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HOUSING AUTHORITY OF THE TOWN OF OBERLIN, LOUISIANA
REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA
TWELVE MONTHS ENDED DECEMBER 31, 1987

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.

MAY 21 1988

Release Date: _____

Ertes & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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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 Oberlin, 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

May 6, 1988

HOUSING AUTHORITY OF THE TOWN OF OBERLIN
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1997

	Governmental Fund Types				Fiduciary Fund Types		Account Groups		
	General	Special Revenues	Debt Service	Capital Projects	Total and Agency	General Fund	Long-Term Debt	General Assets	Total (Maximum Debt)
ASSETS									
Cash and cash equivalents	\$ 12,818.07	\$	\$	\$	\$ 1,708.08	\$	\$	\$	\$ 12,826.07
Investments	14,845.48								14,845.48
Receivables, net of allowances									
Permits	180.00								180.00
Other	25.06								25.06
Due from:									
Other funds	200.71								200.71
Other governments			12,036.48						12,036.48
Prepaid expenditures	898.90						738,804.85		898.90
Property, plant and equipment									
Amount to be provided for retirement of general long-term debt							84,242.00		84,242.00
Total Assets	\$ 36,178.14	\$ 0.00	\$ 12,036.48	\$ 0.00	\$ 1,708.08	\$ 0.00	\$ 738,804.85	\$ 84,242.00	\$ 649,813.21

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

HOUSING AUTHORITY OF THE TOWN OF CHERLIN

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS (Continued)
DECEMBER 31, 1997

	Governmental Fund Types			Proprietary Fund Types		Account Groups		Total (Memorandum City)
	General	Special Revenues	Debt Services	Capital Projects	Trust and Agency	General	General	
						Fund Assets	Long-Term Debt	
LIABILITIES								
Accounts payable	\$ 14,000.00	\$	\$	\$	\$	\$	\$	\$ 14,000.00
Due to								
DC								1,700.00
Trenton				293.71	1,700.00			293.71
Other funds								
Capital obligations (bonds payable and other facilities)							84,242.43	84,242.43
Total Liabilities	14,000.00	0.00	0.00	293.71	1,700.00	0.00	84,242.43	78,746.14
FUND EQUITY								
Investment in general fixed assets						795,894.88		795,894.88
Fund balances:								
Reserved for capital projects				(268.71)				(268.71)
Reserved for debt service			12,338.48					12,338.48
Unreserved	55,681.84							55,681.84
Undesignated								
Total Fund Equity	55,681.84	0.00	12,338.48	(268.71)	0.00	795,894.88	0.00	778,546.69
Total Liabilities and Fund Equity	\$ 69,681.84	\$	\$ 12,338.48	\$ 0.00	\$ 1,700.00	\$ 795,894.88	\$ 84,242.43	\$ 849,811.81

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

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
YEAR ENDED DECEMBER 31, 1997

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenues	Debt Service	Capital Projects	
REVENUES					
Fees	\$ 23,785.78	\$	\$	\$	\$ 23,785.78
Intergovernmental	7,082.00		12,048.13	108,098.03	127,928.96
Interest	345.48				345.48
Other	7,085.80				7,228.68
Total Revenues	<u>38,299.06</u>	<u>0.00</u>	<u>12,048.13</u>	<u>108,098.03</u>	<u>158,445.26</u>
EXPENDITURES					
Administration	13,048.82				13,048.82
Utilities	3,180.82				3,180.82
Ordinary maintenance	6,302.81				6,302.81
General expenditures	8,295.95				8,295.95
Capital expenditures				134,873.04	134,873.04
Debt service:					
Principal retirement			9,208.08		9,208.08
Interest			2,398.57		2,398.57
Total expenditures	<u>29,826.40</u>	<u>0.00</u>	<u>11,606.65</u>	<u>134,873.04</u>	<u>176,306.10</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,472.66</u>	<u>0.00</u>	<u>41.48</u>	<u>73.29</u>	<u>8,573.43</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>18,223.95</u>		<u>12,246.81</u>	<u>(282.00)</u>	<u>28,188.76</u>
FUND BALANCE, end of year	<u>\$ 26,696.61</u>	<u>\$ 0.00</u>	<u>\$ 12,288.29</u>	<u>\$ (208.71)</u>	<u>\$ 37,684.19</u>

