

4054

**OFFICIAL
FILE COPY**

DO NOT REMOVE

Items removed
marked from this
copy and PLACED
BACK in FILE

100-100000-1000
SERIAL 110046

**HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS REPORTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 1997
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the council, 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 APR 28 1998

MILLIAN DANIEL BECKWELL, CPA
INDEPENDENT AUDITOR

101 GAY BROS BLDG
MOBILE, LOUISIANA 70451

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT ON GENERAL PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

EXHIBITS -- FINANCIAL STATEMENTS

- A** COMBINED BALANCE SHEET AT SEPTEMBER 30, 1997, ALL FUND TYPES AND ACCOUNT GROUPS
- B** COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--FOR THE YEAR ENDED SEPTEMBER 30, 1997
- C** COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES--BUDGET (GAAP BASIS) AND ACTUAL--GENERAL AND SPECIAL REVENUE FUNDS

NOTES TO THE FINANCIAL STATEMENTS AND ACCOMPANYING INFORMATION

SUPPLEMENTARY INFORMATION SCHEDULES--GAAP BASIS

- c** SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
- 1a** SPECIAL REVENUE FUNDS--COMBINING BALANCE SHEET
- 1b** SPECIAL REVENUE FUNDS--COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
- SCHEDULE OF COMPENSATION PAID BOARD MEMBERS--NOT APPLICABLE, NONE PAID

SUPPLEMENTARY INFORMATION SCHEDULES--STATUTORY BASIS

- II** BALANCE SHEET--STATUTORY BASIS
- III** STATEMENT OF REVENUES AND EXPENDITURES--STATUTORY BASIS--ANNUAL CONTRIBUTIONS CONTRACT FW-1112
- IV** STATEMENT OF REVENUES AND EXPENDITURES--STATUTORY BASIS--ANNUAL CONTRIBUTIONS CONTRACT FW-1233 & FW-2056
- V** ANALYSIS OF SURPLUS--STATUTORY BASIS

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-111

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

SCHEDULE OF CURRENT FINDINGS AND QUESTIONED COSTS

CORRECTIVE ACTION PLAN

MANAGEMENT LETTER

WILLIAM DANIEL MCCASSELL, CPA

A PROFESSIONAL ACCOUNTING CORPORATION

**1000 BAYVIEW
SUITE 100, LAFAYETTE, LA**

**PHONE 941-7371
731-26-6600
FAX 941-7375
FEDERAL TAXPAYER ID#**

**1997
SECURITY OFFICER'S COPY
DATE OF THIS REPORT
ISSUE NUMBER 0000**

**INDEPENDENT AUDITOR'S REPORT
DISCLAIMER OF OPINION ON GENERAL PURPOSE
FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS**

**BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA 70501**

I was engaged to audit the accompanying general purpose financial statements of the Housing Authority of The City of Lafayette, Louisiana (HAA) as of and for the year ended September 30, 1997, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the HAA's management.

I was unable to confirm certain material accounts balances as described in Findings 1 and 1a, and documentation needed to properly conduct the audit was not available as described in Findings 1 and 1a, nor was I able to satisfy myself as to those financial activities by other auditing procedures. Accordingly, it was not practicable for me to express my audit to a conclusion of opinion.

Because of the disclosures in Findings 97-1, 97-1a, 97-1 and 97-1a, the scope of my work was not sufficient to enable me to express, and I do not express, an opinion on the financial statements referred to in the first paragraph.

In accordance with Government Auditing Standards, I have also issued my Report dated January 14, 1998 on my consideration of the HAA's internal control over financial reporting and my tests of compliance with certain provisions of laws, regulations, contracts and grants.

I was engaged to perform my audit for the purpose of forming an opinion on the general purpose financial statements of the FWA taken as a whole. The accompanying schedule of expenditures of Federal Awards is presented for the purposes of additional analysis as required by US Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general purpose financial statements. Such affirmation has been subjected to the auditing procedures applied in the audit of the general purpose financial statements. Because of the disclosures in Findings 97-1, 97-1a, 97-3 and 97-3a, the scope of my work was not sufficient to enable me to express, and I do not express, an opinion on the schedule of Expenditures of Federal Awards.

This report is intended solely for the information and use of the Board of Commissioners of the FWA, and for filing with the Department of HUD and should not be used for any other purpose.

William Daniel McCaskill, CPA
A Professional Accounting Corporation

January 18, 1998

Part 1: Report of the 2017 activities

Part 2: Financial statements, prepared as required in Part 1

Part 3

	2017 Revenue \$	2017 Expenses \$	2017 Net Income \$	2017 Total Assets \$	2017 Total Liabilities \$	2017 Total Equity \$
Revenue	1,200,000		1,200,000	1,200,000		1,200,000
Expenses		750,000	(750,000)			(750,000)
Net Income			450,000			450,000
Total Assets				1,200,000		1,200,000
Total Liabilities					750,000	(750,000)
Total Equity			450,000	1,200,000		1,200,000
Revenue	1,200,000		1,200,000	1,200,000		1,200,000
Expenses		750,000	(750,000)			(750,000)
Net Income			450,000			450,000
Total Assets				1,200,000		1,200,000
Total Liabilities					750,000	(750,000)
Total Equity			450,000	1,200,000		1,200,000

See notes to financial statements.

