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HOLDING AUTHORITY OF THE TOWN OF SIMMESPORT

SIMMESPORT, LOUISIANA

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**GENERAL PURPOSE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS REPORTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1998
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

**WILLIAM DANIEL MCCASKILL, CPA
A PROFESSIONAL ACCOUNTING CORPORATION**

**413 MAGNOLIA LANE
MANDEVILLE, LOUISIANA 70471**

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 DECEMBER 31, 1998, ALL FUND TYPES AND ACCOUNT GROUPS
- B COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--FOR THE YEAR ENDED DECEMBER 31, 1998
- C COMBINED STATEMENT OF REVENUES, EXPENDITURES, A 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

- I SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

SUPPLEMENTARY INFORMATION SCHEDULES--STATUTORY BASIS

- II BALANCE SHEET--STATUTORY BASIS
- III STATEMENT OF REVENUES AND EXPENDITURES--STATUTORY BASIS--ANNUAL CONTRIBUTIONS CONTRACT FW-514
- IV 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-121

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

SCHEDULE OF ADJUSTING JOURNAL ENTRIES-NONE

SCHEDULE OF CURRENT FINDINGS AND QUESTIONED COSTS

CORRECTIVE ACTION PLAN

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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 TOWN OF SIMMESPORT
SIMMESPORT, LOUISIANA 71368**

I have audited the accompanying general purpose financial statements of the Housing Authority of The Town of Simmesport (PHA) as of and for the year ended December 31, 1998, 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 Town of Simmesport as of December 31, 1998, 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 21, 1999 on my consideration of the PHA'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 PHA 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-133, *Rights 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 PHA, 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

June 21, 1999

Monthly Audited of the Town of Somers
Somers, NJ 07190
ALL FUND TYPES AND ACCOUNT GROUPS
COMBINED BALANCE SHEET AS OF DECEMBER 31, 1988

EXHIBIT A

ASSETS AND OTHER DEBITS	GOVERNMENTAL FUNDS				ACCOUNT GROUPS			
	General Fund	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	General Fund Assets	Special Long Term Obligations	Special (Memorandum) Cash	Total
Assets:								
Cash and Cash Equivalents	25,154.89	0.00	300.25	0.00	3,882.00	0.00	0.00	29,337.14
Receivables	168.74	0.00	70,807.88	0.00	0.00	0.00	0.00	71,036.62
Prepaid Expenses	2.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
Other	6,082.82	0.00	3.88	0.00	0.00	0.00	0.00	6,092.82
Land, Buildings & Equipment	428.00	0.00	0.00	0.00	0.00	0.00	0.00	428.00
Other Debits	1.00	0.00	0.00	0.00	0.00	0.00	0.00	2,000,000.78
Amount Available: Cash Service Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amount Available for: Restricted of General Long Term Obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ASSETS AND OTHER DEBITS	\$42,787.72	\$0.00	\$71,209.12	\$0.00	\$3,882.00	\$0.00	\$0.00	\$2,000,000.78

LIABILITIES, EQUITY AND OTHER CREDITS	GOVERNMENTAL FUNDS				ACCOUNT GROUPS			
	General Fund	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	General Fund Assets	Special Long Term Obligations	Special (Memorandum) Cash	Total
Liabilities:								
Accounts Payable	10,007.11	0.00	0.00	0.00	0.00	0.00	0.00	10,007.11
Unearned Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Donations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Compensated Personnel Payroll	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fuel & Motor Vehicle	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity & Other Credits	\$11,007.11	\$0.00	\$0.00	\$0.00	\$3,882.00	\$0.00	\$0.00	\$14,889.11
Investment - General Fund Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fund Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Retained for Cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reserve for Debt Payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unreserved & Unobligated	28,800.00	0.00	70,807.88	0.00	0.00	0.00	0.00	99,607.88
Total Equity & Other Credits	\$11,007.11	\$0.00	\$71,209.12	\$0.00	\$3,882.00	\$0.00	\$0.00	\$14,889.11
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$42,787.72	\$0.00	\$71,209.12	\$0.00	\$3,882.00	\$0.00	\$0.00	\$2,000,000.78