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

HOUSING AUTHORITY OF THE TOWN OF DEERLIN
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND AND SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 1997

	General Fund		Special Revenue Funds	
	Budget	Actual	Over (Under) Budget	Over (Under) Budget
REVENUES				
Fees	\$ 29,800.00	\$ 23,700.76	\$ 6,099.24	\$ 0.00
Intergovernmental	7,000.00	7,000.00	0.00	0.00
Interest	640.00	343.48	296.52	0.00
Other income	900.00	7,300.00	7,400.00	0.00
Total Revenues	<u>38,340.00</u>	<u>38,343.99</u>	<u>0.00</u>	<u>0.00</u>
EXPENDITURES				
Administration	14,070.00	10,448.00	3,622.00	0.00
Utilities	1,700.00	2,179.92	(479.92)	0.00
Ordinary maintenance	12,000.00	6,932.51	5,067.49	0.00
Capital expenditures	8,570.00	9,288.18	(718.18)	0.00
Total Expenditures	<u>36,340.00</u>	<u>28,848.61</u>	<u>7,491.39</u>	<u>0.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 2,000.00	\$ 9,495.38	\$ 13,495.38	\$ 0.00
Transfer of net income to unreserved deficit				
FUND BALANCES, beginning of year		14,000.00		
FUND BALANCES, end of year		<u>\$ 23,495.38</u>		<u>\$ 0.00</u>

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

HOUSING AUTHORITY OF THE TOWN OF DEERLIN

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET (GAAP BASIS) AND ACTUAL

DEBT SERVICE AND CAPITAL PROJECTS FUNDS

YEAR ENDED DECEMBER 31, 1997

	Debt Service Fund		Capital Projects Fund		Over (Under) Budget
	Budget	Actual	Budget	Actual	
REVENUES					
Intergovernmental	\$ 70,048.73	\$ 12,048.73	\$ 0.00	\$ 24,048.30	\$ 0.00
Total Revenues	<u>70,048.73</u>	<u>12,048.73</u>	<u>0.00</u>	<u>24,048.30</u>	<u>0.00</u>
EXPENDITURES					
Capital expenditures			0.00	108,058.33	88.28
Debt Service:					
Principal retirement	8,088.89	8,088.88	0.00		0.00
Interest	2,868.87	2,868.87	0.00		0.00
Total Expenditures	<u>11,958.45</u>	<u>11,958.48</u>	<u>0.00</u>	<u>108,058.33</u>	<u>88.28</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 80.69	\$ 80.69	\$ 0.00	\$ 0.00	\$ 88.28
Transfer of net income to unreserved deficit					
FUND BALANCES, beginning of year		\$ 52,348.81			\$ 585.00
FUND BALANCES, end of year		<u>\$ 70,208.48</u>			<u>\$ 280.31</u>

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

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Housing Authority of Oberlin, 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 Oberlin, 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 December 31, 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 GBERLIN

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(C) 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 OBERLIN

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNT GROUPS

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

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

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

(4) Basis of Accounting

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

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

(5) Subsidiary 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 greater approval.

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

HOUSING AUTHORITY OF THE TOWN OF OSERLIN

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 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 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 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 \$ -0- at December 31, 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 OBERLIN

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 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 December 31, 1997, the Authority had invested excess funds as follows:

	<u>Amount</u>
Certificates of Deposits	\$ <u>14,844.48</u>
	\$ <u>14,844.48</u>

Cash and investments are insured as follows:

FDIC insurance	\$ <u>36,362.75</u>
	\$ <u>36,362.75</u>

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

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1997

NOTE C - ACTIVITIES OF THE PHA

At December 31, 1997, the PHA was managing 18 units of low-rent in one project under Program PW - 474.

