

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

NOTES TO FINANCIAL STATEMENTS

(Continued)

SEPTEMBER 30, 1997

NOTE G - DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Cash and Investments

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

Long Term Debt

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

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

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

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

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

NOTES TO FINANCIAL STATEMENTS
(Continued)
SEPTEMBER 30, 1997

NOTES F - LONG-TERM DEBT

Long-term debt consists of the following:

	<u>Interest Rate</u>	<u>Principal Balance</u>
Bond payable, August 1, 1985 series	3.75 %	\$ 51,474.11
FF Notes	6.6 %	<u>3,118.92</u>
		\$ <u>54,593.03</u>

The bonds mature in series annually in varying amounts with the final maturity date in 2025. All required debt service to maturity on the bonds, including principal and interest, is payable by HUD under a debt service contract with the entity.

Long-term debt is secured by the land and buildings of the entity.

Changes in long-term debt is as follows:

	<u>Bonds</u>
Balance, beginning of period	\$ 62,403.61
Principal retirement	<u>7,610.58</u>
Balance, end of period	\$ <u>54,593.03</u>

Schedule retirements of long-term debt is as follows:

1998	\$ 8,353.50
1999	5,234.67
2000	5,583.63
2001	5,233.63
2002	5,232.61
Thereafter	<u>23,934.90</u>

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

NOTES TO FINANCIAL STATEMENTS

(Continued)
SEPTEMBER 30, 1997

NOTE C - ACTIVITIES OF THE PHA

At September 30, 1997, the PHA was managing 49 units of low-rent in three projects under Program PW - 1192.

NOTE D - CONTINGENCIES

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

NOTE E - PROPERTY, PLANT AND EQUIPMENT

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

	<u>Beg. of Period</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Period</u>
Land, land improvements	\$ 84,120.18	\$	\$	\$ 84,120.18
Buildings	1,051,588.07			1,051,588.07
Equipment	44,579.08	325.00		44,904.08
Total	<u>\$ 1,180,287.33</u>	<u>\$ 325.00</u>	<u>\$ 0.00</u>	<u>\$ 1,180,612.33</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 LAKE ARTHUR

NOTES TO FINANCIAL STATEMENTS

(Continued)

SEPTEMBER 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(10) General Long-Term Debt

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

(11) Compensated Absences

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

(12) Total Columns on Combined Statements

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

NOTE B - CASH AND INVESTMENTS

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

	<u>Amount</u>
Money Market Account	\$ <u>5,100.01</u>
	\$ <u>5,100.01</u>

Cash and investments are insured as follows:

FDIC Insurance	\$ <u>18,110.87</u>
	\$ <u>18,110.87</u>

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

NOTES TO FINANCIAL STATEMENTS

(Continued)

SEPTEMBER 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Authority is under a limited budget review from HUD with the control category of total operating expenditures. If there are no changes to the total operating expenditures, then HUD does not require budget revisions other than when there are substantial additions to nonrecurring expenditures, such as reinstatement of prior-year encumbrances. The Board and HUD must approve fund 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 \$, at September 30, 1997.

(8) Interfund Transactions

During the course of normal operations, the Authority has numerous transactions between funds to provide services, construct assets, and service debt. 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 LAKE ARTHUR

NOTES TO FINANCIAL STATEMENTS

(Continued)

SEPTEMBER 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNT GROUPS

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

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

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

(4) Basis of Accounting

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

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

(5) Budgetary Data

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

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

NOTES TO FINANCIAL STATEMENTS

(Continued)

SEPTEMBER 30, 1997

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 LAKE ARTHUR

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Housing Authority of Lake Arthur, 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 Lake Arthur, 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 September 30, 1997, and for the fiscal year then ended, the Authority had no discretely presented component units or any component units required to be blended in these financial statements.

