

OFFICIAL
FILE COPY

DO NOT SEND OUT

Please Indicate
DATE from this
COPY and PLACE
DATE in 1988

98 102944
4040
34

HOUSING AUTHORITY OF THE CITY OF QUETZAN, LOUISIANA
REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

TWELVE MONTHS ENDED JUNE 30, 1988

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

Release Date NOV 1 1 1988

Ernst & Associates
CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS

	EXHIBIT	PAGE
INDEPENDENT AUDITORS' REPORT		1 - 2
FINANCIAL STATEMENTS		
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)		
Combined Balance Sheet - All Fund Types and Account Groups		3 - 4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types		5
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General Fund and Special Revenue Funds		6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Debt Service and Capital Projects Funds		7
Notes to Financial Statements		8 - 14
Capital Project Fund Types - Combining Balance Sheet		15
Capital Project Fund Types - Combining Statement of Revenues, Expenditures and Changes in Fund Balances		16
Fiduciary Funds - Combining Balance Sheet		17
Fiduciary Funds - Schedule of Changes in Deposits Due to Others		18

TABLE OF CONTENTS (Continued)

	<u>EXHIBIT</u>	<u>PAGE</u>
SUPPLEMENTARY INFORMATION		
Balance Sheet	A	19
Statement of Income and Expenses	B	20
Analysis of Surplus	C	21 - 22
Computation of Residual Receipts and Accounting Annual Contribution	D	23 - 24
Statement of Modernization Costs — Uncompleted	E	25
Analysis of General Fund Cash Balance	F	26
Schedule of Expenditures for Federal Awards		27
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards		28-29
Schedule of Findings and Questioned Costs		30
Adjusting Journal Entries		31

BATES & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
4000 AIRPORT FREEWAY - SUITE 100
FORT WORTH, TEXAS 76117

NOT EMPLOYED
MEMBER OF AICPA
SINCE 1988

MEMBER, TEXAS CPA

MEMBER
AMERICAN SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

Independent Auditor's Report

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

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

We have audited the accompanying general-purpose financial statements and the combining and individual fund and account group financial statements of the Housing Authority of the Town of Gueydan, Louisiana at and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Housing Authority of the Town of Gueydan, Louisiana's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and provisions of the Louisiana Governmental Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, the authority's policy is to prepare its financial statements on the basis of accounting practices prescribed or permitted by the Department of Housing and Urban Development, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the general-purpose financial statements and the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the Town of Gueydan, Louisiana as of June 30, 1998 and the results of its operations and changes in its surplus for the year then ended, on the basis of accounting described in Note A.

In accordance with Government Auditing Standards, we have also issued a report dated October 14, 1998 on our consideration of Housing Authority of the Town of Gueydan's internal

control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statement of the Housing Authority of the Town of Greystar, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Estes and Associates

Fort Worth, Texas
October 14, 1993

HOUSING AUTHORITY OF THE TOWN OF SUEYDAN
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1996

	Governmental Fund Types				Society Fund Types			Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General		Long-Term Debt		
						Fund Assets	Fund Liabilities			
ASSETS										
Cash and cash equivalents	\$ 954.75	\$ -	\$ -	\$ -	\$ 1,855.08	\$ -	\$ -	\$ -	\$ -	\$ 2,810.75
Investments	11,887.87									11,887.87
Receivables, net of allowance:										
Rentals	768.31									768.31
Due from:										
Other funds	87.53									87.53
Inventory, if any										0.00
Prepaid expenditures	5,294.58							1,044,038.68		5,794.50
Property, plant and equipment										1,044,038.68
Total Assets	\$ 18,975.06	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,855.08	\$ 1,044,038.68	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,058,193.86

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

HOUSING AUTHORITY OF THE TOWN OF GALEYDAN

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS (Continued)
JUNE 30, 1998

	Governmental Fund Types			Proprietary Fund Types		Account Group		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Total and Agency	General Fund Assets	General Long-Term Debt	
LIABILITIES	\$ 1,528.00	\$	\$	\$	\$	\$	\$	\$ 1,528.00
Accrued liabilities due to:								
Taxes				87.50	1,480.00			1,567.50
Other funds								87.50
Total Liabilities	1,528.00	0.00	0.00	87.50	1,480.00	0.00	0.00	3,095.50
FUND EQUITY						1,044,855.00		1,044,855.00
Investment in general fund assets								(87.50)
Fund balances:				87.50				
Reserved for capital projects								
Government								
Unappropriated	17,844.00							17,844.00
Total Fund Equity	17,844.00	0.00	0.00	87.50	0.00	1,044,855.00	0.00	1,063,836.50
Total Liabilities and Fund Equity	19,472.00	0.00	0.00	0.00	1,480.00	1,044,855.00	0.00	1,653,158.50