Part of Report of the City of Lakeland

Water Utility Department - 2015 Annual Financial Report - Lakeland Water - 2015 - 2016

REVENUE

REVENUE	2015			2016		
	Actual	Budget	Variance	Actual	Budget	Variance
Local Income	1,000,000	1,000,000	0	1,000,000	1,000,000	0
State Income	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Federal Income	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Other	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Total Revenue	4,000,000	4,000,000	0	4,000,000	4,000,000	0
Operating Expenses	3,000,000	3,000,000	0	3,000,000	3,000,000	0
Capital Expenses	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Depreciation	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Interest	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Income Tax	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Other	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Total Expenses	7,000,000	7,000,000	0	7,000,000	7,000,000	0
Net Income	0	0	0	0	0	0

See Notes to Financial Statements

THE HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

Housing Authorities are chartered as a public corporation under the laws (LSA-RS 40:291) of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of Lafayette, Louisiana. This creation was contingent upon the local governing body of the city or parish. Because the PHA was declared troubled by HUD in previous fiscal years, it is governed by a HUD staff member.

Under the United States Housing Act of 1937, as amended, the US Department of HUD has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the PHA for the purpose of assisting the PHA in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the PHA for the purpose of maintaining this low rent character.

The PHA has the following programs under management:

	ACC Number	Number of Units
PHA Owned Housing	FM-1112	672
Section 8:		
Existing	FM-2056	416
Vouchers	FM-2220	177

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

GASB Statement Number 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the PMA is legally separate and fiscally independent by being solely accountable for fiscal matters, including (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, (3) fiscal management for controlling the collection and disbursement of funds, (4) authority to issue debt, the PMA is a separate governmental reporting entity. The PMA includes all funds, account groups, activities that are within the oversight responsibility of the PMA.

Certain units of local government over which the PMA exercised no oversight responsibility, such as the school boards, parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate entities and issue financial statements separate from those of the PMA.

C. FUND ACCOUNTING

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

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

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

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

1. **General Fund**--the general operating fund of the PMA accounts for all financial resources, except those required to be accounted for in other funds.
2. **Debt Service Fund**--accounts for transactions relating to resources retained and used for the payment of

Principal and interest on those long term obligations recorded in the general long term obligations account group.

3. Capital Projects Funds--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Fiduciary Funds--Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the PMA. Fiduciary funds include:

1. Tenant Security Deposits--accounts for assets held by the PMA as an agent for the individual residents. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. BASIS OF ACCOUNTING

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

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

Rental income is recorded in the month earned.

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

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

Expenditures--Salaries are recorded as expenditures when paid.

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

Accrued absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges

not requiring current resources is recorded in the general long term obligations account group.

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

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

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

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

2. SUMMARY

The following summarizes the budget activities of the PMA during the fiscal year:

1. The PMA adopted budgets for the General Fund, the Special Revenue Fund and the Capital Projects Funds. The Capital Projects Funds Budget Comparison to actual has not been included since the cost project is a multiple year endeavor.

2. The budgets are prepared on the modified accrual basis of accounting. All appropriations lapse at year end.

3. Encumbrances are not recognized within the accounting records for budgetary purposes.

4. Formal budget integration (within the accounting records) is employed as a management control device.

5. The Executive Director is authorized to transfer amounts between line items within any fund, with the exception of salaries, provided such does not change the total of any function. However, when actual revenues within a fund fail to meet budgeted revenues by 5% or more, a budget amendment is adopted by the PMA in an open meeting. Budget accounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

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

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest bearing demand deposits. Cash equivalents include amounts in time deposits and cash with financial agents. Under state law, the PMA may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

H. SHORT TERM INTERFUND RECEIVABLES/PAYABLES

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

I. INVENTORY

All purchased inventory items are valued at the lower of cost (first in, first out) or market. Purchased inventories are offset by a fund balance reserve which indicates that these do not constitute "available spendable resources", even though they are a component of total assets.

Acquisition of materials and supplies are accounted for on the purchase method, that is, the expenditure is charged when the items are purchased.

J. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures such as sidewalks and parking lots are capitalized. Interest expense during construction is capitalized. Depreciation has not been provided on general fixed assets.

E. CONSOLIDATED RESOURCES

The FEA follows Louisiana Civil Service regulations for accumulated annual sick leave. Employees may accumulate up to 180 hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

The cost of current leave privileges, computed in accordance with GASB Codification Section 289, is recognized as a current year expenditure in the governmental funds when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long term obligations account group. Leave benefits are based on accrued leave benefits or employees with 10 years service to a maximum of 25 days at their current annual salary.

