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**CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED MARCH 31, 1989
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

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

Release Date **OCT 25 1991**

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1989
10/25/91

CALDWELL PARISH HOUSING AUTHORITY
 COLUMBIA, LOUISIANA
 FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 1997

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CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1997

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Caldwell Parish Housing Authority
Columbia, Louisiana

I have audited the accompanying balance sheet of Caldwell Parish Housing Authority for the year ended March 31, 1997, and the related statements of income and cash flows for the year then ended. These financial statements are the responsibility of the Housing Authority's executive director. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Caldwell Parish Housing Authority, as of March 31, 1997, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general-purpose financial statements of the Caldwell Parish Housing Authority.

WILLIAM R. HULSEY, CPA
Certified Public Accountant

William R. Hulsey

September 30, 1997

CALDWELL PARISH HOUSING AUTHORITY
 COLUMBIA, LOUISIANA
 COMBINED BALANCE SHEET -
 ALL FUND TYPES AND ACCOUNT GROUPS
 MARCH 31, 1977

	Governmental Fund Types	
	General Fund	Special Revenue Fund
Assets:		
Cash and cash equivalents	\$ 8,085	\$ 55,858
Receivables	7,298	8,041
Intrafund receivable	40,184	-
Prepaid insurance	2,948	-
Land, buildings, and equipment	-	-
Amount available in debt service funds	-	-
Amount to be provided for retirement of general long-term obligations	-	-
	\$ 51,485	\$ 64,799
TOTAL ASSETS		
Liabilities and Fund Equity:		
Liabilities:		
Cash in bank - overdraft	\$ 8,002	\$ -
Accounts payable	1,687	41,780
Intrafund payable	-	40,184
Deposit due others	8,080	-
Prepaid annual contribution	-	18,540
Retention notes - TRBO	-	-
	\$ 17,769	\$ 60,504
Total liabilities		
Fund Equity:		
Investment in general fixed assets	-	-
Fund balances:		
Reserved for debt payment	8,080	-
Unreserved and undesignated	33,784	(38,725)
	\$ 41,784	\$ (38,725)
Total fund equity		
TOTAL LIABILITIES AND FUND EQUITY	\$ 51,485	\$ 64,799

<u>Account Groups</u>	
General Fixed Assets	Total (Microcomputers Only)
\$ -	\$ 62,953
" "	16,197
" "	43,194
" "	3,908
5,420,152	5,436,252
" "	" "
<u>5,420,152</u>	<u>5,545,494</u>
\$ -	\$ 8,012
" "	43,687
" "	43,194
" "	8,000
" "	16,549
<u>" "</u>	<u>" "</u>
<u>" "</u>	<u>121,332</u>
" "	" "
" "	8,000
<u>5,420,152</u>	<u>5,413,311</u>
<u>5,420,152</u>	<u>5,435,311</u>
<u>\$ 5,420,152</u>	<u>\$ 5,516,494</u>

The accompanying notes to financial statements are an integral part of these statements.

CALEDWELL PARISH HOUSING AUTHORITY
 COLUMBIA, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - ALL FUND TYPES
 FOR THE YEAR ENDED MARCH 31, 1997

	<u>Governmental Fund Types</u>		Total (Manufacturing Depts)
	<u>General Fund</u>	<u>Special Revenue Fund</u>	
Revenues:			
Local sources:			
Dwelling rental	\$ 91,453	\$ -	\$ 91,453
Interest earnings	-	61	61
Other	22,253	-	22,253
Federal sources:			
Operating subsidy	190,441	-	190,441
Annual contributions	-	208,126	208,126
Grants	<u>18,725</u>	<u>-</u>	<u>18,725</u>
TOTAL REVENUES	\$ <u>269,998</u>	\$ <u>208,187</u>	\$ <u>468,165</u>
Expenditures:			
Current:			
Administration	\$ 55,818	\$ 23,840	\$ 89,658
Utilities	31,879	-	31,879
Ordinary maintenance & operations	80,868	-	80,868
Professional services	-	-	-
General expenditures	85,003	-	85,003
Housing assistance payments	-	171,787	171,787
Facilities acquisition and construction	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	\$ <u>213,567</u>	\$ <u>195,627</u>	\$ <u>409,194</u>
Excess (deficiency) of revenues over expenditures	\$ 56,431	\$ 12,560	\$ 68,991
Fund balances at beginning of year	<u>5,426,525</u>	<u>66,884</u>	<u>5,493,411</u>
Fund balances at end of year	\$ <u>5,482,956</u>	\$ <u>79,444</u>	\$ <u>5,562,400</u>