(2) Fund Accounting

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

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET (GAMP BASIS) AND ACTUAL
DEBT SERVICE AND CAPITAL PROJECTS FUNDS
YEAR ENDED SEPTEMBER 30, 2020

	Debt Service Fund		Capital Projects Fund		Over (Under) Budget
	Budget	Actual	Budget	Actual	
REVENUES					
Intergovernmental	\$ 10,269.77	\$ 10,269.77	\$ 0.00	\$ 113,808.09	\$ 0.00
Total Revenues	10,269.77	10,269.77	0.00	113,808.09	0.00
EXPENDITURES					
Capital expenditures			0.00	114,808.58	0.00
Debt Service	7,870.00	7,870.00	0.00		0.00
Principal retirement financed	2,399.77	2,399.77	0.00		0.00
Total Expenditures	10,269.77	10,269.77	0.00	114,808.58	0.00
Excess (deficiency) of revenues over fund's expenditures	\$ 0.00	\$ 0.00	\$ 0.00	\$ (400.49)	\$ 0.00
Transfer of net income to reserved funds					
FUND BALANCES, beginning of year		25,000.00		90.00	
FUND BALANCES, end of year		\$ 25,000.00		\$ (400.49)	

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (MAP BASIS) AND ACTUAL
 GENERAL FUND AND SPECIAL REVENUE FUNDS
 YEAR ENDED SEPTEMBER 30, 1997

	General Fund		Special Revenue Funds	
	Budget	Actual	Budget	Actual
REVENUES				
Fees/fees	\$ 48,770.00	\$ 48,574.00	\$	\$
Intergovernmental	66,350.00	64,781.00		
Interest	1,800.00	89.72		
Other income	250.00	600.00		
Total Revenues	120,711.00	114,044.72	0.00	0.00
EXPENDITURES				
Administration	20,800.00	24,710.79	(1,178.21)	0.00
Utilities	28,500.00	28,089.00	100.00	0.00
Ordinary maintenance	27,500.00	28,340.25	(2,344.75)	0.00
Special expenditures	30,400.00	37,000.04	(3,000.00)	0.00
Extraordinary maintenance	1,800.00	1,854.00	(1,854.00)	0.00
Capital expenditures	0,200.00	305.00	(2,500.00)	0.00
Total Expenditures	121,840.00	121,120.84	(10,000.00)	0.00
Excess (deficiency) of revenues over (under) expenditures	\$ (1,129.00)	\$ (7,076.12)	\$ 8,213.79	\$ 0.00
Transfer of net income to Unassigned/Other				
FUND BALANCES, beginning of year				
FUND BALANCES, end of year				
		\$ 20,927.71		\$ 0.00
		\$ 20,927.55		\$ 0.00

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

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

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
REVENUES					
Rentals	\$ 48,674.00	\$	\$	\$	\$ 48,674.00
Intergovernmental	89,781.00		10,909.77	113,508.83	192,029.78
Interest	98.72				98.72
Other	952.00				952.00
Total Revenues	<u>139,505.72</u>	<u>0.00</u>	<u>10,909.77</u>	<u>113,508.83</u>	<u>243,382.42</u>
EXPENDITURES					
Administration	25,713.79				25,713.79
Utilities	25,698.90				25,698.90
Ordinary maintenance	26,248.28				26,248.28
General expenditures	27,028.94				27,028.94
Capital expenditures	152.00			114,028.88	114,028.88
Debt service:					
Principal retirement			7,010.58		7,010.58
Interest			2,813.68		2,813.68
Total expenditures	<u>121,423.94</u>	<u>0.00</u>	<u>10,224.18</u>	<u>114,028.88</u>	<u>245,486.98</u>
Excess (deficiency) of revenues over (under) expenditures	<u>18,081.78</u>	<u>0.00</u>	<u>45.61</u>	<u>(419.85)</u>	<u>(3,074.26)</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	25,800.77		28,893.68	70.82	54,165.27
FUND BALANCE, end of year	\$ 25,882.55	\$ 0.00	\$ 28,939.28	\$ (429.02)	\$ 54,392.81