F. LONG TERM OBLIGATIONS

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

G. FUND EQUITY

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

H. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers. Reversing or non-reciprocal permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

I. TOTAL COLUMNS ON COMBINED STATEMENTS

The total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with GAAP. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 3 -- CASH AND CASH EQUIVALENTS

At September 30, 1997, the PRA has cash and cash equivalents totaling \$1,193,194.29 as follows:

Interest Bearing Demand Deposits	\$596,424.90
Time Deposits	643,180.69
Petty Cash	529.00
Cash With Fiscal Agent	21,063.63
Total	\$1,193,194.29

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At September 30, 1997, the PRA has \$1,129,868.82 in deposits (collected bank balances). These deposits are secured from PRA by \$100,000.00 of federal deposit insurance and \$1,981,258.00 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 5). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 18:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the PRA that the fiscal agent has failed to pay deposited funds on demand.

NOTE 4--RECEIVABLES

The receivables of \$480,124.71 at September 30, 1997 are as follows:

General Fund:	
Accounts Receivable	98,322.98
Interfund Receivables	39,752.13
Special Revenue Fund:	
Accounts Receivable	258,179.55
Total	480,124.71

NOTE 4--FIXED ASSETS

The changes in general fixed assets as recorded by the PWA are as follows:

Low Income Housing:**Land, Structures & Equipment**

Balance 9-30-96	17,856,779.77
Net Additions	699.80
Balance 9-30-97	17,857,469.77

Modernization

Balance 9-30-96	3,260,806.43
Net Additions	1,109,942.53
Balance 9-30-97	3,260,348.95

Section 8 Programs:**Land, Structures & Equipment**

Exchanged Balance 9-30-96 & 9-30-97	44,486.13
-------------------------------------	-----------

Total PWA Wide	21,162,301.84
----------------	---------------

Fixed assets are mortgaged to HUD pursuant to the Annual Contributions Contract as collateral for obligations owed to the US Government. The building cost includes \$0.00 of ineligible expenditures as determined by HUD.

NOTE 5--RETIREMENT SYSTEM

The PWA participates in the Housing Renewal and Local Agency Retirement Plan which is a defined contribution plan. Through this plan, the PWA provides pension benefits for all of its full time employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All regular and full time employees are eligible to participate in the plan on the first day of the month after completing 9 months of continuous or uninterrupted employment. Each participant in the plan is required to make a monthly contribution equal to 4% of each participant's basic compensation. The PWA's contribution for each employee and income allocated to the employee's account are fully vested after 5 years of continuous service. The PWA's contributions and interest forfeited by employees who leave employment before 5 years of service are used to offset future contributions of the PWA.

The PWA's total payroll for fiscal year ended September 30, 1997 was \$562,192.21. The PWA's contributions were calculated using the base salary amount of \$662,192.21. Both the PWA and the covered employees made the required contributions for the year ended September 30, 1997. Employee contributions to the plan totaled \$11,743.53. The PWA contributions totaled \$44,991.36 for the year ended September 30, 1997.

NOTE 6--ACCOUNTS PAYABLE

The payables of \$415,584.70 at September 30, 1997 are as follows:

General Fund	26,449.29
Special Revenue Fund	389,135.50
Total	415,584.79

NOTE 7--COMPENSATED ABSENCES

At September 30, 1997, employees of the PMA have accumulated and vested monies of employee leave benefits. The PMA was not able to calculate this amount as computed in accordance with GASB Codification Section 610. This is considered a departure from GAAP. This amount is not expected to be paid from current available resources; therefore the liability should be recorded within general long term obligations account group.

NOTE 8--CHANGES IN AGENCY FUND DEPOSITS OR OTHERS

Texas Security Deposits:	
Balance 9-30-96	41,114.65
Net Change	1,977.35
Balance 9-30-97	43,112.00

NOTE 9--CHANGES IN GENERAL LONG TERM OBLIGATIONS

The following should be a summary of the long term obligation transactions of the year ended September 30, 1997. Since the PMA did not record debt service during the year, the following is the balances as of 9-30-96:

Permanent Notes PPS	8,208.17
New Housing Bonds Issued	7,142,000.00
Retired	3,448,678.68
Total	1,698,281.49

(A) Project notes-Non HUD are obligations due HUD. The Debt Forgiveness Act of 1985 forgave these notes. PMA's that executed a revised AOC in 1995 have accomplished the debt forgiveness. The PMA did write off \$3,881,844.18 of such notes and accrued interest during the fiscal year.

All principal and interest requirements are funded in accordance with Federal law by the annual contributions from the US Department of HUD. As September 30, 1997, the PMA has accumulated \$399,889.46 in the debt service funds for future debt requirements. In a departure from GAAP, I am not able to disclose future maturities and interest rates. Since the PMA neither receives nor disburses any debt service monies, the lack of this disclosure is not material.