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1998**

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
REVENUES					
Fees/fees	\$ 27,207.10	\$	\$	\$	\$ 27,207.10
Intragovernmental	14,485.00			219,893.57	234,308.57
Interest	246.00				246.00
Other	1,779.80				1,779.80
Total Revenues	<u>43,717.90</u>	<u>0.00</u>	<u>0.00</u>	<u>219,893.57</u>	<u>263,511.27</u>
EXPENDITURES					
Administration	15,487.80				15,487.80
Utilities	11,863.84				11,863.84
Ordinary maintenance	6,086.82				6,086.82
Special expenditures	12,185.19				12,185.19
Extraordinary maintenance	325.00				325.00
Capital expenditures				219,891.10	219,891.10
Total expenditures	<u>45,078.65</u>	<u>0.00</u>	<u>0.00</u>	<u>219,891.10</u>	<u>265,070.45</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,360.75)</u>	<u>0.00</u>	<u>0.00</u>	<u>(87.53)</u>	<u>(1,588.32)</u>
OTHER FINANCING SOURCES(USES)					
Operating transfers in					0.00
Operating transfers out					0.00
Total other financing sources(uses)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FUND BALANCE, beginning of year	<u>18,858.42</u>				<u>18,858.42</u>
FUND BALANCE, end of year	<u>\$ 17,497.67</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 307.00</u>	<u>\$ 17,804.67</u>

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

HOUSERS AUTHORITY OF THE TOWN OF GUESTIAN

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET (GAAP-BASED) AND ACTUAL

GENERAL FUND AND SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 1998

	General Fund			Special Revenue Funds		
	Budget	Actual	Over (Under) Budget	Budget	Actual	Over (Under) Budget
REVENUES						
Fees	\$ 58,000.00	\$ 27,287.10	\$ (30,712.90)	\$	\$	\$ 0.00
Intergovernmental	14,000.00	14,400.00	400.00			0.00
Interest	500.00	340.00	(160.00)			0.00
Other income	800.00	1,775.80	1,075.80			0.00
Total Revenues	63,300.00	43,797.90	(19,502.10)	0.00	0.00	0.00
EXPENDITURES						
Administration	17,840.00	18,887.80	1,047.80			0.00
Utility	13,350.00	11,870.04	(1,479.96)			0.00
Utility maintenance	7,000.00	8,899.82	1,899.82			0.00
General expenditures	15,510.00	12,955.19	(2,554.81)			0.00
Excavatory maintenance	800.00	325.80	(474.20)			0.00
Capital expenditures	1,840.00	(1,940.00)	(1,000.00)			0.00
Total Expenditures	56,340.00	46,879.55	(9,460.45)	0.00	0.00	0.00
Excess (deficiency) of revenues over (under) expenditures	\$ 6,960.00	\$ 1,918.35	\$ (5,041.65)	\$ 0.00	\$ 0.00	\$ 0.00
Transfer of net resources to (from) fund						
FUND BALANCES, beginning of year						
FUND BALANCES, end of year		\$ 11,911.70		\$ 0.00	\$ 0.00	

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDOW

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET (GAAP BASIS) AND ACTUAL

DEBT SERVICE AND CAPITAL PROJECTS FUNDS

YEAR ENDED JUNE 30, 1999

	Debt Service Fund		Capital Projects Funds		Over (Under) Budget
	Budget	Actual	Budget	Actual	
REVENUES					
Intergovernmental	\$	\$	\$219,800.00	\$219,800.00	\$
Total Revenues					0.00
EXPENDITURES					
Capital expenditures	0.00	0.00	219,800.00	219,800.00	0.00
Total Expenditures					
Excess (deficiency) of revenues over (under) expenditures	0.00	0.00	219,800.00	219,800.00	0.00
Transfer of net income to or received from					
FUND BALANCES, beginning of year	\$	0.00	\$	0.00	\$
FUND BALANCES, end of year					
	\$	0.00	\$	0.00	\$

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS JUNE 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

(1) Financial Reporting Entity

Generally accepted accounting principles require that the financial statements present the accounts and operations of the Authority and its component units, entities for which the Authority is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations and data from these units, if any, are combined with data of the Authority. Each discretely presented component unit, if any, would be reported in a separate column in the combined financial statements to emphasize that it is legally separate from the Authority. As of June 30, 1998, and for the fiscal year then ended, the Authority had no discretely presented component units or any component units required to be blended in these financial statements.