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

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

	Governmental Fund Types				Fiduciary Fund Types		Account Groups		Total (Memorandum Only)
	General	Special Revenue		Debt Service	Capital Projects	Trust and Agency	General Fund Assets	Long-Term Debt	
		0.00	0.00						
LIABILITIES	\$ 1,087.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,087.00
Accounts payable	1,087.00								1,087.00
Accrued liabilities	0.00								0.00
Due in									
Taxes					3,028.00				3,028.00
Other Liab.	98.00			400.00					498.00
Deferred revenues									
General obligation bonds payable and other liabilities									
Total liabilities	3,094.48	0.00	0.00	400.00	3,028.00		0.00	84,800.00	91,092.48
FUND EQUITY									
Investment in general fund assets							1,180,472.81		1,180,472.81
Fund balances:				149,620					149,620
Reserved for capital projects									
Reserved for debt service			25,586.59						25,586.59
Government									
Unassigned	20,807.55								20,807.55
Total Fund Equity	20,807.55	0.00	25,586.59	149,620	0.00		1,180,472.81	0.00	1,226,487.00
Total Liabilities and Fund Equity	25,892.03	0.00	25,586.59	0.00	3,028.00		1,180,472.81	84,800.00	1,250,798.44

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 SEPTEMBER 30, 1997

	Governmental Fund Types				Specialty Fund Types		Account Groups			Total (Memorandum Only)
	General	Governmental Fund Types			Specialty Fund Types		General Fund Assets	Long-Term Debt	Total	
		Special Revenue	Debt Service	Capital Projects	Trust and Agency	Trust and Agency				
ASSETS										
Cash and cash equivalents	\$ 9,081.86	\$	\$	\$ 3,823.08	\$			\$	\$ 13,004.94	
Investments	51,929.81								51,929.81	
Receivables, net of allowance										
Prepays	749.00								749.00	
Due from:										
Other funds	428.50								428.50	
Other governments		25,000.00							25,000.00	
Prepaid expenditures	13,663.50					5,186,812.85			13,663.50	
Property, plant and equipment								54,505.00		54,505.00
Amount to be provided for retirement of capitalizing term debt								84,800.00		84,800.00
Total Assets	\$ 85,852.67	\$ 0.00	\$ 25,000.00	\$ 3,823.08	\$ 0.00	\$ 5,186,812.85	\$ 84,800.00	\$ 84,800.00	\$ 1,203,758.48	

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

Not in accordance with Government Auditing Standards, we have also issued a report dated January 7, 1998 on our consideration of Housing Authority of the Town of Lake Arthur'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 Lake Arthur, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Estes and Associates

Fort Worth, Texas

January 7, 1998

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MSR 0787, CHAIR, CIP

MEMBER
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

Independent Auditor's Report

Board of Commissioners
Housing Authority of the
Town of Lake Arthur
Lake Arthur, 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 Lake Arthur, Louisiana, as of and for the year ended September 30, 1997, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Housing Authority of the Town of Lake Arthur, Louisiana's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

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

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

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

Summary of Auditor's Results

- A. We issued an unqualified opinion on the Housing Authority of Lake Arthur, Louisiana for the audit of its financial statements for the year ended September 30, 1997.
- B. No reportable conditions in internal control were disclosed by our audit of the financial statements.
- C. The audit did not disclose any noncompliance which is material to the financial statements.
- D. No reportable conditions in internal control were disclosed by our audit over major programs.
- E. We issued an unqualified opinion on compliance for major programs.
- F. Our audit disclosed no audit findings that we are required to report under §10(a) of OMB Circular A-133. Our audit procedures also included those of HUD Notice PIH 96-53.
- G. Major programs are as follows, and see Schedule of Federal Expenditures for CFDA numbers and amounts:
 - 1. Low Income Housing
- H. The dollar threshold to distinguish Type A and Type B programs is \$ 300,000.
- I. The Housing Authority of Lake Arthur, Louisiana qualified for the year ended September 30, 1997 as a low-risk auditee.

Schedule of Findings and Questioned Costs

- J. There are no findings in these financial statements that are required to be reported in accordance with GAGAS.
- K. There are no audit findings or questioned costs for Federal awards which shall include audit findings as described in §10(a) of OMB Circular A-133. Our audit procedures also included those of HUD Notice PIH 96-53.

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HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR, LOUISIANA

**REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED SEPTEMBER 30, 1997

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

ESTES & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

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FRANKLIN PARISH COMMUNICATIONS DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 1997

NOTES - PENSIONS - CONTINUED

The system is comprised of two plans. The District's employees are covered under "Plan A". A number of Plan A non-union provided health is age 55 with thirty years of creditable service or is age 62 with a minimum of 10 or more years of creditable service.