NOTE 10--INTERFUND ASSETS/LIABILITIES

Interfund receivables/payables at September 30, 1997 should be disclosed in this note. The General Fund has recorded \$60,752.19 of interfund receivables due from the Special Revenue Fund. I could not confirm this amount on the Special Revenue books of account. In addition, I could not confirm an interfund receivable from the Capital Projects Fund to the General Fund.

NOTE 11--COMMITMENTS AND CONTINGENCIES

There are certain major construction projects at September 30, 1997. As approved by HUD these projects are being funded by HUD. Funds are requested periodically as the cost is incurred. I am not able to disclose the costs incurred on these projects and estimated cost to complete these projects as of September 30, 1997. Please see findings numbers 1, 1a, 3, and 3a for details on this.

NOTE 12 -- GAAP DEPARTURES

The auditor's opinion on the financial statements is a disclaimer of opinion because the books of accounts are not auditable at this time. As such, there are departures from GAAP that are too numerous to mention. Examples of such are the lack of disclosure of Capital Project Fund balances and transactions and interfund balances and transactions.

Housing Authority of the city of Lafayette
 Lafayette, Louisiana 70501
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the year ended September 30, 1997

SCHEDULE I

FEDERAL AGENCY:	CFDA NO.	Federal Award Expenditures
U S Department of Housing and Urban Development Direct Programs:		
Low Income Housing:		
Operating Subsidy		762,889.00
Leased		0.00
Development		0.00
Total Low Income Housing	14.050	762,889.00
Section 8 Cluster:		
Vouchers	14.053	874,153.29
Certificates	14.057	1,411,929.71
Moderate Rehabilitation	14.056	
New Construction	14.182	
Substantial Rehabilitation	14.182	
Total Section 8 Cluster		2,086,082.00
Comprehensive Grants	14.859	1,109,542.53
CIAP	14.002	
Public Housing Drug Elimination Programs:		
PHDEP		
Youth Sports		
Total PHDEP	14.854	
Shelter + Care	14.238	
HOME	14.858	
HOME	14.239	
Child Care Food Program (CCF)	10.368	
Total FEDERAL EXPENDITURES		3,958,313.53

NOTE: This schedule of expenditures of federal awards is prepared on the HUD regulatory basis of accounting, which is an other comprehensive basis of accounting. As of the fiscal year end, HUD has guaranteed \$3,958,181.48 of FBA debt.

see notes to financial statements

Public Library of the City of Atlanta

Account: Atlanta Public Library, Operating as 0001, 01, 000, 000
 01/01/2018 - 06/30/2018

REVENUES

REVENUE	2017	2018	2019	2020
Local, State, Federal	1,000,000	1,000,000	1,000,000	1,000,000
Patron	1,000,000	1,000,000	1,000,000	1,000,000
Other	1,000,000	1,000,000	1,000,000	1,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000

REVENUE	2017	2018	2019	2020
Local, State, Federal	1,000,000	1,000,000	1,000,000	1,000,000
Patron	1,000,000	1,000,000	1,000,000	1,000,000
Other	1,000,000	1,000,000	1,000,000	1,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000

REVENUE	2017	2018	2019	2020
Local, State, Federal	1,000,000	1,000,000	1,000,000	1,000,000
Patron	1,000,000	1,000,000	1,000,000	1,000,000
Other	1,000,000	1,000,000	1,000,000	1,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000

REVENUE	2017	2018	2019	2020
Local, State, Federal	1,000,000	1,000,000	1,000,000	1,000,000
Patron	1,000,000	1,000,000	1,000,000	1,000,000
Other	1,000,000	1,000,000	1,000,000	1,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000

See notes to financial statements

REVENUE	2017	2018	2019	2020
Local, State, Federal	1,000,000	1,000,000	1,000,000	1,000,000
Patron	1,000,000	1,000,000	1,000,000	1,000,000
Other	1,000,000	1,000,000	1,000,000	1,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000

REVENUE	2017	2018	2019	2020
Local, State, Federal	1,000,000	1,000,000	1,000,000	1,000,000
Patron	1,000,000	1,000,000	1,000,000	1,000,000
Other	1,000,000	1,000,000	1,000,000	1,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000

REVENUE	2017	2018	2019	2020
Local, State, Federal	1,000,000	1,000,000	1,000,000	1,000,000
Patron	1,000,000	1,000,000	1,000,000	1,000,000
Other	1,000,000	1,000,000	1,000,000	1,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000

REVENUE	2017	2018	2019	2020
Local, State, Federal	1,000,000	1,000,000	1,000,000	1,000,000
Patron	1,000,000	1,000,000	1,000,000	1,000,000
Other	1,000,000	1,000,000	1,000,000	1,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000

