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**BOYDING AUTHORITY OF THE TOWN OF BOYDING
BOYDING, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR REPORTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1997
WITH SUPPLEMENTAL INFORMATION CONTAINED**

under provisions of state law, this report is a public document. A copy of the report is being distributed to the various state, local, and other officials and 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 **JUL 08 1998**

WILLIAM DANIEL MORGANVILLE, CPA
Legislative Auditor General

40 South 38
Baton Rouge, Louisiana 70801

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CORRECTIVE ACTION PLAN

WILLIAM DANIEL MCCASKILL, CPA
J. MORGENTHAU ACCOUNTING CONSULTING

45 MOBILE DR
BOSTON, MASSACHUSETTS 02114

TELEPHONE 617-552-1770
FAX 617-552-1810
E-MAIL dmccaskill@comcast.net

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CITY OF SEATTLE (02/01)
CITY OF SEATTLE (02/01)
CITY OF SEATTLE (02/01)

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 TOWN OF SEATH
SEATH, LOUISIANA 70580

I have audited the accompanying general purpose financial statements of the Housing Authority of the Town of Seath (HAT) as of and for the year ended December 31, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of the HAT'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 examination, 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 Town of Brath as of December 31, 1987, 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 June 11, 1988 on my consideration of the PMA'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 PMA 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 PMA, and for filing with the Department of HWP and should not be used for any other purpose.



William Denis McFadden, CPA
A Professional Accounting Corporation

June 11, 1988

Working Activity of the Town of South

PERIOD 6

Year: 1970

ALL FUND TYPES AND ACCOUNT GROUPS

PERIOD ENDING MONTH IS OF MONTHEND IS: 1970

ACCOUNTS AND OTHER DEBITS	*****GENERAL FUND*****			*****SPECIAL FUND*****		*****CAPITAL FUND*****		*****RESERVE FUND*****		Total
	General Fund	Special Fund	Reserve Fund	Capital Projects Fund	Reserve Fund	General Fund	Special Fund	Long Term Obligations		
Account:										
Cash and Cash Equivalents	254,759.13	0.00	00.00	141,000.00	1,000.00					395,759.13
Accounts Payable	0.00	0.00	11,000.00	0.00	0.00	0.00	0.00	0.00		11,000.00
Accounts Receivable	0.00	0.00	0.00	60,000.00	0.00	0.00	0.00	0.00		60,000.00
Unpaid Insurance	0,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0,100.00
Other	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		500.00
Cont. Reserves & Encumbr.	1.00	0.00	0.00	0.00	0.00	1,407,107.00	0.00	0.00		1,407,107.00
Other Debits:										
not Available in Debt Service Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,000.00		11,000.00
not to be recorded for Retirement of General Long Term Obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,000.00		11,000.00
TOTAL DEBITS AND OTHER DEBITS	800,360.13	0.00	11,000.00	204,000.00	1,000.00	1,407,107.00	0.00	11,000.00		2,527,467.13
LIABILITIES, DEBTS AND OTHER CREDITS	*****									
Account:										
Accounts Payable	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		1,000.00
Accounts Receivable	60,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		60,000.00
Accounts Due Other	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00		1,000.00
Deferred Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Unexpended Monies Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00		1,000.00
Other Liabilities Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100,000.00		100,000.00
Other Credit:	100,000.00	0.00	00.00	00.00	00,000.00	00.00	00,000.00	00.00		100,000.00
Equity & Other Credits:										
Investment in General Fund Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Fund Balance:										
Assigned for other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Assigned for Debt Payment	0.00	0.00	11,000.00	0.00	0.00	0.00	0.00	0.00		11,000.00
Unassigned & Unexpended	100,000.00	0.00	0.00	100,000.00	0.00	1,407,107.00	0.00	1,000.00		1,608,107.00
Total Equity & Other Credits	100,000.00	0.00	11,000.00	100,000.00	0.00	1,407,107.00	0.00	1,000.00		1,628,107.00
TOTAL LIABILITIES, DEBTS AND OTHER CREDITS	101,000.00	0.00	11,000.00	104,000.00	0.00	1,407,107.00	0.00	11,000.00		2,527,467.00

see notes to financial statements

Working Inductivity of the Town of South
 Grand, in 1933

SCHEDULE B

COMPARISON STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED DECEMBER 31, 1933