Generally, the monthly amount of retirement allowance for any member of Plan A shall consist of an amount equal to 3% of the member's final compensation multiplied by his/her years of creditable service. However, under certain conditions as outlined in the statute, the benefits are limited to specified amounts.

The Plan provides for death and disability benefits. Benefits and employee/employer obligations to contribute are established by State statute.

Each participating employee under Plan A contributes an amount equal to 7.75% of each and every member's earnings. Each employee in Plan A contributes 5.5% of monthly earnings. The contribution requirement for the year ended September 30, 1997, was \$6,356, which consisted of \$2,928 from the District and \$3,428 from employees; these contributions represented 7.75% and 9.5% of covered payroll, respectively.

Trend Information:

Contributions Required by State Statute	1997	1996	1995
Facilities Employees Retirement System (Plan A)			
Employee	1,908	1,608	1,797
Employer	1,648	1,120	1,285
Total Statutorily Required Contributions	3,556	2,728	3,082

100% of required contributions were made for each year.

Additional information and ten year historical trend information can be obtained from the separately issued comprehensive annual financial reports on each of the above list plans.

FRANKLIN PARISH COMMUNICATIONS DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the Communications District must 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.

At September 30, 1997, the communications District had unrestricted cash (book balance) totaling \$87,293. These deposits are fully secured by federal deposit insurance.

Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefits

All unpaid vacation and sick pay must be taken during the current year or they lapse at December 31. The amounts accumulated at September 30 are immaterial.

NOTE 2 - ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 1997, consist of the current amount due from South Central Bell and Century Telephone for the collection of 811 fees.

NOTE 3 - LITIGATION AND CLAIMS

The district is not involved in any litigation at September 30, 1997, nor is it aware of any associated claims.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. Depreciation is provided for over the estimated useful lives of the assets using the straight-line method. Depreciation expense was \$26,152.

NOTE 5 - EQUIPMENT LEASE

The District has entered into a year by year equipment lease with Bell South Telecommunications, Inc. The lease can be terminated by either party with thirty days prior written notice to the other party. The monthly lease is \$1,314.

NOTE 6 - PENSIONS

All of the Franklin Parish Communications District's full-time employees participate in the "Parochial Employees' Retirement System, State of Louisiana" ("System"), a multiple employer public employee retirement system (PERS). The payroll for employees covered by the system for the year ended September 30, 1997, was \$28,408. The District's total payroll for the year then ended was \$38,314.

Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least 28 hours per week, not participating in another publicly funded retirement system.

FRANKLIN PARISH COMMUNICATIONS DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Franklin Parish Communications District was created by the Franklin Parish Police Jury. The district is governed by a seven member board appointed by the police jury. The district is responsible for installation, maintenance, and operation of a 911 emergency system in Franklin Parish.

Financial Reporting Entity

The reporting entity for Franklin Parish consists of the Franklin Parish Police Jury, which as governing authority of the parish is the component unit with oversight responsibility, and other governmental units (component units) within the parish over which the police jury exercises oversight responsibility. In accordance with GASB Codification Section 2100, Franklin Parish Communication District is considered a component unit of the parish reporting entity because: (1) commissioners of the district are appointed by the Franklin Parish Police Jury and (2) the district provides 911 emergency service to residents within Franklin Parish. While Franklin Parish Communications District is an integral part of the parish reporting entity and should be included within the general purpose financial statements of that reporting entity, GASB Codification Section 2600 provides that a component unit may also issue financial statements separate from those of the reporting entity. Accordingly, the accompanying financial statements present information only on the financial operations of Franklin Parish Communications District and do not present information on the Franklin Parish Police Jury, the general government services provided by the police jury or on other component units that comprise the Franklin Parish reporting entity.

