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

**GENERAL PURPOSE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS REPORTS  
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 1987  
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 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 ~~May 24 1988~~

**WILLIAM DANIEL ROCKWELL, CPA**  
INDEPENDENT ACCOUNTANT

121 LAFAYETTE BLVD  
MONROE, LOUISIANA 70001

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MANAGEMENT LETTER

**WILLIAM DANIEL MCCASKILL, CPA**  
**A HOUSING AUTHORITY CERTIFIED**

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0003  
HOUSING AUTHORITY OF THE  
CITY OF BOZALUSA  
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**INDEPENDENT AUDITOR'S REPORT**  
**UNQUALIFIED OPINION ON GENERAL PURPOSE**  
**FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE**  
**OF EXPENDITURES OF FEDERAL AWARDS**

**BOARD OF COMMISSIONERS**  
**HOUSING AUTHORITY OF THE CITY OF BOZALUSA**  
**BOZALUSA, LOUISIANA 70428**

I have audited the accompanying general purpose financial statements of the Housing Authority of The City of Bogalusa (PHA) 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 PHA's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the City of Bogalusa as of September 30, 1968, and the results of its operations and changes in its surplus for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a Report dated March 4, 1968 on my consideration of the FRA's internal control over financial reporting and my tests of its compliance with certain laws, regulations, contracts and grants.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the FRA taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget circular A-113, Audits 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 my opinion, is fairly presented in all material respects in relation to the financial statements and any other included supplementary information taken as a whole.

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

---

William Daniel McCoskill, CPA  
A Professional Accounting Corporation

March 4, 1968









**THE HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
BOGALUSA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

Housing Authorities are chartered as a public corporation under the laws (LSA-83 40:991) of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of Bogalusa, Louisiana. This creation was contingent upon the local governing body of the city or parish. The PHA is governed by a five member Board of Commissioners. The members, appointed by the Mayor of Bogalusa, Louisiana, serve a four year staggered term.

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 contribution 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	PW-0453	339
Section 8	PW-2136	82

**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 PHA 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 PHA is a separate governmental

reporting entity. The PHA includes all funds, account groups, activities that are within the oversight responsibility of the PHA.

Certain units of local government over which the PHA 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 PHA.

### C. FUND ACCOUNTING

The PHA 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 PHA are classified in 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 PHA's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of 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 PHA 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 these 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 PHA. Fiduciary funds include:

1. Tenant Security Deposits--accounts for assets held by the PHA 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 PHA.

**Expenditures--**Salaries are recorded as expenditures when paid.

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

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, 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 (note). These other financing sources are recognized at the time the underlying events occur.

**Deferred Revenue**--The PHA reports deferred revenue on its combined balance sheet. Deferred revenues arise when resources are received by the PHA 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 PHA has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

## **E. BUDGETS**

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

1. The PHA 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 cash 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 3% or more, a budget amendment is adopted by the PHA in an open meeting. Budget amounts 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 fiscal agents. Under state law, the PHA 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 domains 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.

## **K. COMPENSATED ABSENCES**

The PHA follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 300 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 680, 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.

#### **L. 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.

#### **M. FUND EQUITY**

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

#### **N. 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. Nonrecurring or non routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

#### **O. 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 2 – CASH AND CASH EQUIVALENTS

At September 30, 1997, the PHA has cash and cash equivalents totaling \$242,152.02 as follows:

Noninterest Bearing Demand Deposits	\$47,971.29
Time Deposits	190,000.00
Petty Cash	50.00
Change Fund	500.00
Cash With Fiscal Agent	34,630.73
<b>Total</b>	<b>\$242,152.02</b>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the remaining 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 PHA has \$242,152.02 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$457,964.93 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). Even though the pledgor securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the PHA that the fiscal agent has failed to pay deposited funds on demand.