See notes to financial statements

Finance Authority of the City of Lafayette
 Budgeted Financial Statements
 Fiscal Year - 2020
 Annual Debt Service Coverage Ratio, Worksheet No. 4 (Rev. 11/15)
 For the Year Ended September 30, 2020

Account	9-30-19	9-30-20	9-30-20
ASSETS			
Cash	288,814.00	75,125.00	288,814.00
Investments	242,264.79	75,262.00	242,264.79
Accounts Receivable	300,000.00	300,000.00	300,000.00
Due from Other Agencies	300,000.00	300,000.00	300,000.00
Due from Other Funds	300,000.00	300,000.00	300,000.00
Deferred Charges	300,000.00	300,000.00	300,000.00
Land, Structures and Equipment	21,277,813.71	21,277,813.71	21,277,813.71
TOTAL ASSETS	<u>22,889,902.50</u>	<u>24,530,000.71</u>	<u>22,889,902.50</u>
LIABILITIES AND DEFERRED			
DEBTS			
Accounts Payable	7,715.00	10,715.00	7,715.00
Notes Payable	1.00	1.00	1.00
Deferred Liabilities	1,170.00	1,170.00	1,170.00
Deferred Charges	1,170.00	1,170.00	1,170.00
Other Liabilities	1,170.00	1.00	1.00
TOTAL LIABILITIES	<u>11,306.00</u>	<u>14,766.00</u>	<u>11,306.00</u>
Capital	21,878,796.50	24,515,234.71	21,878,796.50
TOTAL LIABILITIES AND CAPITAL	<u>21,889,902.50</u>	<u>24,530,000.71</u>	<u>21,889,902.50</u>

SEE NOTE 10 TO FINANCIAL STATEMENTS

Housing Authority of the City of Lafayette
Lafayette, Louisiana 70501

ACCOUNTS 122

STATEMENT OF INCOME AND EXPENSES-PHA OWNED HOUSING

Annual Contributions Contract PH-1112

For the year Ended For the Year Ended September 30, 1997

OPERATING INCOME:

Dwelling Rental	5949,452.18
Interest Income	18,682.95
Other Income	48,196.44
Receipts Non Expendable Equipment That is Not Replaced	5,520.80
Total Operating Income	1,012,852.37

OPERATING EXPENSES:

Administration	5165,856.48
Tenant Services	0.00
Utilities	997,139.73
Ordinary Maintenance and Operations	461,935.48
General Expense	139,425.06
Non-Routine Maintenance	27,800.24
Total Operating Expenses	1,544,464.11

NET OPERATING DEFICIT (531,611.74)

OTHER CHARGES:

Interest on Notes and Bonds	50.00
Prior Period Adjustments Affecting Residual Receipts	8,382.44
Prior Period Adjustments Not Affecting Residual Receipts	0.00

TOTAL OTHER CHARGES 8,382.44

DEFICIT (540,043.58)

see notes to financial statements

Working Statement of the City of Berkeley

LIABILITIES - Long-Term Debt

SCHEDULE 7

STATEMENT OF FINANCIAL POSITION

GENERAL ACCOUNT FUNDS ONLY

GENERAL ACCOUNTS CARRIED OVER

FOR THE YEAR ENDED FOR THE YEAR ENDED SEPTEMBER 30, 2017

	2016 9-30	2015 9-30
Operating Income	18,791.87	18,361.04
Total Operating Income	18,791.87	18,361.04
Operating Expenses:		
Depreciation	61,447.14	1,794,494.79
Maintenance Expenses	18,259.32	58,282.02
Total Operating Expenses	79,706.46	1,852,776.81
Net Operating Deficit	(60,914.59)	(1,734,415.77)
Other Deficit:		
Long-Term Debt Amortization (Interest Deficit)	1,285.94	1,285.94
Deficit	(59,628.65)	(1,733,129.83)