The accompanying notes to financial statements are an integral part of these statements.

CALEDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1993

INTRODUCTION

Housing Authorities are chartered as a public corporation under the laws (LSA-RS 40:191) of the State of Louisiana for the purpose of providing safe and sanitary housing and related facilities for eligible low-income families and the elderly. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members serve a staggered term of four years.

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

The Housing Authority participates in Section 8 housing assistance payment programs. The rental certificate and modern rehabilitation programs provide assistance to low-income persons seeking housing by subsidizing rents between tenants and owners of existing private housing. Under these two programs, the Housing Authority enters into housing assistance payment contracts with landlords. Section 8 Rental Voucher Program, another Section 8 housing assistance program, provides assistance to low-income families. The program provides for a voucher which can be used by the tenant to pay rent to any landlord he chooses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Caldwel Parish Housing 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.

CALDWELL PARISH HOUSING AUTHORITY
COLLINGBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Housing Authority is legally separate and fiscally independent by being solely accountable for fiscal matters, including (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, (3) fiscal management for controlling the collection and disbursement of funds, (4) authority to issue debt, the Housing Authority is a separate governmental reporting entity. The Housing Authority includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the Housing Authority.

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

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Housing Authority to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Housing Authority.
2. Organizations for which the Housing Authority does not appoint a voting majority but are fiscally dependent on the Housing Authority.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

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

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

Funds of the Housing Authority are classified into three categories: governmental, proprietary and fiduciary. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follow:

Governmental Funds

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

General Fund

The general operating fund of the Housing 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.

Special Revenue Funds

The special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Special revenue funds contain transactions of the various Section 8 Housing Assistance programs administered by the Housing Authority.

CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

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

Revenues

Federal entitlements are recorded as unrestricted grants-in-aid when available and measurable. Federal restricted grants are recorded when the reimbursable expenditures have been incurred.

Rental income is recorded in the month earned.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available. Interest income on interest bearing demand deposits is recorded each month when credited by the bank to the account.

Substantially all other revenues are recorded when they become available to the Housing Authority.

Expenditures

Salaries are recorded as expenditures when incurred.

Purchases of various operating supplies are recorded as expenditures in the accounting period they are consumed.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death.

Principal and interest on general long-term debt are recognized when incurred.

CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Expenditures (Continued)

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Loss)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, or others) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Deferred Revenues

The Housing Authority reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

Budgets and Budgetary Accounting

Annual budgets are prepared for the funds. Periodic comparison reports are prepared and actual expenditures are compared to budgeted amounts. These reports are prepared to assist management in controlling the day-to-day operations of the Housing Authority.

Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, the monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1977

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agent. Under state law, the Housing 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 Housing 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. Investments are stated at cost.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for 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.

Bad Debts

In accordance with HUD guidelines, allowance for doubtful accounts has not been established, which is in variance with generally accepted accounting principles.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid expenses consist of prepaid insurance.

Fiscal Assets

Fiscal 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 such as sidewalks and parking lots are capitalized. Interest expense during construction is capitalized. Depreciation has not been provided on general fixed assets.

CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

No provisions for compensated absences were provided for in these financial statements. Compensated absences do not vest or accumulate and are recorded as expenditures when they are paid.

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 appropriate for expenditures or legally segregated for a specific future use.

Interfund Transactions

Quasi-external transactions are accounted for as revenue, expenditures, or expenses.

