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**Housing Authority of the Town of Winnfield  
Winnfield, Louisiana**

Financial Statements and Supplemental Financial Information  
Year Ended September 30, 1997  
with  
Reports of Certified Public Accountants

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 4-15-98

VanRheenen & Miller, Ltd.  
Certified Public Accountants  
1309 East Race Avenue  
Searcy, Arkansas 72143

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**FINANCIAL SECTION**

# VANRHEENEN & MILLER, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

1309 E. Race Avenue • Searcy, Arkansas 72143 • (501) 268-8356 • Fax 268-9362


C. Mark VanRheenen, CPA  
Steven E. Miller Jr., CPA  
L. Scott Rose, CPA

Board of Commissioners  
Housing Authority of the Town of Winnfield  
400 N. 24th Street  
Winnfield, LA 71483

We have compiled the accompanying general purpose financial statements of Housing Authority of the Town of Winnfield as of September 30, 1997 and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The accompanying financial information listed as supplemental financial information in the table of contents is presented only for supplementary analysis purposes. As disclosed in Note 1, the supplemental financial information was prepared in conformity with the accounting practices prescribed by the U.S. Department of Housing and Urban Development, which is a comprehensive basis of accounting other than generally accepted accounting principles. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplemental financial information.

  
VanRheenen & Miller, Ltd.  
Certified Public Accountants

March 19, 1997

GENERAL PURPOSE FINANCIAL STATEMENTS

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups  
September 30, 1997

	Governmental Fund Type		Account Groups		Memo Totals 1997	Memo Totals 1996
	Special Revenue	Capital Projects	General Fixed Assets	General Long-Term Debt		
<b>ASSETS AND OTHER DEBITS</b>						
<b>Assets:</b>						
Cash	\$ 60,402.00	\$ .00	\$ .00	\$ .00	\$ 60,402.00	\$ 57,772.97
Receivables:						
Accounts	7,494.89	.00	.00	.00	7,494.89	3,988.68
Other	.04	.00	.00	.00	.04	.00
Due from other funds	.00	4,050.55	.00	.00	4,050.55	18,776.65
Prepaid items	10,032.03	.00	.00	.00	10,032.03	10,388.80
Fixed assets	.00	.00	3,613,472.58	.00	3,613,472.58	3,582,125.48
Other debits:						
Amt. to be provided for retirement of general long term debt	.00	.00	.00	6,780.00	6,780.00	6,780.00
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 77,928.96</b>	<b>\$ 4,050.55</b>	<b>\$ 3,613,472.58</b>	<b>\$ 6,780.00</b>	<b>\$ 3,702,232.09</b>	<b>\$ 3,679,832.58</b>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>						
<b>Liabilities:</b>						
Accounts payable:						
Trade	\$ 5,096.08	\$ .00	\$ .00	\$ .00	\$ 5,096.08	\$ 996.59
Other governments	15,475.57	4,050.55	.00	.00	19,526.12	34,252.22
Security deposits	8,462.00	.00	.00	.00	8,462.00	7,969.50
Due to other funds	4,050.55	.00	.00	.00	4,050.55	18,776.65
Accrued PILOT	17,598.16	.00	.00	.00	17,598.16	7,755.89
Deferred revenue	.00	.00	.00	.00	.00	159.35
Fixed Liabilities	.00	.00	.00	6,780.00	6,780.00	6,780.00
<b>Total liabilities</b>	<b>\$ 50,682.36</b>	<b>\$ 4,050.55</b>	<b>\$ .00</b>	<b>\$ 6,780.00</b>	<b>\$ 61,512.91</b>	<b>\$ 76,690.20</b>
<b>Equity and Other Credits:</b>						
Investment in general fixed assets	\$ .00	\$ .00	\$ 3,613,472.58	\$ .00	\$ 3,613,472.58	\$ 3,582,125.48
Res. for inventories and prepaids	10,032.03	.00	.00	.00	10,032.03	10,388.80
Unreserved, undesignated	17,214.57	.00	.00	.00	17,214.57	10,628.10
<b>Total Equity and Other Credits</b>	<b>\$ 27,246.60</b>	<b>\$ .00</b>	<b>\$ 3,613,472.58</b>	<b>\$ .00</b>	<b>\$ 3,640,719.18</b>	<b>\$ 3,603,142.38</b>
<b>TOT. LIAB., EQUITY AND OTHER CREDITS</b>	<b>\$ 77,928.96</b>	<b>\$ 4,050.55</b>	<b>\$ 3,613,472.58</b>	<b>\$ 6,780.00</b>	<b>\$ 3,702,232.09</b>	<b>\$ 3,679,832.58</b>

See accompanying notes and accountant's report.