REVENUES	General	Special	Debt	Capital	Total
	Fund	Fund	Fund	Fund	(Reconciliation Total)
Local Sources:					
Swelling Rental	141,767.44	0.00	0.00	0.00	141,767.44
License Charges	1,677.14	0.00	0.00	0.00	1,677.14
Receipts from the Sale of Equipment -Other	1,437.10	0.00	0.00	17,134.34	19,611.44
External Sources:					
Rescuee Rebates	49,088.54				49,088.54
Annual Contributions		0.00	22,901.41	0.00	22,901.41
Grants				111,440.00	111,440.00
Total Revenues	194,767.44	0.00	22,901.41	111,440.34	339,109.19
EXPENDITURES					
Current:					
Administration	39,599.77	0.00	0.00	0.00	39,599.77
Tuition	41,595.11	0.00	0.00	0.00	41,595.11
Military Maintenance & Operations	74,424.79	0.00	0.00	0.00	74,424.79
Sanitation Services	0.00	0.00	0.00	0.00	0.00
General Repairs	37,487.00	0.00	0.00	0.00	37,487.00
Sanitation Maintenance	0.00	0.00	0.00	0.00	0.00
Building Maintenance	0.00	0.00	0.00	0.00	0.00
Municipal Regulation & Enforcement	0.00	0.00	0.00	142,541.20	142,541.20
Debt Service:					
Principal Retirement			17,220.54		17,220.54
Interest & Bank Charges			2,680.41		2,680.41
Total Expenditures	174,096.17	0.00	19,900.95	142,541.20	336,538.32
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,961.27	0.00	(3,941.54)	(31,100.86)	(33,079.11)
Other Financial Sources (Uses)					
Operating Transfers In		0.00			0.00
Operating Transfers Out		0.00			0.00
Total Other Financial Sources (Uses)	0.00	0.00	0.00	0.00	0.00
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES	1,961.27	0.00	(3,941.54)	(31,100.86)	(33,079.11)
OPEN PAY. AND OTHER FUNDS					
FUND BALANCE BY SOURCE OF FUND	11,726.14	0.00	142.41	489,120.64	611,019.19
FUND BALANCE BY USE OF FUND	38,987.19	0.00	142.41	384,282.64	463,412.24
DEFERRED PAYMENT				49,189.50	
NET DEFERRED DEBIT				295,103.04	

***** FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 1933 *****

Working Activity of the Town of Swift

EXHIBIT C

March, 31, 1951

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE—SWIFT TOWN, ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 1951

REVENUES	GENERAL FUND		
	Budget	Actual	Percent
Local Sources:			
Milling Rental	\$3,400.00	102,747.00	3,023.00
Interest Charges	3,000.00	1,477.00	(1,523.00)
Receipts from the Sale of Equipment			
Other	400.00	1,477.00	370.00
Federal Sources:			
Operating Subsidy	60,000.00	10,000.00	0.00
Local Contributions			
Grants			
Total Revenue	150,400.00	114,701.00	7,620.00
EXPENDITURES			
GENERAL:			
Administration	10,750.00	10,000.00	92.10
Utilities	50,000.00	49,000.00	98.00
Industry Maintenance & Operations	30,000.00	11,000.00	36.67
Industrial Services	1.00	0.00	0.00
General Expenditures	40,000.00	17,000.00	42.50
Executive Maintenance	0.00	0.00	0.00
Building Maintenance Repairs			
Facilities Acquisition & Construction	0.00	0.00	0.00
Other Services:			
Contracted Services			
Interest & Bond Charges			
Total Expenditures	111,750.00	119,000.00	106.50
EXCESS (DEFICIENCY) OF REVENUES FROM GENERAL FUNDING SOURCES	38,650.00	(4,299.00)	(11.14)
Operating Transfers In			
Operating Transfers Out			
Total Other Funding Sources (00)	0.00	0.00	0.00
NET EXCESS (DEFICIENCY) OF REVENUES	38,650.00	(4,299.00)	(11.14)
FUND BALANCE AT BEGINNING OF YEAR	\$1,750.00	\$1,750.00	100.00
FUND BALANCE AT END OF YEAR	\$1,750.00	\$1,750.00	100.00