\$\$\$ refers to National Subunits

Issuing Authority of the Town of Bossierport
 Bossierport, LA 71405
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED OCTOBER 31, 1998

EXHIBIT B

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Miscellaneous (Debt)
REVENUES					
Local Sources					
Dwelling Taxes	62,888.00	0.00	0.00	0.00	62,888.00
Interest Charges	1,322.97	0.00	0.00	0.00	1,322.97
Revenues from the Sale of Equipment					
Other	882.84	0.00	0.00	0.00	882.84
Federal Transfers					
Operating Activity	11,784.00	0.00	289,878.23	0.00	301,662.23
Revenue Contingencies					
Grants					
Total Revenues	76,877.81	0.00	290,578.23	0.00	367,456.04
EXPENSES					
Current:					
Administration	26,294.26	0.00	0.00	0.00	26,294.26
Utilities	9,899.59	0.00	0.00	0.00	9,899.59
Culinary Maintenance & Operations	27,542.81	0.00	0.00	0.00	27,542.81
Public Safety	0.00	0.00	0.00	0.00	0.00
General Expenditures	17,987.39	0.00	0.00	0.00	17,987.39
Revenue Maintenance	0.00	0.00	0.00	0.00	0.00
Security Assistance Payments	0.00	0.00	0.00	0.00	0.00
Financial Institution & Contractors	1,723.96	0.00	0.00	0.00	1,723.96
Year-Over Adjustments Affecting Budgeted Amounts	288.92	0.00	0.00	0.00	288.92
Debt Service:					
Principal Debt Interest	69,540.84	0.00	0.00	0.00	69,540.84
Interest & Bank Charges	229,889.86	0.00	0.00	0.00	229,889.86
Total Expenditures	299,430.70	0.00	0.00	0.00	299,430.70
TOTAL EXPENSES	145,476.71	0.00	290,578.23	0.00	436,054.94
CHANGES IN FUND BALANCE	31,401.10	0.00	0.00	0.00	31,401.10
Beginning Balance	1,000,000.00	0.00	0.00	0.00	1,000,000.00
Ending Balance	1,031,401.10	0.00	0.00	0.00	1,031,401.10
OTHER INFORMATION ON REVENUES OTHER THAN REVENUES FROM THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE AT BEGINNING OF YEAR					
FUND BALANCES AT END OF YEAR					
General Fund	1,031,401.10	0.00	0.00	0.00	1,031,401.10
Special Revenue Fund	0.00	0.00	0.00	0.00	0.00
Debt Service Fund	0.00	0.00	0.00	0.00	0.00
Capital Projects Fund	0.00	0.00	0.00	0.00	0.00
Total	1,031,401.10	0.00	0.00	0.00	1,031,401.10

See notes to financial statements

Housing Authority of the Town of Germantown

SCHEDULE C

September 30, 2009

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES—SUBJECT VS. ACTUAL
 GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2008

*****Capital Subj*****

REVENUES	Budget	Actual	Variance
Local Sources:			
Dwelling Rental	13,276.00	92,889.89	(7,844.00)
Interest Charges	2,120.00	1,382.81	(7,307.00)
Payments from the Sale of Equipment		689.84	(819.86)
Other	1,228.00		
Federal Sources:			
Operating Subsidy	13,164.00	13,164.00	0.00
Annual Contributions			
Grants			
Total Revenues	34,384.00	78,875.81	(9,488.19)
EXPENDITURES			
Current:			
Administration	29,399.00	28,204.28	855.74
Utilities	7,578.00	8,968.88	(1,229.88)
Culinary Maintenance & Operations	27,982.00	27,982.81	(2.81)
Protective Services	0.00	0.00	0.00
General Expenditures	23,008.00	17,983.78	3,822.21
Housing Assistance Payments	0.00	0.00	0.00
Facilities Acquisition & Construction	0.00	1,723.88	(1,723.88)
Fiscal Year Adjusting Manual Payments	0.00	368.82	
Debt Service			
Principal Payments			
Interest & Cash Charges			
Total Expenditures	88,165.00	89,238.63	1,227.49