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 grantees 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.	\$ 80,804.14	\$	\$	\$ 80,804.14
Buildings	625,875.48			625,875.48
Equipment	28,885.05			28,885.05
Total	<u>\$ 735,564.67</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 735,564.65</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 OSERLIN

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1997

NOTES F - LONG-TERM DEBT

Long-term debt consists of the following:

	<u>Interest Rate</u>		<u>Principal Balance</u>
Bond payable, December 1, 1982 series	.0525 %	\$	<u>64,242.43</u>

The bonds mature in series annually in varying amounts with the final maturity date in 2003. 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	\$	73,802.31
Principal retirement		<u>9,559.88</u>
Balance, end of period	\$	<u>64,242.43</u>

Schedule retirements of long-term debt is as follows:

1998	\$	9,042.39
1999		10,324.68
2000		10,707.07
2001		11,089.47
2002		11,089.47
Thereafter		11,089.46

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

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

NOTES TO FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 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 OBERLIN
 CAPITAL PROJECT FUND TYPES
 COMBINED BALANCE SHEET
 DECEMBER 31, 1997

	CMP Housing Programs	
	CMP 1996	Total
ASSETS		
Total Assets	\$ 0.00	\$ 0.00
LIABILITIES AND FUND EQUITY		
Due to:		
Other funds	293.71	293.71
Total liabilities	293.71	293.71
FUND EQUITY		
Reserved for capital projects	(293.71)	(293.71)
Total fund equity	(293.71)	(293.71)
Total liabilities and fund equity	\$ 0.00	\$ 0.00

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

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

CAPITAL PROJECT FUND TYPES
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 DECEMBER 31, 1987

	Carp Housing Programs	
	CAMP 1986	Total
REVENUES		
Intergovernmental	\$ 125,898.00	\$ 125,898.00
Total Revenues	125,898.00	125,898.00
EXPENDITURES		
Capital expenditures	134,878.04	134,878.04
Total Expenditures	134,878.04	134,878.04
Increase (decrease) of revenues over (under) expenditures	88.29	88.29
FUND BALANCE, beginning of year	(88.29)	(88.29)
FUND BALANCE, end of year	\$ (88.71)	\$ (88.71)

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

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

FIDUCIARY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1997

	<u>Agency Funds</u>	
	Tenant Security Deposit Funds	Total Fiduciary Funds
ASSETS		
Cash and cash equivalents	\$ 1,700.00	\$ 1,700.00
Total Assets	\$ 1,700.00	\$ 1,700.00
LIABILITIES		
Due to tenants	\$ 1,700.00	\$ 1,700.00
Total Liabilities	\$ 1,700.00	\$ 1,700.00

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

HOUSING AUTHORITY OF THE TOWN OF OBERLIN
 FIDUCIARY FUNDS
 SCHEDULE OF CHANGES IN DEPOSITS DUE TO OTHERS
 DECEMBER 31, 1997

	<u>Agency Funds</u>		<u>Total Fiduciary Funds</u>
	Tenant Security Deposit Funds		
DEPOSIT BALANCES AT BEGINNING OF YEAR	\$ 1,700.00	\$	1,700.00
DEPOSIT BALANCES AT END OF YEAR	\$ 1,700.00	\$	1,700.00

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

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

BALANCE SHEET – STATUTORY BASIS
DECEMBER 31, 1997ANNUAL CONTRIBUTION CONTRACT
ES – 474ASSETS

Cash - Exhibit F	\$	21,518.07
Accounts receivable - tenants		193.83
Accounts receivable - other		0.78
Investments - Note D		14,844.49
Debt amortization funds		12,336.49
Deferred charges		868.00
Land, structures and equipment		<u>670,854.69</u>
Total Assets	\$	<u>920,706.34</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	1,072.23
Accrued liabilities		10,508.00
Fixed liabilities		<u>64,242.43</u>
Total Liabilities		76,822.66
Surplus - Exhibit C		<u>844,276.68</u>
Total Liabilities and Surplus	\$	<u>920,706.34</u>