## NOTE 3—RECEIVABLES

The receivables of \$54,323.17 at September 30, 1997 are as follows:

Local Sources:	
Tenants	54,080.17
Other	
Federal Sources:	
Due From HUD	243.00
<b>Total</b>	<b>\$54,323.17</b>

**NOTE 4--FIXED ASSETS**

The changes in general fixed assets are as follows:

<b>Land, Structures, &amp; Equipment</b>	
Balance 9-30-96	12,063,790.00
Net Deletions	8,569.02
Balance 9-30-97	12,057,181.00
<b>CCF 1994</b>	
Balance 9-30-96 & 9-30-97	288,452.00
<b>CCF 1995</b>	
Balance 9-30-96	147,100.37
Net Additions	394,621.73
Balance 9-30-97	541,722.10
<b>CCF 1996</b>	
Net Additions & Balance 9-30-97	76,634.26
<b>Nonexpendable Equipment</b>	
Balance 6-30-96	3,493.50
Net Deletions	1,210.00
Balance 6-30-97	2,283.50
<b>PHDEP 1994</b>	
Balance 9-30-96	74,614.42
Net Additions	16,905.38
Balance 9-30-97	91,520.00
<b>PHDEP 1995</b>	
Net Additions and Balance 9-30-97	34,070.10
<b>Ineligible Expenditures</b>	
Balance 9-30-96 & 9-30-97	17,653.64
<b>Total</b>	<b>13,199,496.60</b>

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 \$17,653.64 of ineligible expenditures as determined by HUD.



#### NOTE 5--RETIREMENT SYSTEM

The PHA participates in the Housing Renewal and Local Agency Retirement Plan which is a defined contribution plan. Through this plan, the PHA 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 6 months of continuous and uninterrupted employment. Each participant in the plan is required to make a monthly contribution equal to 6% of each participant's basic compensation. The PHA's contribution for each employee and income allocated to the employee's account are fully vested after 3 years of continuous service. The PHA's contributions and interest forfeited by employees who leave employment before 3 years of service are used to offset future contributions of the PHA.

The PHA's total payroll for fiscal year ended September 30, 1997 was \$183,376.52. The PHA's contributions were calculated using the base salary amount of \$183,376.52. Both the PHA and the covered employees made the required contributions for the year ended September 30, 1997. Employee contributions to the plan totaled \$10,085.71. The PHA contributions totaled \$14,670.12 for the year ended September 30, 1997.

#### NOTE 6--ACCOUNTS PAYABLE

The payables of \$28,799.10 at September 30, 1997 are as follows:

Vendors	
Due to Other Governments	
Payment in Lieu of Taxes	26,069.57
Other	2,729.53
Total	28,799.10

#### NOTE 7--COMPENSATED ABSENCES

As September 30, 1997, employees of the PHA have accumulated and vested \$15,090.76 of employee leave benefits, which was computed in accordance with GASB Codification Section C80. This amount is not expected to be paid from current available resources; therefore the liability is recorded within general long term obligations account group.

#### NOTE 8--CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

Agency Funds:	
Tenant Security Deposits	
Balance 9-30-95	64,997.90
Net Deletions	30,493.90
Balance 9-30-97	44,503.90

**NOTE 9--CHANGES IN GENERAL LONG TERM OBLIGATIONS**

The following is a summary of the long term obligation transactions of the year ended September 30, 1997:

Compensated Absences Payable	
Balance 9-30-96	Not Available
Balance 9-30-97	15,090.76
HUD Project Loan Notes Payable	
Balance 9-30-96 & 9-30-97	412,823.00
Permanent Notes HUD	
Balance 9-30-96 & 9-30-97	1,245,686.33
Permanent Notes FFB	
Balance 9-30-96	58,316.27
Net Reduction	28,221.55
Balance 9-30-97	30,094.72
New Agency Bonds	
Balance 9-30-96	251,208.79
Net Reduction	29,904.84
Balance 9-30-97	221,293.95

In a GAAP departure, I am not able to disclose future maturities and interest rates. Since HUD pay's the PHA's debt directly to the fiscal agent, this has no effect on the PHA surplus.