see notes to financial statements

Working Statement of the City of Lakewood

General Fund - Long Range Plan

660,000,000 Dollars

For the five years ending for the year ended September 30, 2017

Amounts in

	2012	2013	2014
	79-211	79-211	79-211
	2012	2013	2014
Approved Budget			65,000,000
Balance For 2012-13	(25,000,000)	(7,790,000)	(2,170,000)
Deficit for Year 1-2017	(54,000,000)	(97,000,000)	(1,000,000,000)
Provision Operating Reserve	(20,000,000)	(1,000,000)	(20,000,000)
Provision for Project Costs	0.00	(20,000,000)	(40,000,000)
Adjustments During Year	1,000,000.00	0.00.00	0.00.00
With 100%	0.00	0.00	0.00
Balance 1-2017	(11,000,000.00)	(117,000,000.00)	(1,060,000,000.00)
Approved Budget-Operating Reserve			
Balance 1-2012	60,000,000	1,000,000	20,000,000
Adjustments During Year	0.00	0.00	0.00
Provision Reserve	(20,000,000)	(1,000,000)	(20,000,000)
With 100%	0.00	0.00	0.00
Balance 1-2017	40,000,000	(1,000,000)	0,000,000
Approved Budget-Project Account			
Balance 1-2012	0.00	0.00	0,000,000.00
Adjustments During Year	0.00	0.00	0.00
Provision Project Costs	0.00	(20,000,000)	(40,000,000)
Balance 1-2017	0.00	(20,000,000)	(40,000,000)
Capital Construction			
Balance 1-2012	2,000,000.00	1,000,000.00	7,790,000.00
Annual Contribution 1-2017	0.00	0.00.00	1,000,000.00
Operating Reserve 1-2017	70,000.00	0.00	0.00
Revolutions/Other Costs	20,000.00	0.00	0.00
Adjustments Received	(20,000.00)	(1,000,000.00)	(2,000,000)
Adjustments Received	0.00	0.00	0.00
With 100%	0.00	0.00	0.00
Balance 1-2017	2,000,000.00	1,000,000.00	1,200,000.00
Capital or Special			
Balance 1-2012	0.00	0.00	0.00
With 100%	0.00	0.00	0.00
Balance 1-2017	0.00	0.00	0.00
Total surplus 1-2017	(9,000,000)	(137,000,000)	(1,060,000,000)

see notes to Statement of Financials

WILLIAM DANIEL MCCASHELL, CPA
INTERNAL AUDITOR REPORT

EXHIBIT 301
REF ID: A7087861

FORM 3442-73
BY 3442-12
GSA GEN. REG. NO. 27
1-62 (REVISED)

5010
GSA GEN. REG. NO. 27
1-62 (REVISED)

REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENTAL AUDITING STANDARDS

BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA 70501

I have audited the financial statements of the Housing Authority of the City of Lafayette (PHA), as of and for the year ended September 30, 1997, and have issued my report thereon dated January 18, 1998. The report mentioned above was a disclaimer of opinion because of the disclosures described in findings 97-1 and 97-2. I conducted my 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 PHA's financial statements are free of material misstatement, I 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 an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as items 97-1 and 97-2.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the PMA's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters called to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect the PMA's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 97-1, 97-2, and 97-3.

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 accounts 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider items 97-1, 97-2, and 97-3 to be material weaknesses.

This report is intended for the information of the audit committee, management, and for HUD. However, this report is a matter of public record and its distribution is not limited.

January 16, 1998

William Daniel McCasill, CPA
A Professional Accounting Corporation

WILLIAM DANIEL MCCASKILL, CPA
INTERNAL CONTROL SPECIALIST

111 GARDNER BLDG
MOBILE, MISSISSIPPI 36688

REPORT #980701
74 06-01-88
LOCAL #9807-001
DATE 08/28/88, 09

0001
MOBILE OFFICE OF CPA
INTERNAL CONTROL SPECIALIST
08/28/88 07:17:00 P.M.

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-113

BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA 70501

Compliance

I have audited the compliance of the Housing Authority of the City of Lafayette (PHA) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-113 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 1987. The PHA'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 PHA's management. My responsibility is to express an opinion on the PHA's compliance based on my audit.

I conducted my 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-113, Audits of States, Local Governments, and Non-Profit Organizations. These standards and OMB circular A-113 require that I 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 PHA's compliance with these requirements and performing such other procedures as we considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the PHA's compliance with these requirements.

As described in items 97-1a, 97-2a, and 97-3a in the accompanying schedule of findings and questioned costs, the FMA did not comply with requirements regarding Budgetary Control, Cost Management, Real Property Acquisition, and Federal Financial Reports that are applicable to its Low Income Housing, Section 8 Cluster, and Comprehensive Grant Programs. Compliance with such requirements is necessary, in my opinion, for the FMA to comply with requirements applicable to these programs.

Because of the reasons for the disclaimer of opinion on the financial statements and supplementary schedules as described in that report dated January 16, 1988, I am, as well, disclaiming any assurance of compliance with any requirements not identified in the preceding paragraph.

Internal Control Over Compliance

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

I noted certain matters involving the internal control over compliance and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in my judgement, could adversely affect the FMA's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 97-1a, 97-2a, and 97-3a.

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. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider items 97-1a, 97-2a, and 97-3a to be material weaknesses.

This report is intended for the information of the audit committee, management, and HUD. However, this report is a matter of public record and its distribution is not limited.



William Daniel McConkili, CPA
A Professional Accounting Corporation

January 18, 1998

THE HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

The following is a list of prior audit findings that have been corrected:

98-1 The finding indicated that the PMA has High Tenant Accounts Receivable. Since this matter is now covered under the PPMAP system, this is no longer an audit finding matter. Accordingly, this finding is cleared.

The following prior audit findings were not corrected or partially corrected:

98-2 The finding indicated that the PMA had not taken an accurate physical inventory and balanced the general ledger to it. This is repeated this year as finding number 97-2.