Transactions that constitute reimbursements to a fund for expenditures 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. Nonrecursing or non-routine permanent transfers of equity are reported as initial equity transfers. All other interfund transfers are reported as operating transfers.

Income Taxes

No provision is made for income taxes since the Caldwell Parish Housing Authority is a governmental entity in the State of Louisiana.

CALEDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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

The special revenue fund had a deficit in unreserved fund balance at March 31, 1997 in the amount of \$34,325. The deficit will be cleared by federal grants.

NOTE 3 - CASH AND CASH EQUIVALENTS

At March 31, 1997, the Housing Authority had cash and cash equivalents totaling \$63,953 as follows:

Cash on hand	\$ 50
Carrying amount of deposits	<u>63,903</u>
	\$ 63,953
Cash and cash equivalents	\$ 55,953
Cash and cash equivalents - restricted	<u>8,000</u>
	\$ 63,953

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) 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.

CALDWELL PARISH HOUSING AUTHORITY
 COLUMBIA, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (Continued)
 MARCH 31, 1997

NOTE 5 - FIXED ASSETS

The changes in general fixed assets are as follows:

	Balance March 31, 1996	Additions	Deletions	Balance March 31, 1997
Land, structures and equipment	\$3,640,719	\$ 645,585	\$ -	\$4,286,304
Modernization costs	1,714,344	57,060	645,152	1,126,252
Equipment	1,563	-	-	1,563
Total	\$5,356,626	\$ 702,645	\$ 645,152	\$5,420,119

NOTE 6 - ACCOUNTS PAYABLE

The payables of \$43,487 at March 31, 1997, are as follows:

General fund	
Payroll taxes and other liabilities	\$ 1,697
Special revenue fund	
Due to HUD	41,790
Total	\$ 43,487

NOTE 7 - SECURITY DEPOSIT ACCOUNT

At March 31, 1997, the security deposit account had a balance of \$7,975 and tenant security deposits totaled \$8,000.

NOTE 8 - DEFERRED COMPENSATION PLAN

The Caldwell Parish Housing Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Caldwell Parish Housing Authority employees, permits them to defer a portion of their salary until future years.

CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 8 - DEFERRED COMPENSATION PLAN (Continued)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the government subject only to the claims of the government's general creditors. Participants' rights under the plan are equal to those of the general creditors of the government in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of management that the Caldwell Parish Housing Authority has no liability for losses under the plan. It is the intent of management that the deferred amounts will ultimately be paid to the employees. Management also believes that the assets will not be used to satisfy the claims of general creditors.

NOTE 9 - INTERFUND ASSETS/LIABILITIES

Interfund receivables/payables at March 31, 1997 are as follows:

General fund	
Due from special revenue fund	\$ 45,194
Special revenue fund	
Due to general fund	(45,194)
Total	<u>\$ -</u>

NOTE 10 - COMMITMENTS AND CONTINGENCIES

According to the Housing Authority's legal counsel, there was no pending or threatened litigation at March 31, 1997.

NOTE 11 - RISK MANAGEMENT

The Housing Authority is exposed to various risks of loss related to theft, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Housing Authority carries commercial insurance.

CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 12 - PENSION PLAN

The Housing-Removal and Local Agency Retirement Plan was formed effective January 1, 1990 under an agreement between the Metropolitan Development and Housing Agency, Nashville, Tennessee (formerly the Nashville Housing Authority) as sponsoring employer and certain trustees for the purpose of establishing a retirement system providing benefits for employees of the sponsoring employer and such other employers as may elect to participate in the Plan. In addition to retirement benefits, the Plan provides certain benefits for those members who die or become disabled prior to retirement.

From the effective date the Plan Administrator has been William M. Moscar, Inc.

All contributions into and disbursements from the trust fund flow through the trust department of the custodial bank, P.N.C. Bank of Kentucky. All financial transactions of the trust are recorded daily. Distribution instructions may only be made by the Plan Administrator. The individual trustees neither receive contributions nor implement disbursements. Asset and individual participant account balances are updated and reconciled monthly by the Plan Administrator.