(2) Fund Accounting

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

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)
JUNE 30, 1988

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(3) Fund Accounting (continued)

GOVERNMENTAL FUNDS

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

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

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

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

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

FIDUCIARY FUNDS

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

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

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNT GROUPS

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

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

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

(4) Basis of Accounting

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

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

(5) Budgetary Data

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

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

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)
JUNE 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

(6) Cash and Cash Equivalents

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

(7) Tenant Receivables

Receivables for rentals and service charges are reported in the General Fund, net of allowances for doubtful accounts amounting to \$ -0- at June 30, 1998.

(8) Interfund Transactions

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

(9) General Fixed Assets

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

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

HOUSING AUTHORITY OF THE TOWN OF QUEYDAM

NOTES TO FINANCIAL STATEMENTS

(Continued)
JUNE 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(10) General Long-Term Debt

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

(11) Compensated Absences

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

(12) Total Columns on Combined Statements

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

NOTE B - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

It is the entity's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at June 30, 1998. The categories are described as follows:

- Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 - Uncollateralized.

Cash Deposits, categorized by level of risk, are:

Total Bank Balances	Category		
	1	2	3
\$ <u>14,602.62</u>	\$ <u>14,602.62</u>	\$ <u>0.00</u>	\$ <u>0.00</u>

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)
JUNE 30, 1998

NOTE C - ACTIVITIES OF THE PHA

At June 30, 1998, the PHA was managing 24 units of low-rent in two projects under Program PW - 122.

NOTE D - CONTINGENCIES

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

NOTE E - PROPERTY, PLANT AND EQUIPMENT

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

	<u>Beg. of Period</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Period</u>
Land, land improv.	\$ 200,415.98	\$	\$	\$ 200,415.98
Buildings	804,042.75			804,042.75
Equipment	38,577.21			38,577.21
Total	<u>\$ 1,044,035.94</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 1,044,035.94</u>

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

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

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN

NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1999

NOTE F - DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Cash and Investments

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

Long Term Debt

It is not possible to estimate the fair value of long term debt owed to the federal government by this governmental entity, a housing authority. The housing authority is unable, by law, to secure long term financing from any other source. FASB 157 describes fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

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

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

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

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

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

CAPITAL PROJECT FUND TYPES
COMBINING BALANCE SHEET
JUNE 30, 1998

0-60 Heating Programs

	CAP IN	CAP IN	CAP BY	Total
ASSETS				
Due from:				
Other funds	\$	\$	\$ 5,534.00	\$ 5,534.00
Total Assets	\$ 0.00	\$ 0.00	\$ 5,534.00	\$ 5,534.00
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Due to:				
Other funds	\$	\$ 5,534.00	\$	\$ 5,534.00
Total liabilities	\$ 0.00	\$ 5,534.00	\$ 0.00	\$ 5,534.00
FUND EQUITY				
Reserved for capital projects		(5,534.00)	5,534.00	0.00
Total fund equity	\$ 0.00	\$ (5,534.00)	\$ 5,534.00	\$ 0.00
Total liabilities and fund equity	\$ 0.00	\$ 0.00	\$ 5,534.00	\$ 5,534.00

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

CAPITAL PROJECT FUND TYPES
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 JUNE 30, 1999

	CMP Housing Programs			Total
	CMP 95	CMP 96	CMP 97	
REVENUES				
Intergovernmental	\$ 10,181.25	\$ 137,058.72	\$ 79,368.00	\$ 216,608.97
Total Revenues	10,181.25	137,058.72	79,368.00	216,608.97
EXPENDITURES				
Capital expenditures	10,282.80	142,776.09	87,892.00	210,950.89
Total Expenditures	10,282.80	142,776.09	87,892.00	210,950.89
Excess (shortage) of revenues over (under) expenditures	89.45	(5,717.37)	(8,524.00)	(87.42)
FUND BALANCE, beginning of year	(89.75)	98.75		9.00
FUND BALANCE, end of year	\$ 0.00	\$ (5,687.92)	\$ (8,524.00)	\$ (87.42)

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

FIDUCIARY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1998

	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
ASSETS		
Cash and cash equivalents	\$ <u>1,650.00</u>	\$ <u>1,650.00</u>
Total Assets	\$ <u>1,650.00</u>	\$ <u>1,650.00</u>
LIABILITIES		
Due to tenants	\$ <u>1,650.00</u>	\$ <u>1,650.00</u>
Total Liabilities	\$ <u>1,650.00</u>	\$ <u>1,650.00</u>