See notes to General Statement

**THE HOUSING AUTHORITY OF THE TOWN OF EBRAH
EBRAH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS**

Housing Authorities are chartered as a public corporation under the laws (LSA-RS 5030) of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of Ebrah, Louisiana. This creation was contingent upon the local governing body of the city or parish. The FHA is governed by a five member Board of Commissioners. The members, appointed by the Mayor of Ebrah, 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 contributions contract with the FHA for the purpose of assisting the FHA in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the FHA for the purpose of maintaining this low rent character.

The FHA has the following program under management:

	ACC Number	Number of Units
FHA Owned Housing	FM-704	58

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the FHA 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 FHA 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 FHA is a separate governmental reporting entity. The FHA includes all funds, account groups, activities that are within the oversight responsibility of the FHA.

Certain units of local government over which the FHA exercised an oversight responsibility, such as the school boards, parish police juries, 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 FHA.

C. FUND ACCOUNTING

The FRA 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 FRA 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 FRA'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 FRA 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 received 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 FRA. Fiduciary funds include:

1. **Tenant Security Deposits**--accounts for assets held by the FRA 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 FIA.

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

K. SUBJECTS

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

1. The FIA adopted budgets for the General Fund, the Special Services Fund and the Capital Projects Funds. The Capital Projects Funds budget compares 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 1% or more, a budget amendment is adopted by the PMA 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 accounts in demand deposits and interest bearing demand deposits. Cash equivalents include accounts in time deposits and cash with fixed assets. 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. COMPENSATED ABSENCES

The FSA 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 098, 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. Nonrecurring or non routine 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 "Nonrecurring 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 December 31, 1997, the PMA has cash and cash equivalents totaling \$133,041.90 as follows:

Interest Bearing Demand Deposits	\$54,846.79
Time Deposits	\$6,934.91
petty Cash	8.00
Cash With Fiscal Agent	68.20
Total	\$133,041.90

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 December 31, 1997, the PMA has \$133,041.90 in deposits (collected bank balances). These deposits are secured from risk by \$180,000 of Federal Deposit Insurance and \$54,846.79 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB category 1). Even though the pledged securities are considered uncollateralized (Category 2) under the provisions of GASB Statement 3, Louisiana Revised Statute 28:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 30 days of being notified by the PMA that the fiscal agent has failed to pay deposited funds on demand.

NOTE 3--RECEIVABLES

The receivables of \$22,918.43 at December 31, 1997 are as follows:

Debt Service Fund:	
Due From SDE	\$22,918.43

NOTE 4--FIXED ASSETS

The changes in general fixed assets are as follows:

LAND, STRUCTURES, AND EQUIPMENT	
Balance 12-31-96	1,037,180.78
Net Additions	267,329.00
Balance 12-31-97	1,304,469.78
MOU 1994	
Balance 12-31-96	286,968.00
Net Additions	13,870.84
Balance closed to L.S.S. II	170,908.00

MOO 1998	
Balance 12-31-96	21,573.03
Net Additions	71,008.18
Balance 12-31-97	92,641.41
Total	2,407,167.28

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 20% of ineligible expenditures as determined by HUD.