Fund Accounting

Franklin Parish Communications District is organized and operated on a fiscal basis whereby a self-balancing set of accounts (Special Revenue Fund) is maintained that comprises its assets, liabilities, fund balances, revenues, and expenditures. The operations are accounted for as a Special Revenue Fund. This fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied. The Special Revenue Fund is accounted for using the modified accrual basis of accounting. These revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Budgets and Budgetary Accounting

Proposed budgets, prepared on a basis consistent with generally accepted accounting principles (GAAP), are presented by the mayor/wardens prior to the commencement of each fiscal year. After public hearings, the proposed budget, after any amendments deemed necessary, is adopted by the Board. Budgetary amendments are processed in the same manner.

For the year ended September 30, 1997, a budget was prepared. The failure to prepare a budget constitutes a violation of state law and is not in compliance with generally accepted accounting principles.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET VS. ACT BASED AND ACTUAL
YEAR ENDED SEPTEMBER 30, 1992**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Bill Fees	182,739	180,116	371
Interest	1,998	1,973	12
Other Income	476	324	152
TOTAL REVENUES	185,213	182,413	2,800
EXPENDITURES			
Accounting	1,358	1,358	0
Contracts	3,638	3,708	(108)
Depreciation	20,808	20,152	(152)
Equipment Rental	32,591	32,591	0
Insurance	6,338	6,338	0
Office Supplies	3,816	1,262	4,454
Postage	476	476	0
Retirement	2,938	2,938	0
Salaries	29,282	29,314	(32)
Signs	248	248	0
Subscriptions & Dues	148	148	0
Taxes	773	773	0
Telephone	3,213	2,882	331
Training	1,368	1,368	0
Travel	1,854	1,854	0
Vehicle Expense	1,253	1,176	77
TOTAL EXPENDITURES	120,761	118,184	2,577
EXCESS OF REVENUES OVER EXPENDITURES	(15,548)	(16,580)	4,908
FUND BALANCE AT BEGINNING OF YEAR	120,548	120,548	0
FUND BALANCE AT END OF YEAR	104,999	103,967	9,998

See Notes to Financial Statements

**FRANKLIN PARISH COMMUNICATIONS DISTRICT
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 1987**

REVENUES	
911 Fees	\$63,100
Interest	1,973
Other Interest	<u>524</u>
TOTAL REVENUES	\$65,597
EXPENDITURES	
Accounting	1,590
Contracts	2,738
Depreciation	28,150
Equipment Rental	72,591
Insurance	6,508
Office Supplies	1,362
Postage	476
Rentals	2,928
Salaries	38,534
Signs	146
Subscriptions	145
Taxes	753
Telephones	2,883
Training	1,165
Travel	1,004
Vehicle Expense	<u>1,176</u>
TOTAL EXPENDITURES	116,159
EXCESS REVENUES OVER EXPENDITURES	(10,562)
FUND BALANCE AT BEGINNING OF YEAR	131,545
FUND BALANCE AT END OF YEAR	120,983

See Notes to Financial Statements

FRANKLIN PARISH COMMUNICATIONS DISTRICT
SPECIAL REVENUE FUND
BALANCE SHEET
SEPTEMBER 30, 1991

ASSETS

ASSETS	
Cash	87,290
Accounts Receivable	8,680
Office Furniture & Fixtures	91,972
Automobile	36,218
Accumulated Depreciation	<u>(128,000)</u>
TOTAL ASSETS	<u>176,160</u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accrued Payroll Taxes	<u>308</u>
TOTAL LIABILITIES	308
FUND BALANCE	
Unassigned/Undesignated	<u>124,852</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>125,160</u>

See Notes to Financial Statements

MARCUS, ROBINSON and HASSELL

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners

Franklin Parish Communications District

Winnboere, Louisiana

We have audited the accompanying general-purpose financial statements of the Franklin Parish Communications District, as of and for the year ended September 30, 1997, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Franklin Parish Communications District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Franklin Parish Communications District, as of September 30, 1997, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 1998, on our consideration of the Franklin Parish Communications District'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 statements of the Board of Winnboere, Louisiana, taken as a whole. The accompanying Schedule of Compensation Paid Board Members 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.