(A) Project Notes-Non HUD are obligations due HUD. The Debt Forgiveness Act of 1985 forgives these notes. PHA's that executed a revised ACC in 1995 have accomplished the debt forgiveness. This PHA should write off these HUD Notes. The PHA has not accrued interest on Project Notes-Non HUD.

All principal and interest requirements are funded in accordance with Federal law by the annual contributions from the US Department of HUD. At September 30, 1997, the PHA has accumulated \$70,884.79 in the debt service funds for future debt requirements.

**NOTE 10--INTERFUND ASSETS/LIABILITIES**

Interfund receivables/payables at September 30, 1997 is as follows:

	Due From	Due To
General Fund	26,988.36	
Special Revenue Fund		
Capital Project Funds		26,988.36

#### **NOTE 11-COMMITMENTS AND CONTINGENCIES**

There are certain major construction projects as September 30, 1997. As approved by HUD these projects are being funded by HUD. Funds are requested periodically as the cost is incurred. Costs incurred on these projects and estimated cost to complete these projects totaled \$76,624.26 and \$386,002.74 as of September 30, 1997.

The PHA participates in a number of state and federally assisted grant programs. Although the current grant programs have been audited in accordance with the Single Audit Act of 1994 through September 30, 1997, these programs are still subject to compliance audits. PHA management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Income Statement of the City of Naples

For the Years Ended December 31, 2008 and 2007  
 (Amounts in \$1,000 unless otherwise indicated)

	2008	2007	TOTAL
	2008	2007	
<b>REVENUE</b>			
Total Revenue	69,100.28	69,100.28	69,100.28
Total Expenses	69,100.28	69,100.28	69,100.28
<b>EXPENSES</b>			
Salaries			
Administration			
Public Safety			
Public Works			
Public Utilities			
Capital Expenses			
Interest			
Other			
Total Expenses	69,100.28	69,100.28	69,100.28
Other (Revenue) or Expense	0.00	0.00	0.00
Total Other (Revenue) or Expense	0.00	0.00	0.00
Total Revenue or Expense	69,100.28	69,100.28	69,100.28

See notes to financial statements

Housing Authority of the City of Bogalusa  
Bogalusa, Louisiana

SCHEDULE II

Schedule of Compensation Paid Board Members  
For the Year Ended September 30, 1997

Louisiana Revised Statutes (LRS) 40:401.8 enacted by the Legislature June 13, 1995, allows the PHA to pay Board Members per diem in the amount of \$75.00 per day for attendance at Board meetings. Accordingly, the following represents payments made to Board Members for the year ended September 30, 1996:

Elin Mae Abram	\$675.00
Cleo Crutchfield	675.00
Wannette Vaughn	675.00
Elin Rodolph	675.00
Johnny Crain	575.00

see notes to financial statements and management letter

Housing Authority of the City of Bogalusa  
 City of Bogalusa  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR the year ended September 30, 1997

SCHEDULE III

FEDERAL AGENCY:	CFDA NO.	Federal Award Expenditures
U S Department of Housing and Urban Development Direct Programs:		
Low Income Housing:		
Operating Subsidy		317,308.00
Leased Development		
Total Low Income Housing	14.858	317,308.00
Section 8 Cluster:		
Vouchers	14.855	
Certificates	14.857	248,688.00
Moderate rehabilitation	14.856	
New Construction	14.182	
Substantial Rehabilitation	14.182	
Total section 8 cluster		248,688.00
Comprehensive Grants	14.859	471,255.99
CIAP	14.860	
Public Housing Drug Elimination Program:		
FHDFP		50,975.68
Youth Sports		
Total FHDFP	14.854	50,975.68
Shelter + Care	14.228	
HOME	14.858	
HOME	14.229	
Child Care Food Program (USDA)	10.558	
 TOTAL FEDERAL EXPENDITURES		 <u>1,288,219.67</u>