NOTE 3--RETIREMENT SYSTEM

The FRA participates in the Housing Finance and Local Agency Retirement Plan which is a defined contribution plan. Through this plan, the FRA 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 3.5% of each participant's basic compensation. The FRA's contribution for each employee and income allocated to the employee's account are fully vested after 5 years of continuous service. The FRA's contributions and interest forfeited by employees who leave employment before 5 years of service are used to offset future contributions of the FRA.

The FRA's total payroll for fiscal year ended December 31, 1997 was \$43,239. The FRA's contributions were calculated using the base salary amount of \$41,299. Both the FRA and the covered employees made the required contributions for the year ended December 31, 1997. Employee contributions to the plan totaled \$2,178.19. The FRA contributions totaled \$3,439.12 for the year ended December 31, 1997.

NOTE 4--ACCOUNTS PAYABLE

The payables of \$2,438.56 at December 31, 1997 are as follows:

Payment in Lieu of Taxes	2,317.56
Tenant Prepaid Rent	120.99
Total	2,438.55

NOTE 7--COMPENSATED ABSENCES

At December 31, 1997, employees of the FRA have accumulated and vested \$2,793.67 of employee leave benefits, which was computed in accordance with GASB Codification Section 260. 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 2--CHANGES IN ASSET FUND DEPOSITS DUE OTHERS

Agency Funds	
Tenant Security Deposits	
Balance 12-31-96	5,052.00
Net Deletions	177.00
Balance 12-31-97	4,875.00

NOTE 3--CHANGES IN GENERAL LONG TERM OBLIGATIONS

The following is a summary of the long term obligation transactions of the year ended December 31, 1997:

Compensated Absences:	
Balance 12-31-96	1,283.08
Balance 12-31-97	2,793.07

The following notes and bonds are outstanding at December 31, 1997, are HUD guaranteed, HUD principal and interest payable in the next fiscal year are available. The individual issues are as follows:

Permanent Notes Federal Financing Bonds	
Balance 12-31-96	24,363.00
Net Deletions	7,408.18
Balance 12-31-97	16,954.82

New Agency Bonds	
Original Amount	205,000.00
Balance 12-31-96	111,038.90
Net Deletions	9,623.38
Balance 12-31-97	101,415.52

Total	118,171.32
-------	------------

(A) Project Notes-New HUD are obligations due HUD. The Debt Forgiveness Act of 1983 forgives these notes. FHB's that executed a revised ACC in 1995 have accomplished the debt forgiveness. The FHB has not accrued interest on Project Notes-New HUD.

All principal and interest requirements are funded in accordance with Federal law by the annual contributions from the US Department of HUD. At December 31, 1997, the FHB has accumulated \$60.00 in the debt service funds for future debt requirements.

In a reporting departure from GAAP, I am not able to disclose Bond and Note principal and interest maturities for the subsequent five years as well as year six through maturity, net interest rates and maturity dates because the FHB could not locate the amortization schedules.

NOTE 10--INTERFUND ASSETS/LIABILITIES

Interfund receivables/payables at December 31, 1997 is as follows:

General Fund Payable	(40,336.58)
Capital Project Funds Receivable	40,336.59

Operating Statement of the Town of Klamath

PERIOD: 1

Year: 1972

COMPARISON SOURCE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

CAPITAL PROJECTS FUND FOR THE YEAR ENDING DECEMBER 31, 1971

	PROJECT	PROJECT	DEPT. OF	TOTAL
	LANDACFT	WATER-SUPPLY	TRANSPORTATION	
REVENUES				
Local Sources			37,124.00	
Federal Sources--Grants	10,127.00	50,261.00		111,008.00
Total Revenues	10,127.00	50,261.00	37,124.00	111,008.00
EXPENDITURES				
General				
Administrative				
General Expenses				
Facilities Acquisition and Construction	11,228.00	11,268.18	158,128.00	340,191.00
Total Expenditures	11,228.00	11,268.18	158,128.00	340,191.00
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0,228.18	38,122.82	(121,004.00)	(82,653.00)
FUND BALANCE AT BEGINNING OF YEAR	(0,228.18)	38,122.82	(121,004.00)	(82,653.00)
FUND BALANCE AT END OF YEAR	(0.00)	00,000.00	100,000.00	100,000.00
DEFERRED PLANS	(0.00)	00,000.00		00,000.00
NET DEFERRED CREDIT			100,000.00	100,000.00

see notes to financial statements

Housing Authority of the Town of South
 Town of South
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the year ended December 31, 1987