EXCESS (DEFICIT) OF REVENUES OVER EXPENSES

OTHER FINANCING SOURCES (USES)

Operating Transfers to Operating Transfers Out

Total Other Financing Sources (Uses)

NET CHANGE (DECREASE) OF REVENUES

FUND BALANCES AT BEGINNING OF YEAR

FUND BALANCES AT END OF YEAR

See notes to financial statements

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

Housing Authorities are chartered as a public corporation under the laws (LSA-RS 40:141) of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of Simmesport, Louisiana. This position 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 Simmesport, 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 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 the low rent character.

The PHA has the following programs under management:

	ACC Number	Number of Units
PHA Owned Housing	PW-514	56

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

GAAP 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 operable financial resources.

Funds of the PHA 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 PHA'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 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 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 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.

B. 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 PSA.

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 (uses). These other financing sources are recognized at the time the underlying events occur.

Deferred Revenue—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.

E. BUDGETS

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 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 5% 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 the 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

MHA 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.

K. COMPENSATED ABSENCES

The MHA 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 510, 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 of employees with 15 years service to a maximum of 20 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 transfer. 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 December 31, 1995, the PHA has cash and cash equivalents totaling \$41,726.26 as follows:

Interest Bearing Demand Deposits	\$28,275.80
Time Deposits	20,000.00
Petty Cash	50.00
Cash With Fiscal Agent	590.47
Total	\$41,726.26

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, 1998, the PHA has \$41,335.83 in deposits (collected bank balances). These deposits are secured from risk by \$100,000.00 of federal deposit insurance and SNA of pledged securities held by the custodial bank in the name of the fiscal agent bank (GAAP Category 3). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 38:1229 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 \$71,488.83 at December 31, 1998 are as follows:

General Fund:	
Tenant Accounts Receivable	465.14
Other Accounts Receivable	100.00
Total General Fund	565.14
Debt Service Fund:	
Due from HUD	70,923.69
Total	71,488.83

NOTE 4—FIXED ASSETS

The changes in general fixed assets are as follows:

Land, Structures, and Equipment:	
Balance 12-31-97	2,037,295.88
Net Additions	3,723.96
Balance 12-31-98	2,039,923.78

Fixed assets are mortgaged to HUD pursuant to the Annual Contribution Contract as collateral for obligations owed to the U.S. Government. The building cost includes SNA of ineligible expenditures as determined by HUD.

NOTE 5—RETIREMENT SYSTEM

The PHA has a full time maintenance man and a part time Executive Director, neither of which is under Civil Service. The PHA pays no retirement benefits.

NOTE 6—ACCOUNTS PAYABLE

The payables of \$13,937.11 at December 31, 1998 are as follows:

General Fund:	
Vendors Payable	328.00
Payment in Lieu of Taxes	11,437.11
Other	2,172.00
Total	13,937.11

NOTE 7—COMPENSATED ABSENCES

At December 31, 1998, employees of the PBA have accumulated and vested \$1,787.00 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. 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 AND OTHERS

Agency Funds:	
Tenant Security Deposits 12-31-87	3,475.00
Net Additions	115.00
Balance 12-31-88	3,590.00

NOTE 9—CHANGES IN GENERAL LONG TERM OBLIGATIONS

The following is a summary of the long term obligation transactions of the year ended December 31, 1998:

Compensated Absences	
Balance 12-31-87	0.00
Net Additions & Balance 9-30-88	1,787.00

The following notes and bonds are outstanding at December 31, 1998, are HUD guaranteed. Bond principal and interest payable in the next fiscal year are not available. The individual issues are as follows:

Federal Financing Bank Notes	
Balance 12-31-87	680,115.39
Retirements During the Year	48,518.08
Balance 12-31-88	631,597.31

New Agency Bonds	
Original Issue Amount	260,000.00
Retirements through 12-31-97	195,844.22
Retirements During the Year	10,129.89
Balance 12-31-98	54,025.89
Total Notes and Bonds	665,623.23

(A) Project Notes-Non HUD are obligations due HUD. The Debt Forgiveness Act of 1995 forgave these notes. PHA's that assumed a revised ACC in 1995 have accomplished the debt forgiveness. 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 December 31, 1998, the PHA has accumulated \$300.43 in the debt service funds for future debt requirements.

In a departure from GAAP, I am not able to schedule the future maturities and interest rates of this debt. Recently, HUD has instructed all PHA's to write off the debt since HUD services it directly. This will probably be done in the current fiscal year.

NOTE 10-INTERFUND ASSETS/LIABILITIES

Interfund receivables/payables at December 31, 1998 is as follows:

None

NOTE 11-COMMITMENTS AND CONTINGENCIES

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 1996 through December 31, 1998, 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.

NOTE 12-YEAR 2000 COMPLIANCE

Since the PHA has bank accounts and other relationships that are dependent upon computers for normal function, it is impossible to properly determine the effect that Y 2K will have on the PHA until after January 2000. The computer software vendor utilized by the PHA indicates that they are in the Testing/Validation stage and that they are confident that the software utilized internally by the PHA will be Y-2K compliant by the end of the summer of 1999. The PHA is not performing any Testing/Validation at this time but plans to do so by September 1999. HUD

indicates that their computer systems are better prepared for Y-2K than most Federal agencies and do not anticipate problems in this regard. The CPA firm hereby declares that we are not capable of evaluating the probability of what will really happen relative to Y-2K, does not believe that anyone else is, but that we do not believe that it will have a material long term effect on this FISA.

NOTE 18 -- PAYMENTS IN LIEU OF TAXES

The PMA has accumulated \$13,437.11 of unpaid PILOT taxes over a 3 year period. The PMA's position is that the City has breached the Cooperation Agreement by not providing PMA residents the same level of services as other city residents. The PMA specifically cites the lack of police protection, road repairs, sidewalk repairs, and garbage collection as breaches of the agreement. Accordingly, I suggest that the PMA instruct it's fee accountant to take the accrued PILOT into other income. The audit report includes no adjustment to the financial statements for this amount.

Housing Authority of the Town of Gramsport
 Town of Gramsport, Louisiana
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the year ended December 31, 1988

SCHEDULE I

FEDERAL AGENCY:	CFDA NO.	Federal Award Expenditures
U.S. Department of Housing and Urban Development Direct Programs:		
Low Income Housing: Operating Subsidy		15,194.00
Leased Development		
Total Low Income Housing	14,850	15,194.00
Section 8 Cluster: Vouchers	14,850	
Certificates	14,857	
Moderate Rehabilitation	14,858	
New Construction	14,152	
Substantial Rehabilitation	14,152	
Total Section 8 Cluster		
Comprehensive Grants	14,859	
CIAP	14,862	
Public Housing Drug Elimination Program PHDEP Youth Spots		
Total PHDEP	14,054	
Shelter + Care	14,238	
HOME	14,058	
HOME	14,239	
Child Care Food Program (USDA)	10,548	
TOTAL FEDERAL EXPENDITURES		15,194.00

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 Sirmesport
Sirmesport, LA 71089
BALANCE SHEET-HUD Regulatory Basis
Annual Contributions Contract FYR-514
December 31, 1999

(SCHEDULE II)

ASSETS

Cash	19,374.86
Investments	20,000.00
Accounts Receivable	589.14
Debt Amortization Funds	71,223.32
Deferred Charges	8,442.92
Land, Structures and Equipment	2,809,023.70
TOTAL ASSETS	2,159,633.94