HOUSING AUTHORITY OF THE TOWN OF OBERLIN
 STATEMENT OF INCOME AND EXPENSES — STATUTORY BASIS
 ANNUAL CONTRIBUTION CONTRACT
FW — 474

	Year Ended
	12-31-07
Operating Income	
Dwelling rental	\$ 23,700.70
Interest on general fund investments	540.40
Other income	7,226.66
Total Operating Income - Exhibit D	31,467.76
Operating Expenses	
Administration	13,249.02
Utilities	2,120.62
Ordinary maintenance and operation	6,332.51
General expense	6,386.46
Total Operating Expense - Exhibit D	30,088.61
Net Operating Income (Loss)	1,379.15
Other Credits	
Prior year adjustments - affecting residual receipts	131.28
Total Other Credits	131.28
Other Charges	
Interest on notes and bonds payable	2,398.57
Total Other Charges	2,398.57
Net Loss - Exhibit C	\$ (892.99)

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

ANALYSIS OF SURPLUS – STATUTORY BASIS
TWELVE MONTHS ENDED DECEMBER 31, 1997ANNUAL CONTRIBUTION CONTRACT
PW – 473Unreserved Surplus

Balance per prior audit at 12-31-96	\$	(309,339.32)
Net loss for the year ended 12-31-97 - Exhibit B		(902.88)
(Provision for) reduction of Operating Reserve for year ended 12-31-97 - Exhibit D		<u>19,297.89</u>
Balance at 12-31-97		<u>(319,944.31)</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 12-31-96		16,223.06
Provision for (reduction of) Operating Reserve for the year ended 12-31-97 - Exhibit D		<u>9,297.89</u>
Balance at 12-31-97 - Exhibit F	\$	<u>25,520.95</u>

HOUSING AUTHORITY OF THE TOWN OF OSERLIN

ANALYSIS OF SURPLUS — STATUTORY BASIS
TWELVE MONTHS ENDED (DECEMBER 31, 1997)ANNUAL CONTRIBUTION CONTRACT
PW — 474Cumulative HUD Contributions

Balance per prior audit at 12-31-96	\$	533,204.47
Annual contribution for year ended 12-31-97 - Exhibit D		12,048.13
Operating subsidy for year ended 12-31-97		<u>7,892.00</u>
Balance at 12-31-97		<u>553,144.60</u>

Cumulative HUD Grants

Balance per prior audit at 12-31-96		400,094.00
Current year grants		<u>136,056.33</u>
Balance at 12-31-97		<u>536,150.33</u>
Total Surplus - Exhibit A	\$	<u>844,276.88</u>

HOUSING AUTHORITY OF THE TOWN OF OSERLIN

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT
FW - 474

		<u>Year Ended</u>
		<u>12-31-97</u>
<u>Computation of Residual Receipts</u>		
<u>Operating Receipts</u>		
Operating income - Exhibit B	\$	31,468.92
HUD operating subsidy		7,882.00
Prior year adjustments - affecting residual receipts		<u>131.28</u>
Total Operating Receipts		<u>39,482.20</u>
<u>Operating Expenditures</u>		
Operating expenses - Exhibit B		<u>30,089.51</u>
Total Operating Expenditures		<u>30,089.51</u>
Residual receipts (deficit) per audit before provision for reserve		9,392.69
Audit adjustments (backed out)		<u> </u>
Residual receipts per PHA before provision for reserve		9,392.69
(Provision for) or reduction of operating reserve - Exhibit C		<u>(9,392.69)</u>
Residual receipts per PHA	\$	<u>0.00</u>