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. Also, HUD has guaranteed \$1,497,076.85 of FHA debt.

see notes to financial statements

Housing Authority of the City of Bogalusa  
Bogalusa, Louisiana  
BALANCE SHEET -- STATUTORY BASIS  
Annual Contributions Contract FH-1051 & FH-2116  
As of September 30, 1997

SCHEDULE IV

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ASSETS

Cash	538,952.88
Investments	148,000.00
Accounts Receivable	86,123.17
Debt Amortization Funds	109,519.83
Deferred Charges	43,958.18
Land, Structures and Equipment	13,108,496.60
TOTAL ASSETS	<u>\$13,912,949.56</u>

LIABILITIES AND SURPLUS

LIABILITIES:	
Accounts Payable	67,334.83
Notes Payable	412,825.81
Assessed Liabilities	36,107.72
Deferred Credits	0.00
Fixed Liabilities	1,497,076.85
TOTAL LIABILITIES	<u>1,993,344.41</u>
Surplus	11,919,605.14
TOTAL LIABILITIES AND SURPLUS	<u>\$13,912,949.56</u>

see notes to the financial statements

Housing Authority of the City of Bogalusa  
 Bogalusa, Louisiana  
 STATEMENT OF INCOME AND EXPENSES-PHA OWNED HOUSING STATUTORY BASIS  
 Special Contributions Contract PW-1083  
 For the Year Ended September 30, 1997

ACCOUNTS V

OPERATING INCOME:	
Dwelling Rental	5582,446.51
Interest Income	5,485.08
Other Income	12,284.88
Total Operating Income	570,215.99
OPERATING EXPENSES:	
Administration	\$139,768.90
Tenant Services	331.68
Utilities	281,778.78
Ordinary Maintenance and Operations	333,744.11
General Expense	192,357.81
Non-Routine Maintenance	258.00
Total Operating Expenses	848,339.28
NET OPERATING DEFICIT	(\$278,123.29)
OTHER CHARGES:	
Interest on Notes and Bonds	\$12,128.18
Prior Period Adjustments Affecting	
Residual Receipts	8,602.93
Gain/Loss Disposition of Nonexpendable Equipment	7,778.20
Prior Pd. Adj. Not Affecting Res. Receipts	27.13
TOTAL OTHER CHARGES	28,537.44
DEFICIT	(\$249,585.85)

see notes to financial statements



Housing Authority of the City of Bogalusa  
Bogalusa, Louisiana  
STATEMENT OF INCOME AND EXPENSES  
HOUSING ASSISTANCE PAYMENTS PROGRAM  
Annual Contributions Contract PW-2118  
For the Year Ended September 30, 1987

SCHEDULE VI

Operating Income \$1,519.50  
-----  
Total Operating Income 1,337.50  
-----  
  
Operating Expenses:  
R&P Payments 218,732.00  
Administration Expenses 18,382.48  
-----  
Total Operating Expenses 238,513.48  
-----  
  
Net Operating Deficit (234,978.98)  
  
Other credits:  
Prior Period Adjustments Affecting Residual  
Receipts (0.11)  
-----  
Deficit (\$234,979.09)  
-----

see notes to financial statements

Measuring Authority of the city of Bogalusa  
 Bogalusa, Louisiana  
 ANALYSIS OF SURPLUS --Statutory Basis  
 for the year ended September 30, 1997