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-  
All Governmental Fund Types  
Year Ended September 30, 1997

	Governmental Fund Types			
	Special Revenue	Capital Projects	Memo Totals 1997	Memo Totals 1996
<b>Revenues:</b>				
Rents	\$ 100,486.58	\$ .00	\$ 100,486.58	\$ 95,227.48
Operational subsidies/grants	64,908.00	30,944.10	95,852.10	443,334.22
Interest	929.86	.00	929.86	1,248.95
Miscellaneous	10,680.25	.00	10,680.25	15,356.01
<b>Total Revenues</b>	<b>\$ 177,004.69</b>	<b>\$ 30,944.10</b>	<b>\$ 207,948.79</b>	<b>\$ 555,166.66</b>
<b>Expenditures</b>				
Current:				
Housing operations	\$ 170,311.99	\$ .00	\$ 170,311.99	\$ 207,638.27
Capital outlay	463.00	30,944.10	31,407.10	377,459.24
<b>Total Expenditures</b>	<b>\$ 170,774.99</b>	<b>\$ 30,944.10</b>	<b>\$ 201,719.09</b>	<b>\$ 585,097.51</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>\$ 6,229.70</b>	<b>\$ .00</b>	<b>\$ 6,229.70</b>	<b>\$ ( 29,930.85)</b>
Fund Balance, beginning of period	21,016.90	.00	21,016.90	50,947.75
<b>Fund Balance, end of period</b>	<b>\$ 27,246.60</b>	<b>\$ .00</b>	<b>\$ 27,246.60</b>	<b>\$ 21,016.90</b>

See accompanying notes and accountant's report.

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-  
Budget and Actual - All Governmental Fund Types  
Year Ended September 30, 1997

	Special Revenue Funds		
	Budget	Actual	Variance Favorable <Unfavorable>
<b>Revenues:</b>			
Rents	\$ 102,790.00	\$ 100,486.58	\$ ( 2,303.42)
Operational subsidies/grants	64,908.00	64,908.00	.00
Interest	1,720.00	929.86	( 790.14)
Miscellaneous	10,800.00	10,680.25	( 119.75)
<b>Total Revenues</b>	<b>\$ 180,218.00</b>	<b>\$ 177,004.69</b>	<b>\$ ( 3,213.31)</b>
<b>Expenditures</b>			
<b>Current:</b>			
Administrative salaries	\$ 50,270.00	\$ 49,942.96	\$ 327.04
Professional fees	5,110.00	5,657.00	( 547.00)
Travel	3,600.00	1,833.79	1,766.21
Sundry administration	5,300.00	5,594.20	( 294.20)
Tenant services	350.00	.00	350.00
Utilities	2,810.00	2,063.92	746.08
Maintenance salaries	34,715.00	37,026.49	( 2,311.49)
Maintenance materials	11,000.00	10,649.68	350.32
Other maintenance costs	3,200.00	1,954.89	1,245.11
Insurance	25,620.00	28,003.23	( 2,383.23)
PILOT	10,000.00	9,842.27	157.73
Employee benefits	18,510.00	14,168.55	4,341.45
Collection losses	.00	3,575.01	( 3,575.01)
Capital expenditures	3,200.00	463.00	2,737.00
<b>Total Expenditures</b>	<b>\$ 173,685.00</b>	<b>\$ 170,774.99</b>	<b>\$ 2,910.01</b>
<b>Excess of Revenues over &lt;under&gt; Expenditures</b>	<b>\$ 6,533.00</b>	<b>\$ 6,229.70</b>	<b>\$ ( 303.30)</b>
Fund Balance, beginning of period		21,016.90	
Fund Balance, end of period		<b>\$ 27,246.60</b>	

See accompanying notes and accountant's report.



Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Notes to the Financial Statements  
September 30, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A. **Organization.** The entity is chartered as a public corporation for the purpose of administering housing programs for low income families.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low income housing programs in the United States. Accordingly, HUD has contracted with the entity to administer certain HUD funds.

- B. **Financial reporting.** The financial reporting policies of the entity conform to generally accepted accounting principles

**Specific accounting policies** The following is a summary of significant accounting policies:

1. **Financial reporting entity.** The entity is a public corporation, legally separate and fiscally independent. As required by generally accepted accounting principles, these financial statements present the financial position and results of operations of Housing Authority of the Town of Winnfield, a primary government. There are no component units to be included herewith, but this report does include all funds, account groups, and programs which are controlled by the entity's governing body.
2. **Fund accounting.** The accounts of the entity are organized on the basis of funds or account groups, each of which is considered to be a separate accounting unit. The operations of each fund are reported as a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Resources are allocated to and for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into one generic fund type (governmental) and the following broad fund categories:

**Governmental Fund Types**

**Special revenue fund** - The special revenue funds are used to account for specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

**Capital projects fund** - The capital projects fund is used to account for financial resources to be used for the acquisition, construction, and major renovation of major capital facilities.