HOUSING AUTHORITY OF THE TOWN OF CHERLIN
 COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS
 ANNUAL CONTRIBUTION CONTRACT
EW - 474

	<u>Year Ended</u>
	<u>12-31-97</u>
<u>Computation of Accruing Annual Contributions</u>	
Fixed annual contribution	\$ <u>12,048.13</u>
Total Annual Contribution - Exhibit C	\$ <u>12,048.13</u>

HOUSING AUTHORITY OF THE TOWN OF OBERLIN
 STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED
 DECEMBER 31, 1997

		Project 1996
Funds Approved	\$	174,460.00
Funds Expended		135,360.04
Excess of Funds Approved	\$	39,099.96
Funds Advanced	\$	138,098.00
Funds Expended		135,360.04
Excess of Funds Advanced	\$	(2,737.71)

HOUSING AUTHORITY OF THE TOWN OF OBERLIN
 ANALYSIS OF GENERAL FUND CASH BALANCE
 ANNUAL CONTRIBUTION CONTRACT
FB-474

Composition Before Adjustments

Net operating receipts retained:		
Operating reserves - Exhibit C	\$	25,621.84
Deficient modernization funds - Exhibit E		<u>(200.71)</u>
		25,421.13

Adjustments

Expenses/costs not paid:		
Accounts payable		1,879.23
Accrued payments in lieu of taxes		10,908.00

Income not received:		
Accounts receivable		<u>(194.61)</u>

General Fund Cash Available	37,520.55
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General Fund Cash:		
Invested		(14,844.48)
Applied to deferred charges (prepaid insurance, inventories, etc.)		<u>(958.00)</u>

General Fund Cash - Exhibit A	\$	<u>21,718.07</u>
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HOUSING AUTHORITY OF THE TOWN OF GIBLIN

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 1997

<u>FEDERAL GRANTOR PROGRAM TITLE</u>	<u>CFDA NO.</u>	<u>GRANT ID. NO.</u>	<u>AWARD AMOUNT</u>	<u>PROGRAM EXPENDITURES</u>	
U.S. Department of Housing and Urban Development					
Direct Programs:					
Low-Income Housing					
Annual Contribution	14.850	FW- 474	\$ 12,040.13	\$ 12,040.13	1/
Operating Subsidy	14.850	FW- 474	7,892.00	7,892.00	
Major Program Total 1/			<u>19,940.13</u>	<u>19,940.13</u>	
Comprehensive Improvement Assistance Program					
Project 1996	14.852	FW- 474	<u>135,058.33</u>	<u>135,058.33</u>	
Major Program Total			<u>135,058.33</u>	<u>135,058.33</u>	
Total HUD			\$ <u>154,998.46</u>	\$ <u>154,998.46</u>	

1/ The Housing Authority of Giblin is indebted to the Department of Housing and Urban Development for \$ 64,342.43 at December 31, 1997.

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MEMBER
FEDERATION OF CERTIFIED
PUBLIC ACCOUNTANTS

888 888 8888, CP

Report on Compliance Over Financial Reporting Based on an
Audit of Financial Statements Performed in
Accordance with the Louisiana Governmental Audit Guide

Housing Authority of the
Town of Oberlin
Oberlin, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Oberlin, Louisiana as of and for the year ended December 31, 1997, and have issued our report thereon dated May 8, 1998. We conducted our audit in accordance with generally accepted auditing standards and provisions of the Louisiana Governmental Audit Guide.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Oberlin, 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 the Louisiana Governmental Audit Guide.

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
May 8, 1998

HOUSING AUTHORITY OF THE TOWN OF OBERLIN

SCHEDULE OF ADJUSTING JOURNAL ENTRIES

DECEMBER 31, 1997

	ACCT. # FOR AUDIT REPORT PURPOSES	DR	CR	ACCT. # FOR POSTING TO PHA BOOKS
cto- Unreserved Surplus	2810		540.00	2810
Operating Reserve	2820	540.00		

To correct closing 1997 JAV92.