SCHEDULE II

FEDERAL AGENCY:	CFDA NO.	Federal Award Expenditures
U S Department of Housing and Urban Development Direct Programs:		
Low Income Housing: operating Subsidy		60,886.00
Leased Development		
Total Low Income Housing	14,850	60,886.00
Section 8 Clusters:		
Touchers	14,850	
Certificates	14,857	
Moderate Rehabilitation	14,856	
New Construction	14,182	
Substantial Rehabilitation	14,182	
Total Section 8 Cluster		
Comprehensive Grants	14,850	
CIAP	14,850	84,038.00
Public Housing Drug Elimination Program:		
PEDEP		
Youth Sports		
Total PEDEP	14,854	
Shelter + Care	14,138	
HOPE	14,850	
HOME	14,139	
Child Care Food Program (USDA)	10,388	
TOTAL FEDERAL EXPENDITURES		144,988.00

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.

See notes to financial statements

Housing Authority of the Town of Erath
Erath, LA 70531
BALANCE SHEET-Statement Basis
Annual Contributions Contract #H-744
December 31, 1997

SCHEDULE III

ASSETS

Cash	862,729.82
Investments	66,824.92
Accounts Receivable	0.00
Debt Amortization Funds	33,978.91
Deferred Charges	8,828.64
Land, Structures and Equipment	1,407,107.29
TOTAL ASSETS	829,569.39

LIABILITIES AND SURPLUS

LIABILITIES:	
Accounts Payable	4,505.88
Notes Payable	0.00
Accrued Liabilities	9,127.96
Deferred Credits	25,165.89
Fixed Liabilities	118,171.32
TOTAL LIABILITIES	156,970.95
Surplus	7,414,881.62
TOTAL LIABILITIES AND SURPLUS	829,569.39

see notes to financial statements

Housing Authority of the Town of Erath
Erath, LA 70803

SCHEDULE IV

STATEMENT OF INCOME AND EXPENSES-FOR DEBTS ACROSSING-Statutory Basis
Annual Contributions Contract PW-744
For the year Ended December 31, 1997

OPERATING INCOME:

Dwelling Rental	6102,797.00
Interest Income	1,677.36
Other Income	1,407.60

Total Operating Income	105,881.44

OPERATING EXPENSES:

Administration	209,600.67
Tenant Services	0.00
Utilities	48,893.81
Ordinary Maintenance and Operations	79,424.39
General Expense	47,497.88
Non-Routine Maintenance	0.00

Total Operating Expenses	385,416.75

NET OPERATING DEFICIT (853,824.71)

OTHER CHARGES:

Interest on Notes and Bonds	25,486.85
Prior Period Adjustments Affecting Residual Receipts	0.00
Gain or Loss from Disposition of Nonexpendable Equipment	3,785.00

TOTAL OTHER CHARGES	4,481.85

DEFICIT	(842,104.84)

see notes to financial statements

Housing Authority of the Town of South
 South, LA 70033
 ANALYSIS OF SURPLUS-Statutory Basis
 For the year Ended December 31, 1997