Special reporting treatment is also applied in governmental funds when prepaid items are present to indicate that they do not represent "available spendable resources", even though they are a component of net current assets. Such amounts are offset by fund balance reserve accounts.

3. **Fixed assets and long-term liabilities.** The accounting and reporting treatment applied to fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental fund types are accounted for on a spending "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spending resources" during a period.

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. No depreciation has been provided on such assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated fair value on the date donated. The entity does capitalize any

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Notes to the Financial Statements (Continued)  
September 30, 1997

"infrastructure" assets (streets, curbs, sidewalks, drainage system, and similar assets that are immovable) which are paid for by the entity. During project development, interest expenditures were capitalized under pre-1987 financing arrangements. Post-1986 capital projects are being financed by grants from HUD. Consequently, there are no interest expenditures to capitalize. Subsequent to financed developments, interest expenditures are not accrued but are recorded when paid.

Long-term liabilities expected to be financed from governmental fund types are accounted for in the General Long-Term Debt Account Group.

The two above-named account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with the measurement of results of operations.

4. Basis of accounting. All governmental fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All significant revenue sources are susceptible to accrual.

Expenditures in governmental fund types are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation and sick pay which are not accrued, and (2) principal and interest on general long-term debt which is recognized when due.

*Vested and earned vacation and sick leave that are not accrued are reported in the general long-term debt account group. No expenditure is reported for those amounts. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.*

The entity does not utilize encumbrance accounting.

5. Supplemental financial information The supplemental financial information has been prepared in conformity with the accounting practices prescribed by HUD, which differ from generally accepted accounting principles as follows:

- a. Governmental fund accounting principles are not utilized.
- b. Accounts receivable are stated without an allowance for doubtful accounts. Accounts are written off as collection losses only after the tenant has vacated the unit and the entity has taken reasonable actions to collect.
- c. Annual Contributions and subsidies earned and/or received from HUD are recorded as contributions to surplus and are not included in the Statement of Income and Expenses.
- d. Items of routinely recurring expenses are recognized when paid and are therefore not accrued.
- e. The cost of accumulated unpaid vacation and sick leave is not accrued.
- f. Financial statement formats vary from GAAP.
- g. The entity does not utilize encumbrance accounting.
- h. Expenditures under HUD's Comprehensive Improvements Assistance Program (CIAP) and similar forerunner programs are fully capitalized, notwithstanding the fact that expenditures are normally a mixture of repairs, replacements and improvements. Consequently, some amounts represented as *Fixed Assets may include costs substantially in excess of value.*
- i. During project development, interest expenditures are capitalized under pre-1987 financing agreements. Post-1986 capital projects are being financed by grants from HUD. Consequently, there are no interest expenditures to capitalize. Subsequent to completion of Pre-1987 financed developments, interest expenditures are not accrued but are recognized when paid.

6. Comparative data Comparative total data for the prior year have been presented in some accompanying financial statements in order to provide an understanding of changes in the entity's financial position and operations. However, comparative data by fund type have not been presented in each of the statements since inclusion of such data would make the statements unduly complex and difficult to read.

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Notes to the Financial Statements (Continued)  
September 30, 1997

7. Total columns on combined statements. Total columns on the combined statements are captioned Memo Totals to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

C. Budget The entity follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The entity prepares annual budgets for each fund (except Debt Service Fund and the Capital Projects Fund). Prior to the beginning of each budget year, the entity's annual budget is approved by the entity's governing body. Budgetary amendments require approval by the governing body. Budget amounts shown in the financial statements are the final authorized amounts for the year. All budgetary appropriations lapse at the end of each fiscal year.
2. Budgets for the Capital Projects Fund are prepared on a project-life basis rather than on an annual basis and, therefore, have been omitted from the accompanying financial statements.

D. Income taxes. The entity is not subject to federal or state income taxes.

E. Cash and cash equivalents. The entity defines cash to include certificates of deposit, money market funds, savings accounts, and demand deposits, and other short-term securities with maturities of three months or less. Consequently, the cost, carrying value, and market value are equivalent.

**NOTE 2 - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS**

It is the entity's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at September 30, 1997. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 - Uncollateralized.