LIABILITIES AND SURPLUS

LIABILITIES:	
Accounts Payable	3,813.08
Notes Payable	0.00
Accrued Liabilities	11,437.11
Deferred Credits	2,175.00
Fixed Liabilities	665,823.23
TOTAL LIABILITIES	683,248.42
Surplus	1,476,385.52
TOTAL LIABILITIES AND SURPLUS	2,159,633.94

see notes to financial statements

Housing Authority of the Town of Slidell
Slidell, LA 71369
STATEMENT OF INCOME AND EXPENSES-PHA OWNED HOUSING
Annual Contributions Contract FW-514
For the year ended December 31, 1999

SCHEDULE B
HUD Regulatory Basis

OPERATING INCOME:	
Dwelling Rental	62,806.08
Interest Income	1,222.97
Other Income	890.64
	<hr/>
Total Operating Income	64,709.61
 OPERATING EXPENSES:	
Administration	26,204.26
Tenant Services	0.00
Utilities	5,998.59
Ordinary Maintenance and Operations	27,942.81
General Expense	17,567.79
Non-Routine Maintenance	0.00
	<hr/>
Total Operating Expenses	80,714.55
	<hr/>
NET OPERATING DEFICIT	(16,004.94)
 OTHER CHARGES:	
Interest on Notes and Bonds	129,649.98
Prior Period Adjustments Affecting Residual Receipts	899.00
Prior Period Adjustments Not Affecting Residual Receipts	0.00
	<hr/>
TOTAL OTHER CHARGES	130,549.98
	<hr/>
DEFICIT	(148,554.84)
	<hr/>

See notes to financial statements

ANNUAL CONTRIBUTION CONTRACT
PW 914

Unreserved Surplus Balance Per PHA 12-31-97	(1,521,413.03)
Deficit this fiscal year	(146,254.84)
Provision for Operating Reserve	8,184.82
Balance 12-31-98	(1,559,483.05)
Reserved Surplus—Operating Reserve Balance per PHA 12-31-97	37,021.43
Provision for Operating Reserve	(8,184.82)
Balance 12-31-98	28,836.61
Cumulative HUD Annual Contributions Balance Per PHA 12-31-97	2,935,958.29
Operating Subsidy	10,184.00
Debt Service	70,922.89
Debt Reduction During the Year	118,155.82
Adjustments During the Year	(378.85)
Balance 12-31-98	3,104,427.30
Total Surplus	1,473,480.25

see notes to financial statements

**WILLIAM DANIEL MCCASKILL, CPA
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**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 SIMMESPORT
SIMMESPORT, LOUISIANA 71369**

I have audited the financial statements of the Housing Authority of The Town of Simmesport (HAA), as of and for the year ended December 31, 1998, and have issued my report thereon dated June 21, 1999. 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 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 PHA'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 amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. 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 21, 1999



William David McCaskill, CPA
A Professional Accounting Corporation

WILLIAM DANIEL MOORSKILL, CPA
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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 SHREVEPORT
SHREVEPORT, LOUISIANA 71209

Compliance

I have audited the compliance of the Housing Authority of the Town of Shreveport (HRA) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Requirements. These are applicable to each of its major federal programs for the year ended December 31, 1998. The HRA'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 HRA's management. My responsibility is to express an opinion on the HRA'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. These 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 HRA'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 HRA's compliance with those requirements.

As described in items 98-1 in the accompanying schedule of findings and questioned costs, the PMA did not comply with requirements regarding Eligibility, Reporting, and Activities Allowed or Unallowed that are applicable to its low income Housing Program. Compliance with such requirements is necessary, in my opinion, for the PMA to comply with requirements applicable to this program.

In my opinion, except for the noncompliance described in the preceding paragraph, the PMA 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, 1998.

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 would 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 new 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 PMA'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 98-1.

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 item 98-1 to be material weaknesses.