SCHEDULE V

	ANNUAL CONTRIBUTION CONTRACT FM-438
Unreserved Surplus	
Balance Per FHA 12-31-96	(699,321.65)
Deficit for the Year Ended 12-31-97	(62,106.94)
Provision for Operating Reserve	(7,281.29)
Balance December 31, 1997	(868,709.88)
Reserved Surplus-Operating Reserve	
Balance Per FHA 12-31-96	83,729.88
Provision for Operating Reserve	7,281.29
Balance December 31, 1997	91,011.17
Cumulative SMS Contributions:	
Balance Per FHA 12-31-96	3,097,899.37
Annual Contribution Required for 12-31-97	32,910.43
Operating Subsidy 12-31-97	60,886.08
Contributions for Modernization Activities	319,469.08
Adjustments During Audit Period	182.91
Balance December 31, 1997	3,298,285.87
Total Surplus December 31, 1997	2,429,576.02

see notes to financial statements

Binding Authority of the Town of South
Forth, IA 50821 ACCOUNT TO
PR's Statement and Certification of Actual Subsidization Costs
COMPLETED 06/08/02 02-000470024
Annual Subsidization Contract 04-044
For The Year Ended December 31, 1997
.....

1. The actual subsidization costs of the project are as follows:

	PROJECT 02-000470024
Funds Approved	170,000.00
Funds Expended	170,000.00
Balance of Funds Approved	0.00

ANNUAL APPLICABLE

EXP	375,000.00
Funds Expended	375,000.00
Balance of Funds Advanced	0.00

1. The distribution of costs by project are shown on the final Statement of Subsidization Costs dated December 31, 1997 accompanying the Actual Subsidization Cost Certification submitted to HUD for approval in its agreement with the PR's records.
2. All subsidization costs have been paid and all related liabilities have been discharged through payment.

see notes to financial statements

WILLIAM MARCEL MCCRELLILL, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

25 WOODS DR
MORRIS, MISSISSIPPI 39234

REPORT 10-01-78
SA 88-00-111
CPMA 88-07-408
TAC 880001-08

1988
MISSISSIPPI STATE POLICE
MISSISSIPPI STATE POLICE
MISSISSIPPI STATE POLICE

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 TOWN OF BRACH
BRACH, LOUISIANA 70533

I have audited the financial statements of the Housing Authority of the Town of Brach (HAA), as of and for the year ended December 31, 1987, and have issued my report thereon dated June 13, 1988. 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 HAA'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 these 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 CPA'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 HUD. However, this report is a matter of public record and its distribution is not limited.

June 11, 1998



William Daniel McCaskill, CPA
A Professional Accounting Corporation

WILLIAM DANIEL MCCASKILL, CPA
J. SUPERVISOR, AUDITOR GENERAL

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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 TOWN OF BRATH
BRATH, LOUISIANA 70117

Compliance

I have audited the compliance of the Housing Authority of The Town of Brath (PRA) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 compliance requirements that are applicable to each of its major federal programs for the year ended December 31, 1997. The PRA'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 PRA's management. My responsibility is to express an opinion on the PRA'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 included examining, on a test basis, evidence about the PRA'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 level of determination on the PRA's compliance with those requirements.

In my opinion, the PRA 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 December 31, 1997.

Internal Control Over Compliance

The management of the PMA 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 PMA'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 OIG Circular 8-133.

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 McCaskill, CPA
A Professional Accounting Corporation

June 11, 1998

THE HOUSING AUTHORITY OF THE TOWN OF BRATE
BRATE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no findings in the prior audit.

THE HOUSING AUTHORITY OF THE TOWN OF KEATH
KEATH, LOUISIANA

SCHEDULE OF CURRENT AUDIT FINDINGS AND QUESTIONED COSTS

Par A-133, Section 503(d)

I. Summary Schedule of Auditor's 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 503c of A-133.
- vii. All major programs have oversight by HUD and are identified as follows:

OPDA #	Name of Program
14.058	60.000
14.052	84.000
- 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 OPDA are as follows:

None

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

None

THE HOUSING AUTHORITY OF THE TOWN OF BRATH
STATE, LOUISIANA

CORRECTIVE ACTION PLAN

BOOK