The action that had been planned to be taken was not because of management changes at the entity.

THE HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA

SCHEDULE OF CURRENT AUDIT FINDINGS AND QUESTIONED COSTS

Per A-113, Section 409(d)

1. Summary Schedule of Auditors Results:

- i. The report includes a disclaimer of opinion on the financial statements.
- ii. Reportable conditions in internal controls found at the financial statement level were disclosed by the audit of the financial statements and were considered material weaknesses.
- iii. The audit disclosed noncompliance which is material to the financial statements.
- iv. Reportable conditions in internal control over major programs were disclosed by the audit.
- v. The compliance report issued for major programs was a disclaimer of opinion.
- vi. The report disclosed audit findings required to be reported under Section 510a of A-113.
- vii. All major programs have oversight by HUD and are identified as follows:

CFDA #	Name of Program
14.810	Low Income Housing
Section 8 Cluster:	
14.818	Yearners
14.887	Certificates
Please note that finding 97-24 was for the non major program as identified below:	
14.859	Comprehensive Grant Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs was \$150,000.00.
- ix. The auditee was not considered a low risk auditee.

2. Findings relating to the financial statements required to be reported with GAGAS are as follows:

Finding Number 97-1

Statement of Conditions--The PMA's accounting records are not in an auditable condition.

Criteria--The PMA's accounting records should be organized in an auditable manner.

Effect--The financial statements cannot be relied upon.

Cause--During the fiscal year, the PMA hired a staff accountant to convert the outside fee accounting to an in house system. This conversion took place in the middle of the fiscal year. Documentation proving that this conversion was correctly done is not readily available. PMA staff does not have the capability to reconstruct the conversion. Prior to closing the fiscal year, the in house accountant resigned. When the current accountant was hired, his first task was to close out the fiscal year. He did so but indicates that he believes the close out to be incorrect. Subsequently, the Executive Director resigned, leaving no continuity of management to help in reconstructing the records.

PMA Response--We notified the auditor of this in mid January 1998. His firm immediately came to our office and spent most of a week helping organize the accounting records. We increased the scope of the audit contract to include the reconstruction of the accounting records and correcting them. We plan to have this completed by May 31, 1998. We are confident that we can carry the records forward properly once they are correct.

Finding Number 97-2

Statement of Conditions--The PMA does not have an accurate physical inventory of equipment balanced to the general ledger.

Criteria--Annually, the PMA should physically inventory all of it's equipment and balance it to the general ledger.

Effect--The PMA does not have adequate controls over it's equipment.

Cause--The PMA management has changed during the fiscal year and the corrective action plan as contemplated was not accomplished.

PMA Response--We concur with the finding. We did complete a physical inventory of stoves and refrigerators and do keep a card file system for other inventory. We will make every effort to correct this matter in fiscal year 1998.

Finding Number 97-3

Statement of Conditions--The Comprehensive Grant Program (CGP), as administered by the FMA does not have adequate internal controls. Also, no FMA staff member is controlling the multi year planning and continuation of the program. No Davis Bacon monitoring is being done on some contracts. The FMA staff is unable to control the budgeting and expenditures of funds for this program.

Criteria--A FMA staff member should be responsible for long range and short range planning, monitoring and documenting the progress, testing for compliance with Davis Bacon requirements, and inspecting the contractor work.

Effect--The FMA does not have adequate control over this program.

Cause--The former Executive Director performed these tasks. When he left, the FMA did not have anyone on staff with the training to fulfill these responsibilities.

FMA Response--We have expanded the scope of the auditor's contract to correct and bring current the subsidiary ledgers for this program. Since this work was not completed by the deadline for producing the audit report, the balance of the work will be done in April and May, 1996. We can thereafter correctly post transactions and thereby control the budget versus expenditures.

We have asked our architect to temporarily fill in the progress monitoring and documenting responsibilities of the CGP's, as well as fulfilling the Davis Bacon responsibilities.

We have issued a Request For Proposals (RFP) for a Modernization Coordinator to fulfill all of these FMA responsibilities.

2. Findings and questioned costs for Federal awards as defined in A-103, Section 3100, all with HUD oversight:

The following findings are applicable to both OIGAS and A-103, therefore they are required to be repeated in Sections 2 and 3, as follows:

Finding Numbers 97-1a and 97-2a

1. Name of Program--Low Income Housing
Identification Number--
CFDA Title and Number--14.850
Federal Award Number & Year--FW-1112, September 30, 1997
Name of Federal Agency--HUD
Name of Pass Through Entity--None
2. Criteria--See section 2 for the criteria.
3. Condition--See Section 2 for the condition.
4. Amount of questioned costs and how they were computed--
There are no questioned costs.
5. Finding number 97-1a indicates an almost complete breakdown of accounting controls. Finding number 97-2a applies to equipment owned by the FEA, such equipment costs in the range of \$700,000.
6. Effect--see section 2 for the effect.
7. For Recommendations to prevent future occurrences of the finding, please see the FEA Response in section 2.
8. FEA officials agree with the findings.