Plan Description

The Plan is a defined contribution retirement plan covering, essentially all employees of the various participating employers. Since the participating employers are all governmental units, the Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974, except for the contribution limitations of Section 415.

The Plan and Trust are qualified under Section 401(a) of the Internal Revenue Code and their income is exempt from taxation under Section 501(c) of the Code.

The Plan is funded by employer contributions and in some cases, employee contributions. The rates of contributions are determined by the various jointer agreements of the participating employers.

Terminated or retiring participants are entitled to certain benefits including the full amount of their contributions to the Plan as well as earnings on their contributions. In addition to the amount of their contributions, each participant is entitled to the portion of the employer's contributions in which he or she has a vested interest. Vesting provisions are determined in accordance with the participating employers' jointer agreement. If a participating employee shall be determined to be totally and

CALDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 1997

NOTE 12 - PENSION PLAN (Continued)

permanently disabled, or if an active participating employee should die prior to retirement, or a participant upon attaining normal retirement age as specified in the employer's jointer agreement, then the employee or their designated beneficiary shall be entitled to the full value of the participant's account. Benefits are payable in the form of lump sum cash settlements or purchased annuities, depending upon the election of the participant. Effective January 1, 1988 the non-vested portion of a terminated participant's account which arose prior to January 1, 1988, will be used first to pay the administrative expense of the plan and the balance to reduce the employee contributions in succeeding plan years. The non-vested portion of a terminated participant's account which arose after January 1, 1988, shall be applied in the same manner as pre-January 1, 1988 amounts. However, for any forfeitures remaining as of the December 31 monthly valuation date after payment of the applicable employer's expenses, the employer may elect in its Jointer Agreement to have those forfeitures reallocated among its eligible participating employees. The total amount of assets for the plan year ended December 31, 1996, was \$123,019.

If the Plan is terminated or contributions under the Plan are discontinued, the participating employees are entitled to benefits accrued to the date of such termination or discontinuance to the extent funded and/or to the amounts credited to the employees' accounts.

Funding Policy

The Housing Authority's total payroll for the year ended March 31, 1997 was \$90,963 of which \$90,863 was the covered payroll for employees in the Housing - Rental and Local Agency Retirement Plan. The Housing Authority contributes 14.5%. The Housing Authority has 4 employees covered under this retirement system. The contribution requirement was \$7,504 all of which was the employees' portion.

SUPPLEMENTAL INFORMATION

CALDWELL PARSIPPOUSING AUTHORITY
COLUMBIA, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
FOR THE YEAR ENDED MARCH 31, 1993

GENERAL

Compensation/Paid Board Members

The members of the Board of Commissioners serve without compensation.

Federal Financial Assistance Programs

In accordance with Office of Management and Budget (OMB) Circular A-128, a schedule of Federal financial assistance is presented.

CALDWELL PARRISH HOUSING AUTHORITY
 COLUMBIA, LOUISIANA
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED MARCH 31, 1997

Federal Grants/ Pass Through Grants/Program Name	Federal CFDA Number	Grant ID Number	Proposed Award Amount
U. S. Department of Housing and Urban Development			
Direct programs:			
Section 8 Rental Certificate Program	14.077	PW-2124	\$ 168,351
Section 8 Rental Voucher	14.077	PW-2124	34,379
Low Income Housing	14.156	PW-2063	130,447
HDD Rebate	14.156	PW-2063	30,223
Total			\$ 363,399