Marcus, Robinson and Hassell

Winnboere, Louisiana

January 7, 1998

FRANKLIN PARISH COMMUNICATIONS DISTRICT
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FRANKLIN PARISH COMMUNICATIONS DISTRICT
WYOMING, LOUISIANA

COMPONENT UNIT FINANCIAL STATEMENTS

SEPTEMBER 30, 1997

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

Release Date JAN 04 1998

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

Ernst and Associates

Fort Worth, Texas
January 7, 1988

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NOV 2000 10:45:03 AM

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

Housing Authority of the
Town of Lake Arthur
Lake Arthur, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Lake Arthur, Louisiana as of and for the year ended September 30, 1998, and have issued our report thereon dated January 7, 1999. We conducted our audit in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Lake Arthur, 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 *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the Town of Lake Arthur, 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.

Internal Control Over Compliance

The management of The Housing Authority of the Town of Lake Arthur, Louisiana is responsible for establishing and maintaining internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered The Housing Authority of the Town of Lake Arthur, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

Estes and Associates

Fort Worth, Texas
January 7, 1998

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MEMORANDUM
ADMINISTRATIVE OR CONTROL
FIELD ACCOUNTANT

MEMORANDUM, 1/17

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

Housing Authority of the
Town of Lake Arthur
Lake Arthur, Louisiana

Compliance

We have audited the compliance of the Housing Authority of the Town of Lake Arthur, Louisiana with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and HUD Notice PIH 90-53 that are applicable to each of its major federal programs for the year ended September 30, 1997. The Housing Authority of the Town of Lake Arthur, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of the Town of Lake Arthur, Louisiana's management. Our responsibility is to express an opinion on the Housing Authority of the Town of Lake Arthur, Louisiana's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of State, Local, Government, and Non-Profit Organizations* and HUD Notice PIH 90-53. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the Town of Lake Arthur, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of the Town of Lake Arthur, Louisiana's compliance with those requirements.

In our opinion, the Housing Authority of the Town of Lake Arthur, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 1997.

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED SEPTEMBER 30, 1997

<u>FEDERAL GRANTOR</u> <u>PROGRAM TITLE</u>	<u>CFDA</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- 1102	\$ 10,269.77	\$ 10,269.77
Operating Subsidy	14.850	PW- 1102	69,781.00	69,781.00
Major Program Total V			<u>79,150.77</u>	<u>79,150.77</u>
Comprehensive Improvement Assistance Program				
Project 1994	14.852	PW- 1192	1,344.34	10,668.54
Project 1995	14.852	PW- 1192	112,104.29	97,245.44
Major Program Total			<u>113,500.93</u>	<u>114,008.58</u>
Total HUD			<u>\$ 192,652.70</u>	<u>\$ 193,159.35</u>

- 1/ The Housing Authority of Lake Arthur is indebted to the Department of Housing and Urban Development for \$ 3,118.92 at September 30, 1997. Also, the Department of Housing and Urban Development has guarantees through the Annual Contribution Contract of the Housing Authority of Lake Arthur's bonded indebtedness. This bonded indebtedness was \$ 51,474.11 at September 30, 1997.

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

ANALYSIS OF GENERAL FUND CASH BALANCE

ANNUAL CONTRIBUTION CONTRACT

EW - 1192Composition Before Adjustments

Net operating receipts retained:

Operating reserves - Exhibit C	\$	27,267.63
Deficient modernization funds closed in prior year		(400.00)
Ineligible expenditures		(2,584.50)
Excess modernization funds - Exhibit E		<u>(422.00)</u>
		23,573.63

Adjustments

Expenses/costs not paid:

Accounts payable		4,916.00
Accrued payments in lieu of taxes		1,049.16
Deferred credits		<u>90.00</u>

Income not received:

Accounts receivable		<u>(743.00)</u>
---------------------	--	-----------------

General Fund Cash Available		26,800.41
-----------------------------	--	-----------

General Fund Cash:

Invested		(5,100.01)
Applied to deferred charges (prepaid insurance, inventories, etc.)		<u>(18,776.44)</u>

General Fund Cash - Exhibit A	\$	<u>13,010.96</u>
-------------------------------	----	------------------

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR
 STATEMENT OF MODERNIZATION COSTS — UNCOMPLETED
 SEPTEMBER 30, 1997