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN
 FIDUCIARY FUNDS
 SCHEDULE OF CHANGES IN DEPOSITS DUE TO OTHERS
 JUNE 30, 1998

	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
DEPOSIT BALANCES AT BEGINNING OF YEAR	\$ 1,725.00	\$ 1,725.00
REDUCTIONS:		
Payments to tenants	75.00	75.00
Total Reductions	75.00	75.00
DEPOSIT BALANCES AT END OF YEAR	\$ 1,650.00	\$ 1,650.00

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

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

BALANCE SHEET — STATUTORY BASIS
JUNE 30, 1988

ANNUAL CONTRIBUTION CONTRACT

PA# — 122ASSETS

Cash - Exhibit F	\$	2,614.75
Accounts receivable - tenants		700.31
Investments - Note B		11,907.87
Deferred charges		5,724.50
Land, structures and equipment		<u>1,343,523.22</u>
Total Assets	\$	<u>1,364,569.65</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	1,650.00
Accrued liabilities		<u>1,520.30</u>
Total Liabilities		3,170.30
Surplus - Exhibit C		<u>1,361,410.32</u>
Total Liabilities and Surplus	\$	<u>1,364,589.65</u>

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN
 STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS
 ANNUAL CONTRIBUTION CONTRACT
PW – 122

	Year Ended
	06-30-08
Operating Income	
Dwelling rental	\$ 20,793.71
Excess utilities	8,443.09
Interest on general fund investments	348.60
Other income	1,775.80
Total Operating Income - Exhibit D	29,361.20
Operating Expenses	
Administration	15,487.90
Utilities	11,553.84
Ordinary maintenance and operation	8,608.62
General expense	12,198.19
Nonroutine maintenance	335.80
Total Operating Expense - Exhibit D	48,183.35
Net Operating Income (Loss)	(18,817.79)
Net Loss - Exhibit C	\$ (18,817.79)

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN

ANALYSIS OF SURPLUS — STATUTORY BASIS
TWELVE MONTHS ENDED JUNE 30, 1988ANNUAL CONTRIBUTION CONTRACT
PW — 122Unreserved Surplus

Balance per prior audit at 06-30-87	\$	(308,060.72)
Net loss for the year ended 06-30-88 - Exhibit B		(16,317.79)
(Provision for) reduction of Operating Reserve for year ended 06-30-88 - Exhibit D		<u>1,911.79</u>
Balance at 06-30-88		<u>(324,388.72)</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 06-30-87		19,855.42
Provision for (reduction of) Operating Reserve for the year ended 06-30-88 - Exhibit D		<u>(1,911.79)</u>
Balance at 06-30-88 - Exhibit F	\$	<u>17,944.63</u>

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

ANALYSIS OF SURPLUS — STATUTORY BASIS
TWELVE MONTHS ENDED JUNE 30, 1998ANNUAL CONTRIBUTION CONTRACT
PW = 122Cumulative HMD Contributions

Balance per prior audit at 06-30-97	\$	1,264,018.34
Annual contribution for year ended 06-30-98 - Exhibit D		0.00
Operating subsidy for year ended 06-30-98		14,406.00
Balance at 06-30-98		<u>1,268,424.34</u>

Cumulative HMD Grants

Balance per prior audit at 06-30-97		79,626.50
Advances for year ended 06-30-98		<u>219,803.57</u>
Balance at 06-30-98		<u>299,430.07</u>
Total Surplus - Exhibit A	\$	<u>1,361,410.32</u>

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT

PW - 122

	<u>Year Ended</u>
	<u>06-30-08</u>
<u>Computation of Residual Receipts</u>	
<u>Operating Receipts</u>	
Operating income - Exhibit B	\$ 29,261.56
HUD operating subsidy	14,406.00
Total Operating Receipts	<u>43,767.56</u>
<u>Operating Expenditures</u>	
Operating expenses - Exhibit B	<u>45,679.35</u>
Total Operating Expenditures	<u>45,679.35</u>
Residual receipts (deficit) per audit before provision for reserve	(1,911.79)
Audit adjustments (booked out)	<u> </u>
Residual receipts per FHA before provision for reserve	(1,911.79)
(Provision for) or reduction of operating reserve - Exhibit C	<u>1,911.79</u>
Residual receipts per FHA	\$ <u>0.00</u>

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT

FW - 122

	<u>Year Ended</u>
	<u>06-30-99</u>
<u>Computation of Accruing Annual Contributions</u>	
Fixed annual contribution	\$ <u>9.00</u>
Total Annual Contribution - Exhibit C	\$ <u>9.00</u>