SUPPLEMENTAL INFORMATION SCHEDULES -
HUD PRESCRIBED FORMAT

CALDWELL PARISH HOUSING AUTHORITY
 COLUMBIA, LOUISIANA
 STATEMENT OF CHANGES IN FUND BALANCE
 MARCH 31, 1997

	<u>Low Income</u> <u>Housing</u>	<u>Section 8</u> <u>Housing</u>
Fund balance - unreserved:		
Balance April 1, 1996	\$ (2,841,788)	\$ (3,340,533)
Net loss, year ended:		
March 31, 1997	(819,761)	(196,767)
Provision for operating reserve	(10,686)	-
Provision for project account	-	(188,000)
Balance March 31, 1997	\$ (3,671,135)	\$ (3,625,300)
Fund balance - reserved:		
Balance April 1, 1996	\$ 64,356	\$ 871,318
Net income (loss), year ended:		
March 31, 1997	-	-
Provision for operating reserve	91,886	-
Provision for project account	-	144,968
Balance March 31, 1997	\$ 156,242	\$ 1,016,286
Cumulative HUD Contributions:		
Balance April 1, 1996	\$ 8,332,333	\$ 2,330,171
Net income, year ended:		
March 31, 1997	190,943	200,128
Balance March 31, 1997	\$ 8,523,276	\$ 2,530,299
Cumulative HUD Grant:		
Balance April 1, 1996	\$ 1,634,340	\$ -
Net income, year ended:		
March 31, 1997	16,725	-
Balance March 31, 1997	\$ 1,651,065	\$ -
TOTAL FUND BALANCE	\$ 5,603,336	\$ (1,089,014)

The accompanying notes to financial statements are an integral part of these statements.

CALDWELL, PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance required by Government Auditing Standards, issued by the Comptroller General of the United States. The report on internal control structure is based solely on the audit of the basic financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses. The report on compliance is, likewise, based solely on the audit of the basic financial statements and presents, where applicable, compliance matters that would be material to the basic financial statements.

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, I have classified the significant internal control structure policies and procedures in the following categories:

- Cash
- Receivables and receivables
- Expenditures and payables
- Property and equipment
- Payroll and related liabilities

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

I noted certain matters involving the internal control structure and its operation that I considered to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, would adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. I noted several conditions that are listed in the Schedule of Findings and Questioned Costs.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I believe most of the reportable conditions described above is a material weakness.

I 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 I considered relevant to preventing or detecting material noncompliance with specific requirements applicable to the Housing Authority's HUD-assisted programs. My procedures were less in scope than would be necessary to render an opinion on internal control structure policy and procedures. Accordingly, I do not express such an opinion.

This report is intended for the information of the Caldwell Parish Housing Authority's management, the Louisiana Legislative Auditor, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

WILLIAM R. HULSEY
Certified Public Accountant

W. R. Hulsey

September 18, 1997

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED
ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
Caldwell Parish Housing Authority
Columbia, Louisiana

I have audited the financial statements of Caldwell Parish Housing Authority as of and for the year ended March 31, 1997, and have issued my report thereon dated September 30, 1997.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. These standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Caldwell Parish Housing Authority is the responsibility of Caldwell Parish Housing Authority's management. As part of my audit, I assessed the risk that noncompliance with certain provisions of laws, regulations, contracts, and grants could cause the financial statements to be materially misstated. I concluded that the risk of such material misstatement was sufficiently low that it was not necessary to perform tests of the Housing Authority's compliance with such provisions of laws, regulations, contracts, and grants.

However, in connection with my audit, nothing came to my attention that caused me to believe that Caldwell Parish Housing Authority had not complied, in all material respects, with the laws, regulations, contracts, and grants referred to in the preceding paragraph.

This report is intended for the information of the Caldwell Parish Housing Authority's management, the Louisiana Legislative Auditor, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is unlimited.

WILLIAM R. HULSEY
Certified Public Accountant

Wm. R. Hulsey
September 30, 1997

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**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL
CONTROL STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Board of Commissioners
Caldwell Parish Housing Authority
Columbia, Louisiana

I have audited the financial statements of Caldwell Parish Housing Authority for the year ended March 31, 1997, and have issued my report thereon dated September 30, 1997. I have also audited the compliance of Caldwell Parish Housing Authority with requirements applicable to major federal financial assistance programs and have issued my report thereon dated September 10, 1997.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments and the IFLP Audit Guide. These standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether Caldwell Parish Housing Authority complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audit for the year ended March 31, 1997, I considered the internal control structure of Caldwell Parish Housing Authority in order to determine my auditing procedures for the purpose of expressing my opinions on the financial statements of Caldwell Parish Housing Authority and on the compliance of Caldwell Parish Housing Authority with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed the internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated September 10, 1997.