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



William Daniel McCaskill, CPA
A Professional Accounting Corporation

June 31, 1988

THE HOUSING AUTHORITY OF SHREVEPORT
SHREVEPORT, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

The following is a list of prior audit findings that are considered resolved.

97-1 -- The 1997 audit was late per State law. This year's audit is filed timely and the finding is cleared.

97-2 and 97-2a -- The PMA staff violated laws and regulations relating to equipment purchases and protection of PMA assets as follows:

A. Equipment was ordered through the PMA for the personal use of staff, commissioners and third parties. During the current audit year, we noted no instances of continuance of this practice.

B. The PMA had not taken a proper physical inventory of equipment. The PMA did perform a proper physical inventory during the current fiscal year. It has now provided the fee accountant with that inventory who will adjust the general ledger to it.

97-3 -- Possible kickbacks were revealed during the prior audit. We noted no instances of anything similar during the current audit.

97-4 -- The PMA lacked adequate documentation to support PFMAP reporting. While we found some inaccuracies in the current PFMAP report, the PMA does now have adequate documentation. At our suggestion, the PMA resubmitted to HUD a corrected PFMAP report. The resubmitted report will reduce the PFMAP score but will not cause the PMA to be classified as troubled.

THE HOUSING AUTHORITY OF SHREVEPORT
SHREVEPORT, LOUISIANA

SCHEDULE OF CURRENT AUDIT FINDINGS AND QUESTIONED COSTS

Per A-133, Section 881(d)

1. 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. 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 qualified.
 - vi. The report disclosed audit findings required to be reported under Section 810a of A-133.
 - vii. All major programs have oversight by HUD and are identified as follows:

CFDA #	Name of Program
14.850	Low Income Housing
 - viii. The dollar threshold used to distinguish between Type A and Type B programs was \$250,000.00.
 - ix. The auditor was not considered a low risk auditor.
2. Findings relating to the financial statements required to be reported with OIGAR are as follows.

None

1. Findings and questioned costs for Federal records as defined in 4-111, Section 5(a), all with HUD copyright.

This PMA is under new management. We feel that the current management has made significant progress in a relatively short period of time and is to be commended for this. However, our tests of compliance resulted in the following finding 58-1.

1. Name of Program--Low Income Housing
Identification Number--PW-514
CFDA Title and Number--14.810
Federal Fiscal Number & Year--1988
Name of Federal Agency--HUD
Name of Pass Through Entity--None
2. Criteria--The PMA is required to maintain adequate files on residents to document eligibility and other program requirements.
3. Condition--Our test of 6 resident files disclosed inadequate documentation to fulfill the compliance requirements.
4. Amount of questioned costs and how they were computed--None
5. We tested 6 of the potential 56 resident files. Deficiencies in compliance are as follows:
 - 3 Unsigned Leases
 - 4 Missing Lead Based Paint Notices
 - 3 Unsigned Privacy Act Statements
 - 2 With Loose Paperwork
 - 1 With No Proof of Citizenship

Additionally, it was determined that 3 of the 6 tested had not had the 10058 forms electronically submitted to HUD as required. The PMA has recently begun this electronic submission.
6. Effect--The PMA did not comply with compliance requirements of Eligibility, Reporting, and Activities Allowed or Unallowed.
7. Recommendations to prevent future occurrences of the finding are including a printed checklist in each resident file and having staff initial each item required as it is permanently bound in the file. We provided the PMA with such a checklist.
8. PMA officials agree with the finding.

THE HOUSING AUTHORITY OF SIMMSPORT
SIMMSPORT, LOUISIANA

CORRECTIVE ACTION PLAN

Our corrective action plan is as follows:

Finding 88-1

Contact Person Responsible for Action--Mrs. Juanita Whitmore

Anticipated completion date--September 30, 1990

Corrective Action Planned--We will re-examine each resident's file, include the checklist as described, and ensure that each file contains all of the necessary documentation for compliance.