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN
STATEMENT OF MODERNIZATION COSTS — UNCOMPLETED
JUNE 30, 1998

	<u>Project 1995</u>	<u>Project 1996</u>	<u>Project 1997</u>
Funds Approved	\$ 75,000.00	\$ 223,575.00	\$ 160,775.00
Funds Expended	<u>75,000.00</u>	<u>157,465.00</u>	<u>67,552.60</u>
Excess of Funds Approved	\$ <u>0.00</u>	\$ <u>66,090.00</u>	\$ <u>113,742.40</u>
Funds Advanced	\$ 75,000.00	\$ 151,668.47	\$ 72,566.60
Funds Expended	<u>75,000.00</u>	<u>157,465.00</u>	<u>67,552.60</u>
Excess (Deficiency) of Funds Advanced - Exhibit F	\$ <u>0.00</u>	\$ <u>(5,621.53)</u>	\$ <u>5,534.00</u>

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN
 ANALYSIS OF GENERAL FUND CASH BALANCE
 ANNUAL CONTRIBUTION CONTRACT
PS - 102

Composition Before Adjustments	
Net operating receipts retained:	
Operating reserves - Exhibit C	\$ 17,844.63
CIAP expenditures in excess of CIAP advances	<u>(87.53)</u>
	17,857.10
Adjustments	
Expenses/costs not paid:	
Accounts payable	1,655.00
Accrued payments in lieu of taxes	1,528.33
Income not received:	
Accounts receivable	<u>(708.91)</u>
General Fund Cash Available	20,307.12
General Fund Cash:	
Invested	(11,067.87)
Applied to deferred charges (prepaid insurance, inventories, etc.)	<u>(5,724.90)</u>
General Fund Cash - Exhibit A	<u>\$ 2,614.75</u>

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 1998

<u>FEDERAL GRANTOR</u> <u>PROGRAM TITLE</u>	<u>CDFA</u> <u>NO.</u>	<u>GRANT</u> <u>ID NO.</u>	<u>AWARD</u> <u>AMOUNT</u>	<u>PROGRAM</u> <u>EXPENDITURES</u>
U.S. Department of Housing and Urban Development				
Direct Programs:				
Low-Income Housing				
Annual Contribution	14-850	PW- 122	\$	\$ 0.00 1/
Operating Subsidy	14-850	PW- 122		<u>14,406.00</u>
Major Program Total 1/				<u>14,406.00</u>
Comprehensive				
Improvement				
Assistance Program				
Project 1995	14-852	PW- 122		10,382.50
Project 1996	14-852	PW- 122		137,055.72
Project 1997	14-852	PW- 122		<u>72,566.60</u>
Major Program Total				<u>219,994.82</u>
Total HUD			\$	<u>234,297.10</u>

ESTES & ASSOCIATES
CENTERS FOR PUBLIC ACCOUNTANTS
4000 AIRPORT FREEWAY - SUITE 400
HOUSTON, TEXAS 77061

800 855-8822
HOUSTON 832-64-6862
FAX 832-81-0880

MEMBER
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

800 855-8822, CP

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

Housing Authority of the
Town of Quencyden
Quencyden, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Quencyden, Louisiana as of and for the year ended June 30, 1998, and have issued our report thereon dated October 14, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States, and provisions of the Louisiana Governmental Audit Guide.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Quencyden, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing a opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Governmental Auditing Standards*, or the Louisiana Governmental Audit Guide.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the Town of Quencyden, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing

their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Estes and Associates

Fort Worth, Texas
October 14, 2000

HOUSING AUTHORITY OF THE TOWN OF QUEYDAN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 1966

Prior Audit Findings and Questioned Cost

There were no prior audit findings.

Current Audit Findings

None.

Questioned
Cost

HOUSING AUTHORITY OF THE TOWN OF GUEYDAN

SCHEDULE OF ADJUSTING JOURNAL ENTRIES

JUNE 30, 1998

		ACCT. # FOR AUDIT REPORT PURPOSES	DR	CR	ACCT. # FOR POSTING TO FHA BOOKS
<1>	Project Loan Notes - HUD	2122	481,968.87		2122
	Interest Payable	2121.1	13,074.24		2121.1
	Prior year adjustments - affecting residual receipts	2240		474,836.21	2240
	To adjust for HUD debt forgiveness. (Prior year adjustment not posted)				
<2>	GAAP-04	1480		8,279.82	1480
	GAAP-05	1480		8,132.05	1480
	GAAP-06	1480	16,411.88		1480

To reconcile GAAP costs to detail.