The management of Caldwell Parish 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, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, 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 purposes of this report, I have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

- Cash
- Revenues and receivables
- Expenditures and payables
- Property and equipment
- Payroll and related liabilities

Administrative Controls

- Political activity
- Civil rights
- Alcohol use
- Drug-Free Workplace Act
- Davis-Bacon Act
- Cash management
- Federal reports

Specific Requirements

- Reporting
- Eligibility

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

During the year ended March 31, 1997, Caldwell Parish Housing Authority expended 100 percent of its total federal financial assistance under major federal financial assistance programs.

I performed tests of controls, as required by GAO Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of Caldwell Parish Housing Authority's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect Caldwell Parish Housing Authority's ability to administer federal financial assistance programs in accordance with applicable laws and regulations. The reportable conditions are listed in the Schedule of Findings and Questioned Costs.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the Caldwell Parish Housing Authority's management, the Louisiana Legislative Auditor, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

WILLIAM R. HULSEY
Certified Public Accountant

Wm. R. Hulseys

September 18, 1987

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
GENERAL REQUIREMENTS APPLICABLE TO FEDERAL
FINANCIAL ASSISTANCE PROGRAMS

To the Board of Commissioners
Caldwell Parish Housing Authority
Columbia, Louisiana

I have audited the financial statements of Caldwell Parish Housing Authority as of and for the year ended March 31, 1997, and have issued my report thereon dated September 10, 1997.

I have applied procedures to test Caldwell Parish Housing Authority's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended March 31, 1997: political activity, Davis-Bacon Act, civil rights, cash management, federal financial reports, allowable cost/allow principles, Drug-Free Workplace Act, or administrative requirements.

My 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." My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Caldwell Parish Housing Authority's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that Caldwell Parish Housing Authority had not complied, in all material respects, with those requirements. However, the results of my procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information of the Caldwell Parish Housing Authority's managers, the Louisiana Legislative Auditor, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

WILLIAM R. HULSEY
Certified Public Accountant

Wm. R. Hulsey

September 10, 1997

In my opinion, Caldwell Parish Housing Authority complied, in all material respects, with the requirements governing types of services allowed or unallowed, eligibility, matching, level of effort, re-auditing, reporting, special tests and provisions, claims for advances and reimbursements, and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended March 31, 1997.

This report is intended for the information of the Caldwell Parish Housing Authority's management, the Louisiana Legislative Auditor, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

WILLIAM R. HULSEY
Certified Public Accountant

Wm. R. Hulsey
September 10, 1997

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**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH SPECIFIC REQUIREMENTS
APPLICABLE TO NONMAJOR HUD PROGRAM TRANSACTIONS**

To the Board of Commissioners
Caldwell Parish Housing Authority
Columbia, Louisiana

I have audited the financial statements of Caldwell Parish Housing Authority as of and for the year ended March 31, 1997, and have issued my report thereon dated September 10, 1997.

In connection with my audit of the March 31, 1997 financial statements of Caldwell Parish Housing Authority and with my consideration of the Housing Authority's internal control structure 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 1995, I selected certain transactions applicable to certain nonmajor HUD-assisted programs for the year ended March 31, 1997.

As required by the Guide, I performed auditing procedures to test compliance with the requirements that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Caldwell Parish Housing Authority's compliance with those requirements. Accordingly, I do not express such an opinion.

With respect to the items listed, 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 my attention that caused us to believe that Caldwell Parish Housing Authority had not complied, in all material respects, with those requirements.