	Project 1993	Project 1994
Funds Approved	\$ 300,000.00	\$ 237,080.00
Funds Expended	<u>300,000.00</u>	<u>226,761.64</u>
Excess of Funds Approved	\$ <u>0.00</u>	\$ <u>10,318.36</u>
Funds Advanced	\$ 300,000.00	\$ 211,432.64
Funds Expended	<u>300,000.00</u>	<u>226,761.64</u>
Excess of Funds Advanced	\$ <u>0.00</u>	\$ <u>(15,329.00)</u>
	Project 1995	
Funds Approved	\$ 266,000.00	
Funds Expended	<u>245,447.95</u>	
Excess of Funds Approved	\$ <u>40,552.05</u>	
Funds Advanced	\$ 266,007.72	
Funds Expended	<u>245,447.95</u>	
Excess of Funds Advanced	\$ <u>40,559.77</u>	

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT

JW - 1182

	<u>Year Ended</u>
	<u>09-30-97</u>
<u>Computation of Accruing Annual Contributions</u>	
Fixed annual contribution	\$ <u>10,369.77</u>
Total Annual Contribution - Exhibit C	\$ <u>10,369.77</u>

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT

PW — 1992

	<u>Year Ended</u>
	<u>09-30-97</u>
<i>Computation of Residual Receipts</i>	
<i>Operating Receipts</i>	
Operating Income - Exhibit B	\$ 49,733.73
HUD operating subsidy	<u>69,761.00</u>
Total Operating Receipts	<u>119,494.73</u>
<i>Operating Expenditures</i>	
Operating expenses - Exhibit B	120,796.94
Capital expenditures:	
Property betterments and additions	<u>325.00</u>
Total Operating Expenditures	<u>121,121.94</u>
Residual receipts (deficit) per audit before provision for reserve	<u>(2,627.21)</u>
Audit adjustments (deducted out)	<u> </u>
Residual receipts per PHA before provision for reserve	<u>(2,627.21)</u>
(Provision for) or reduction of operating reserve - Exhibit C	<u>2,627.22</u>
Residual receipts per PHA	\$ <u>0.00</u>

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

ANALYSIS OF SURPLUS — STATUTORY BASIS
TWELVE MONTHS ENDED SEPTEMBER 30, 1997

ANNUAL CONTRIBUTION CONTRACT

EW — 1182Cumulative HUD Contributions

Balance per prior audit at 09-30-96	\$	2,449,922.24
Annual contribution for year ended 09-30-97 - Exhibit D		10,389.77
Operating subsidy for year ended 09-30-97		68,751.00
Balance at 09-30-97		<u>2,529,073.01</u>

Cumulative HUD Grants

Balance per prior audit at 09-30-96		658,261.63
Advances for year ended 09-30-97		<u>113,508.60</u>
Balance at 09-30-97		<u>771,770.23</u>
Total Surplus - Exhibit A	\$	<u>1,658,277.58</u>

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

ANALYSIS OF SURPLUS — STATUTORY BASIS
TWELVE MONTHS ENDED SEPTEMBER 30, 1997ANNUAL CONTRIBUTION CONTRACT
FY — 1192Unreserved Surplus

Balance per prior audit at 09-30-96	\$	(1,206,864.24)
Net loss for the year ended 09-30-97 - Exhibit B		(73,569.83)
(Provision for) reduction of Operating Reserve for year ended 09-30-97 - Exhibit D		<u>2,620.22</u>
Balance at 09-30-97		<u>(1,977,853.87)</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 09-30-96		29,406.10
Provision for (reduction of) Operating Reserve for the year ended 09-30-97 - Exhibit D		<u>(2,620.22)</u>
Balance at 09-30-97 - Exhibit F	\$	<u>27,287.88</u>

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR
 STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS
 ANNUAL CONTRIBUTION CONTRACT
FW – 1192

	Year Ended
	09-30-07
Operating Income	
Dwelling rental	\$ 46,874.00
Interest on general fund investments	98.72
Other income	953.00
Total Operating Income - Exhibit D	48,722.72
Operating Expenses	
Administration	28,713.79
Utilities	28,699.95
Ordinary maintenance and operation	36,345.25
General expense	27,039.94
Total Operating Expense - Exhibit D	120,798.94
Net Operating Income (Loss)	(71,976.22)
Other Charges	
Interest on notes and bonds payable	2,513.69
Total Other Charges	2,513.69
Net Loss - Exhibit C	\$ (73,500.80)

