissioners.

NOTES TO FINANCIAL STATEMENTS (continued)

5. Any budgetary appropriations lapse at the end of each fiscal year.

6. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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

Cash and Cash Equivalents

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

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

Short-term Interfund Receivables/Payables

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

Prepaid Items

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 1996 are recorded as prepaid insurance.

Fixed Assets

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No construction period interest costs have been incurred and capitalized for the fiscal year ended June 30, 1995. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

NOTES TO FINANCIAL STATEMENTS (continued)

Compensated Absences

The authority follows Civil Service guidelines pertaining to the accumulation of vacation and sick leave. This leave may be accumulated and carried over between fiscal years, with a maximum of 100 hours of payment of leave upon termination or retirement.

The cost of current leave privileges, computed in accordance with GASB codification section 266, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

Long-Term Obligations

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

Fund Equity

Reserves

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

Designated Fund Balances

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

Interfund Transactions

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

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

NOTE TO FINANCIAL STATEMENTS (continued)

Total Columns on Combined Statements

The 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. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - FUND DEFICITS

No individual funds have deficits in unreserved fund balance at June 30, 1988.

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 1988, the authority has cash and cash equivalents totaling \$118,571 as follows:

Demand deposits	\$100,571
Time deposits	18,000
Total	<u>\$118,571</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by Federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the Federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1988, the authority has \$118,571 in deposits. These deposits are secured from risk by \$100,000 of Federal deposit insurance and \$-0- of pledged securities held by the custodial bank in the name of the fiscal agent bank (GAAP Category 3). The remaining balance of \$18,571 is not secured by the pledge of securities and is a violation of state law.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 4 - RECEIVABLES

The receivables of \$76,436 at June 30, 1996, are as follows:

Class of Receivable	General Fund	Capital Projects	Debt Service Fund	Total
Local sources:				
Taxes	\$ 368	\$ ---	\$ ---	\$ 368
Federal sources:				
Accruing annual contr.	---	8,384	78,888	87,272
Total	\$ 368	\$8,384	\$78,888	\$87,640

NOTE 5 - FIXED ASSETS

The changes in general fixed assets are as follows:

	Balance June 30, 1995	Additions	Deletions	Balance June 30, 1996
Land	\$ 303,332	\$ -	\$ -	\$ 303,332
Buildings	1,028,178	28,328	-	1,056,506
Equipment	64,838	-	11,838	53,000
Construction in Progress:				
Modernization costs	22,520	284,368	21,528	285,360
TOTAL	\$2,618,876	\$312,696	\$33,366	\$2,898,206

NOTE 6 - ACCUMULATED EMPLOYEES

The authority participates in the Housing-Retiree and Local Agency Retirement Plan which is a defined contribution plan. The plan consists of employees of various local and regional Housing authorities, urban renewal agencies, and other similar organizations. Through the plan, the authority provides pension benefits for all full-time employees. All eligible individuals must be employed for at least three months before participating in the plan. The authority had four employees participating as of June 30, 1996.

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

Capital Expenditures	Fiduciary Fund	Account Groups		TOTALS (Nonrecourse Only)
	Agency Fund	General Fixed Assets	General Long-term Liabilities	
\$ 78,788	\$ -	\$ -	\$ -	\$ 78,788
-	-	-	-	58,168
-	18,002	-	-	58,002
-	-	-	27,837	22,548
-	-	-	-	78,088
-	-	-	17,333	22,333
-	-	-	688,387	882,387
<u>78,788</u>	<u>18,002</u>	<u>-</u>	<u>688,627</u>	<u>882,563</u>
-	-	-	-	-
-	-	3,713,248	-	3,713,248
-	-	-	-	1,488
-	-	-	-	28,884
-	-	3,713,248	-	3,743,640
<u>\$ 78,788</u>	<u>\$ 18,002</u>	<u>\$ 3,713,248</u>	<u>\$ 688,627</u>	<u>\$ 4,518,265</u>

BOILING AUTHORITY OF THE TOWN OF MONROE
 Monroe, Louisiana

BALANCE SHEET
 JUNE 30, 1966

Annual Contributions CONTRACT

ASSETS

	<u>76-2012</u>	<u>76-2261</u>
Cash	\$ 88,841.48	\$ 14,222.16
Accounts receivable	540.27	-
Accounts receivable-Inst. #	11,065.83	-
Accounts receivable-CI&P	9,303.43	-
Debt amortization fund	78,573.35	-
Investments	12,000.00	-
Deferred charges	8,600.00	-
Land, structures and equipment	<u>2,212,242.62</u>	<u>-</u>
Total Assets	<u>\$2,928,279.83</u>	<u>\$ 14,222.16</u>
LIABILITIES AND SURPLUS		
Tenant Security Deposits	\$ 18,082.00	-
Accounts payable	77,818.13	\$ 12,000.83
Accrued liabilities	2,343.04	4,603.00
Fixed liabilities	<u>650,388.91</u>	<u>-</u>
Total Liabilities	<u>\$ 748,432.08</u>	<u>16,603.83</u>
Surplus	<u>2,187,809.35</u>	<u>275.33</u>
Total Liabilities and surplus	<u>\$2,936,241.43</u>	<u>\$ 16,222.16</u>