This report is intended for the information of the Caldwell Parish Housing Authority's management, the Louisiana Legislative Auditor, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

WILLIAM B. HULSEY
Certified Public Accountant

William B. Hulsey
September 10, 1997

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ACCOUNTANTS

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OF MONROE AREA
MEMBERS ASSOCIATION
MEMBER ASSOCIATION
OF MONROE AREA
MEMBERS ASSOCIATION

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO
MAINTENANCE PROGRAM TRANSACTIONS**

To the Board of Commissioners
Caldwell Parish Housing Authority
Columbia, Louisiana

I have audited the financial statements of Caldwell Parish Housing Authority as of and for the year ended March 31, 1997, and have issued my report thereon dated September 18, 1997. In addition, I have audited the Housing Authority's compliance with the specific program requirements governing political activity, civil rights, and cash management that are applicable to each of its major HUD-assisted programs, for the year ended March 31, 1997. The executive director of the Housing Authority is responsible for compliance with these requirements. My responsibility is to express an opinion on compliance with these requirements based on my audit.

I conducted my 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. Those standards and the Guide require that I 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 Housing Authority's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, Caldwell Parish 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 March 31, 1997.

This report is intended for the information of the Caldwell Parish Housing Authority's management, the Louisiana Legislative Auditor, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

WILLIAM R. HULSEY
Certified Public Accountant

Wm. R. Hulsey
September 10, 1997

WILLIAM R. HULSEY
CERTIFIED PUBLIC ACCOUNTANT
200 BUCKNER AVENUE
MONROE, LOUISIANA

AFFIDAVIT
I HEREBY AFFIRM THAT I AM
A CERTIFIED PUBLIC ACCOUNTANT
LICENSED IN THE STATE OF
LOUISIANA AND AM NOT
EMPLOYED BY ANY PUBLIC AGENCY.

MAILED BY REGISTERED MAIL
10/10/97 10:00 AM
MONROE, LOUISIANA 70001
200 BUCKNER
1000000000

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH SPECIFIC REQUIREMENTS
APPLICABLE TO AFFIRMATIVE FAIR HOUSING**

To the Board of Commissioners
Caldwell Parish Housing Authority
Columbia, Louisiana

I have audited the financial statements of Caldwell Parish Housing Authority for the year ended March 31, 1997, and have issued my report thereon dated September 30, 1997.

I have applied procedures to test the Housing Authority's compliance with the Affirmative Fair Housing requirements applicable to its HUD-assisted programs, for the year ended March 31, 1997.

My procedures were limited to the applicable compliance requirements described in the Generalized Audit Guide for Audits of HUD Programs issued by the U. S. Department of Housing and Urban Development, Office of Inspector General in July 1995. My procedures were substantially less in scope than an audit, the objective of which would be the expression of an opinion on the Housing Authority's compliance with the Affirmative Fair Housing requirements. Accordingly, I 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 Affirmative Fair Housing requirements. With respect to items not tested, nothing came to my attention that caused me to believe that the Housing Authority had not complied, in all material respects, with these requirements.

This report is intended for the information of the Caldwell Parish Housing Authority's management, the Louisiana Legislative Auditor, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

WILLIAM R. HULSEY
Certified Public Accountant

Wm. R. Hulsey
September 10, 1997

CALEDWELL PARISH HOUSING AUTHORITY
COLUMBIA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 1997

FINDING(S):

During the fiscal year ending March 31, 1997, the Caldwell Parish Housing Authority established a separate bank account for tenant's security deposits in compliance with HUD requirements. At year end, I noted that this account had \$25 less in deposits than the housing authority had in outstanding tenant deposits. This appears to have occurred because transactions for security deposits were being made from the operating account.

RECOMMENDATION(S):

I recommend that the housing authority reconcile the bank account to the security deposit account at the end of each month to insure that the bank balance and security deposit liability remain equal.

CALDWELL PARISH HOUSING AUTHORITY
729 Alvin Street
Columbia, Louisiana 71418
318-689-5022

CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED MARCH 31, 1997

RESPONSE TO FINDINGS

FINDING #1:

We have reconciled our bank statement and made sure that the bank balance and security deposit liability remain equal.