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

BALANCE SHEET — STATUTORY BASIS
SEPTEMBER 30, 1987ANNUAL CONTRIBUTION CONTRACT
PW — 1152ASSETS

Cash - Exhibit F	\$	13,010.96
Accounts receivable - other		748.00
Investments - Note B		5,100.01
Debt amortization funds		25,596.59
Deferred charges		10,778.44
Land, structures and equipment		1,853,912.50
Ineligible Expenditures		<u>3,084.50</u>
Total Assets	\$	<u>2,810,034.99</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	4,316.33
Accrued liabilities		1,049.15
Deferred credits		98.00
Fixed liabilities		<u>54,589.03</u>
Total Liabilities		60,052.51
Surplus - Exhibit C		<u>1,950,277.58</u>
Total Liabilities and Surplus	\$	<u>2,810,034.99</u>

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

 FIDUCIARY FUNDS
 SCHEDULE OF CHANGES IN DEPOSITS DUE TO OTHERS
 SEPTEMBER 30, 1997

	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
DEPOSIT BALANCES AT BEGINNING OF YEAR	\$ 2,454.00	\$ 2,454.00
ADDITIONS		
Receipts from tenants	<u>575.00</u>	<u>575.00</u>
Total Additions	<u>575.00</u>	<u>575.00</u>
DEPOSIT BALANCES AT END OF YEAR	\$ <u>3,029.00</u>	\$ <u>3,029.00</u>

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

FIDUCIARY FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 1997

	<u>Agency Funds</u>	
	<u>Tenant Security Deposit Funds</u>	<u>Total Fiduciary Funds</u>
ASSETS		
Cash and cash equivalents	\$ 3,029.00	\$ 3,029.00
Total Assets	<u>\$ 3,029.00</u>	<u>\$ 3,029.00</u>
LIABILITIES		
Due to tenants	\$ 3,029.00	\$ 3,029.00
Total Liabilities	<u>\$ 3,029.00</u>	<u>\$ 3,029.00</u>

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

CAPITAL PROJECT FUND TYPES
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 SEPTEMBER 30, 1997

CAP Housing Programs

	CAP 1997	CAP 1995	Total
REVENUES			
Intergovernmental	1,544.34	\$ 192,644.58	\$ 194,188.92
Total Revenues	<u>1,544.34</u>	<u>192,644.58</u>	<u>194,188.92</u>
EXPENDITURES			
Capital expenditures	15,683.14	87,343.44	103,026.58
Total Expenditures	<u>15,683.14</u>	<u>87,343.44</u>	<u>103,026.58</u>
Excess (deficiency) of revenues over (under) expenditures	15,311.20	105,301.14	120,612.34
FUND BALANCES, beginning of year	—	70.82	70.82
FUND BALANCE, end of year	<u>\$ 15,311.20</u>	<u>\$ 105,371.96</u>	<u>\$ 120,683.16</u>

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

HOUSING AUTHORITY OF THE TOWN OF LAKE ARTHUR

CAPITAL PROJECT FUND TYPES
COMPARING BALANCE SHEET
SEPTEMBER 30, 1997

	CMP Issuing Programs		
	CMP 1994	CMP 1995	Total
ASSETS			
Due from:			
Other Funds	\$ 0.00	\$ 14,889.77	\$ 14,889.77
Total Assets	\$ 0.00	\$ 14,889.77	\$ 14,889.77
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Due to:			
Other Funds	\$ 15,379.80	\$ 0.00	\$ 15,379.80
Total liabilities	\$ 15,379.80	\$ 0.00	\$ 15,379.80
FUND EQUITY			
Reserved for capital projects	\$ 15,379.80	\$ 14,889.77	\$ 30,269.57
Total fund equity	\$ 15,379.80	\$ 14,889.77	\$ 30,269.57
Total liabilities and fund equity	\$ 0.00	\$ 14,889.77	\$ 14,889.77

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