Finding Number 87-3a -- Please note that this is a non major program.

1. Name of Program--Comprehensive Grants Program
Identification Number--
CFDA Title and Number--14.859
Federal Award Number & Year--LA48-P000-700-1990, LA48-
P000-700-1991, LA48-P000-704-1991, and LA48-P000-700-1996
Name of Federal Agency--HHS
Name of Pass Through Entity--None
2. Criteria--See section 2 for the criteria.
3. Condition--See section 2 for the condition.
4. Amount of questioned costs and how they were computed--
there are no questioned costs.
5. The finding indicates a lack of control over expenditures
of \$1,109,643.63 this fiscal year.
6. Effect--See section 2 for the effect.
7. Recommendations to prevent future occurrences of the
finding are included in the FMA Response of section 2.
8. FMA officials agree with the finding.

THE HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA

CORRECTIVE ACTION PLAN

Our corrective action plan is as follows:

Finding 87-1a

Contact Person Responsible for Action--Janis Anderson

Anticipated Completion Date--May 31, 1998

Corrective Action Planned--We notified the auditor of this in mid January 1998. His firm immediately came to our office and spent most of a week helping organize the accounting records. We increased the scope of the audit contract to include the reconstruction of the accounting records and correcting them. We plan to have this completed by May 31, 1998. We are confident that we can carry the records forward properly once they are correct.

Finding 87-2a

Contact Person Responsible for Action--Janis Anderson

Anticipated Completion Date--September 30, 1998

Corrective Action Planned--We did complete a physical inventory of stoves and refrigerators and do keep a card file system for other inventory. We will make every effort to correct this matter in fiscal year 1998.

Finding 87-3a

Contact Person Responsible for Action--Janis Anderson

Anticipated Completion Date--May 31, 1998

Corrective Action Planned--We have expanded the scope of the auditor's contract to correct and bring current the subsidiary ledgers for this program. Since this work was not completed by the deadline for producing the audit report, the balance of the work will be done in April and May, 1998. We can thereafter correctly post transactions and thereby control the budget versus expenditures.

We have asked our architect to temporarily fill in the program monitoring and documenting responsibilities of the COP's, as well as fulfilling the Davis Bacon responsibilities.

We have issued a Request For Proposals (RFP) for a Modernization Coordinator to fulfill all of these FMA responsibilities.

THE HOUSING AUTHORITY OF THE CITY OF LAFAYETTE
LAFAYETTE, LOUISIANA

MANAGEMENT LETTER

Matters coming to my attention that are mentioned but fall short of audit findings are the following:

The Rent Register should be integrated into the general ledger. The current system requires manual entering of monthly tenant accounting. This is time consuming, cumbersome, and does not provide the best internal control.

A review of the Low Income Housing tenant files indicated that approximately 15% of the units have not had a Housing Quality Standards (HQS) inspection with each re-examination. I do note that we do see improvement in the tenant file documentation.

The PMA has \$7,682.77 on deposit in a Health Benefit Plan that is no longer active. This amount is not on the general ledger. I strongly suggest that the PMA immediately withdraw these funds and deposit them in the general fund cash account.

It is noted that the PMA began administering the Lafayette Parish's 170 Section 8 units on October 1, 1987. The PMA began the creation of a nonprofit for the purpose of assuring that this administration was legal from a jurisdictional standpoint. I understand that the nonprofit organization was never completed. This may not be necessary because of changes to PMA State law in the form of the new Model Housing Act. The PMA should have an attorney review this matter to verify compliance with laws and regulations. An additional consideration is that the PMA is operating this program utilizing current PMA staff and bank accounts. A consideration is whether the commingling of funds is proper.

It appears the PMA has incorrectly calculated the Performance Funding System (PFS) for the years ended 3-30-86, 3-30-87 and 3-30-88. Flood Insurance and FICA taxes are either partially or fully reimbursed by HUD each year using the PFS system form. In fiscal year 1993, the PMA included \$45,325 of FICA and unemployment in the calculation. It has not been included in the years since then and was not "rolled up" into the Allocable Expense Level (AEL) section of the form. Accordingly, it appears that the PMA has not been receiving reimbursement for federally mandated costs. Additionally, the PMA included \$4,818 of Flood Insurance premiums in the fiscal year 1993 calculation. This was not repeated since. A re-calculation and resubmission of the PFS forms may cause additional HUD funding in excess of \$150,000.

While there is evidence of improvement in the accounts payable department, more improvement needs to be made. A number of maintenance invoices are sent without purchase orders prepared. The payables clerk must then send them back to maintenance for correction. A few contractors are paid without purchase orders, per contract, but the invoices do not have any PMA staff initials indicating approval for payment. Additionally, the file storage space should be increased to allow for better efficiency.