SCHEDULE VII

	ANNUAL CONTRIBUTION COVERED FPA-1003	CONTRACT SECTION 8 FM-3138
Unreserved Surplus Balance Per FMA 9-30-96	(6,289,598.76)	(2,827,184.80)
Deficit for the Year Ended 9-30-97	(174,141.84)	0.00
Provision for Operating Reserve	(43,131.07)	0.00
Provision for Project Account	13,574.00	0.00
Annual contributions due	(348,659.00)	0.00
Balance 9-30-97	(6,781,947.39)	(2,827,184.80)
Reserved Surplus--Operating Reserve Balance Per FMA 9-30-96	182,298.10	38,869.89
Provision for operating Reserve	43,131.07	(4,336.27)
Audit Adjusting Journal Entries	(16,505.29)	0.00
Balance 9-30-97	308,923.88	34,533.62
Reserved Surplus--Project Account Balance Per FMA 9-30-96	0.00	140,744.00
Provision for Project Account	0.00	(13,574.08)
Balance 9-30-97	0.00	127,170.00
Cumulative HUD Contributions: Balance Per FMA 9-30-96	17,278,365.64	2,188,286.49
Annual Contributions	78,684.79	0.00
Operating subsidy for 9-30-97	217,338.80	0.00
Section 8 Annual Contributions	248,659.80	0.00
OGP Grants	637,381.37	0.00
Total Cumulative HUD Contributions	18,459,319.74	2,188,286.49
Donations	1,083.40	0.00
Total Surplus	11,878,378.23	(139,374.09)

see notes to financial statements

Housing Authority of the City of Bogalusa  
 Bogalusa, Louisiana  
 PMA's Statement and Certification of Actual Costs  
 COMPLETED PROJECT  
 Annual Contributions Contract PW-1853  
 For the Year Ended September 30, 1997

Schedule VIII

1. The actual costs of the projects are as follows:

	PROJECT LA48PC02478305	PROJECT DEP-6081924
Funds Approved	\$988,788.00	\$91,520.00
Funds Expended	\$268,788.00	\$1,520.00
Excess of Funds Approved	0.00	0.00

FUNDS ADVANCED

FUD	\$68,788.00	\$1,520.00
Funds Expended	\$68,788.00	\$1,520.00
Excess of Funds Advanced	0.00	0.00

- The distribution of costs by projects as shown on the Final Statements of Costs dated 11-3-97 & 7-18-97 accompanying the Actual Cost Certificates submitted to HUD for approval are in agreement with the PMA's records.
- All costs have been paid and all related liabilities have been discharged through payment.

see notes to financial statements

WILLIAM DANIEL MCCASKEY, CPA  
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MEMO  
FOR THE BOARD OF COMMISSIONERS  
WILLIAM DANIEL MCCASKEY  
MEMO DATED 03/01/98

REPORT ON COMPLIANCE AND ON INTERNAL  
CONTROLS 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 BOGALUSA  
BOGALUSA, LOUISIANA 70429

I have audited the financial statements of the Housing Authority of the City of Bogalusa (HIA), as of and for the year ended September 30, 1997, and have issued my report thereon dated March 4, 1998. 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 HIA'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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the PER'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. My 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 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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

March 4, 1988



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William Daniel McCormick, CPA  
A Professional Accounting Corporation

WILLIAM DANIEL MCCASKILL, CPA  
A NATIONAL BOARD MEMBER

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1997  
COMPTON REPORT 1997  
MOBILE REPORT 1997  
MOBILE REPORT 1997

REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE CITY OF MOBILE  
MOBILE, ALABAMA 36689

Compliance

I have audited the compliance of the Housing Authority of the City of Mobile (HMA) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 1997. The HMA'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 HMA's management. My responsibility is to express an opinion on the HMA'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-133, Audits of States, Local Governments, and Non Profit Organizations. Those standards and OMB Circular A-133 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 HMA's compliance with those 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 HMA's compliance with those requirements.

In my opinion, the FMA 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, 1987.

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 GSA circular A-133.

My 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. I noted no matters involving the internal control over compliance and its operation that I consider 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 McFiskill, CPA  
A Professional Accounting Corporation

March 4, 1988

THE HOUSING AUTHORITY OF THE CITY OF BOGALUSA  
BOGALUSA, LOUISIANA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

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

94-1 The PEA had not completed the implementation of the 214 Emigration status. This finding is cleared.

94-2 The auditor questioned whether or not the PEA was correctly allocating payroll cost for MFS subsidy purposes. This finding is cleared.

94-3 The tenant accounts receivable and tenant security deposits subsidiary ledgers did not agree with the general ledger. This finding is now cleared.



Housing Authority of the City of Bogalusa  
 Bogalusa, Louisiana  
 Schedule of Adjusting Journal Entries  
 Annual Contributions Contract FH-1453 & FH-2136  
 For the Year Ended September 30, 1997  
 -----

Account Number	Description	Debit	Credit
	(1)		
6010.00	PRIOY YEAR ADJUSTMENTS AFFECTING RESIDUAL RECEIPTS	36,505.29	
1240.00	MATERIALS INVENTORY		36,505.29
	TO ADJUST MATERIALS INVENTORY TO ACTUAL AT 9-30-97		
	(2)		
1142.02	INVESTMENTS LOW RENT	50,000.00	
1142.01	INVESTMENTS SECTION 8		50,000.00
	TO ALLOCATE INVESTMENTS FROM SECTION 8 TO THE LOW INCOME RESIDING FUND. THE PMA ALLOCATED COSTS BUT HAS NOT RAN THE SECTION 8 PROGRAM REIMBURSE THE LOW RENT PROGRAM. THE NET INTERFUND PAYABLE FROM LOW RENT TO SECTION 8 AFTER THIS ENTRY IS MADE IS \$83.34. THE PMA SHOULD ALSO RECORD THIS INTERFUND PAYABLE.		

THE HOUSING AUTHORITY OF THE CITY OF BOCALENA  
BOCALENA, LOUISIANA

SCHEDULE OF CURRENT AUDIT FINDINGS AND QUESTIONED COSTS

Per A-133, Section 505(d)

1. Summary Schedule of Auditors Results:

- i. The report includes an unqualified opinion on the financial statements.
- ii. There were no reportable conditions in internal controls found required to be disclosed at the financial statement level.
- iii. The audit disclosed no noncompliance which is material to the financial statements.
- iv. No reportable conditions in internal control over major programs, as required by A-133, were disclosed by the audit.
- v. The compliance report issued for major programs was unqualified.
- vi. The report disclosed no audit findings required to be reported under Section 510a of A-133.
- vii. All major programs have oversight by HUD and are identified as follows:

CFDA #	Name of Program
14.888	Low Income Housing
14.859	Comprehensive Grants
- viii. The dollar threshold used to distinguish between Type A and Type B programs was \$100,000.00.
- ix. The auditee was not considered a low risk auditee.

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

None

3. Findings and questioned costs for Federal awards as defined in A-133, Section 510a, all with HUD oversight:

None

THE BOARDING AUTHORITY OF THE CITY OF BOGALUSA  
BOGALUSA, LOUISIANA

**CORRECTIVE ACTION PLAN**

Since there are no findings in this audit, no corrective action plan is necessary.

THE HOUSING AUTHORITY OF THE CITY OF BOCALEONA  
BOCALEONA, LOUISIANA

**CORRECTIVE ACTION PLAN**

Since there are no findings in this audit, no corrective action plan is necessary.

THE HOUSING AUTHORITY OF THE CITY OF BOGALUSA,  
BOGALUSA, LOUISIANA

This FHA was declared PHMAP troubled in the previous fiscal year.. The PHMAP score as of 9-30-97 is 77%. If the independent assessment confirms that score then the troubled designation will be lifted. In conducting the audit per the compliance supplement, I extensively tested PHMAP. The results of this testing are that a number of scores are changed. However, it appears that changing of these scores will not materially change the overall grade. The FHA is submitting a revised PHMAP report as of 9-30-97 to reflect the changes.

It is noted that the fee accountant has combined some of the Section 8 surplus accounts into the Low Rent surplus accounts.

An analysis of account 1128, Deposits Over and Under, reveals a cumulative net imbalance for the year of \$710.06. I suggest that the FHA staff and the fee accountant closely monitor this account for any imbalance each month.