Cash Deposits, categorized by level of risk, are:

	Category		
Total Bank Balances	1	2	3
\$ 60,377.00	\$ 60,377.00	\$ .00	\$ .00

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Notes to the Financial Statements (Continued)  
September 30, 1997

**NOTE 3- INTERFUND RECEIVABLES AND PAYABLES**

The following schedule as of September 30, 1997 represents interfund receivables and payables:

Fund Type	Interfund Receivables	Interfund Payables
Special Revenue:		
Owned Housing	\$ 0.00	\$ 4,050.55
Capital Projects	4,050.55	0.00
Total	<u>\$ 4,050.55</u>	<u>\$ 4,050.55</u>

**NOTE 4 - FIXED ASSETS**

Changes in fixed assets are as follows:

	Beg. of Period	Additions	Deletions	End of Period
Land, land impvts.	\$ 526,738.39	\$ .00	\$ .00	\$ 526,738.39
Building	2,297,302.93	.00	.00	2,297,302.93
Equipment	155,526.81	463.00	(60.00)	155,929.81
Inactive CIAPs	130,060.00	.00	.00	130,060.00
Const. in progress	472,497.35	30,944.10	.00	503,441.45
Total	<u>\$ 3,582,125.48</u>	<u>\$ 31,407.10</u>	<u>\$ (60.00)</u>	<u>\$ 3,613,472.58</u>

Construction in progress is composed of expenditures related to major renovation of certain buildings owned by the entity, said renovation having a planned total cost of \$507,492.00 to be fully financed by grants from HUD.

All land and buildings are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the federal government and to protect other interests of the federal government.

**NOTE 5 - FIXED LIABILITIES**

Fixed liabilities consist of the following:

Payroll related costs	<u>\$ 6,780.00</u>
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Changes in fixed liabilities are as follows:

Bal., beg. of period and end of period	<u>\$ 6,780.00</u>
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**NOTE 6 - CONTINGENCIES**

The entity is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refunds by the entity to federal grantors and/or program beneficiaries.

**SUPPLEMENTAL FINANCIAL INFORMATION**

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Balance Sheet - Statutory Basis  
September 30, 1997

Annual Contributions Contract FW-2205

Assets	
Cash	\$ 60,402.00
Accounts receivable-tenants	7,494.89
Accounts receivable-other	.04
Prepaid insurance	10,032.03
Fixed assets	3,613,472.58
	<hr/>
Total Assets	\$ 3,691,401.54
	<hr/> <hr/>
Liabilities and Surplus	
Tenants' security deposits	\$ 8,462.00
Accounts payable-HUD	15,475.57
Accounts payable-other	5,096.08
Accrued PILOT	17,598.16
	<hr/>
Total liabilities	\$ 46,631.81
Surplus	3,644,769.73
	<hr/>
Total Liabilities and Surplus	\$ 3,691,401.54
	<hr/> <hr/>

See accountant's report.

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Statement of Income and Expenses - Statutory Basis  
Owned Housing Program  
Year Ended September 30, 1997

Annual Contributions Contract FW-2205

Operating income	
Dwelling rental	\$ 100,486.58
Interest on general fund investments	929.86
Other income	10,257.25
	<hr/>
Total operating income	\$ 111,673.69
	<hr/>
Operating Expenses	
Administration	\$ 63,027.95
Utilities	2,063.92
Ordinary maintenance and operation	49,631.06
General expense	55,589.06
	<hr/>
Total operating expenses	\$ 170,311.99
	<hr/>
Net Income (Loss)	\$ ( 58,638.30)

See accountant's report.

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Analysis of Surplus - Statutory Basis  
Year Ended September 30, 1997

Annual Contributions Contract FW-2205

Unreserved surplus	
Balance per 9-30-96 audit	\$ (2,203,917.73)
Net income (loss) FYE 9-30-97	( 58,638.30)
OR provision FYE 9-30-97	( 5,806.70)
	<hr/>
Balance at 9-30-97	\$ (2,268,362.73)
	<hr/>
Reserved surplus	
Balance per 9-30-96 audit	\$ 21,016.90
OR provision FYE 9-30-97	5,806.70
	<hr/>
Balance at 9-30-97	\$ 26,823.60
	<hr/>
Cumulative contributions from HUD	
Balance per 9-30-96 audit	\$ 5,313,908.86
Operating subsidy FYE 9-30-97	64,908.00
	<hr/>
Balance at 9-30-97	\$ 5,378,816.86
	<hr/>
Grants from HUD	
Balance per 9-30-96 audit	\$ 490,911.00
Grants FYE 9-30-97	16,581.00
	<hr/>
Balance at 9-30-97	\$ 507,492.00
	<hr/>
Total Surplus	\$ 3,644,769.73
	<hr/> <hr/>

See accountant's report.



Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Computation of Residual Receipts and Accruing Annual Contributions  
Owned Housing Program  
Year Ended September 30, 1997

Annual Contributions Contract FW-2205

Computation of Residual Receipts

Operating receipts	
Operating income	\$ 111,673.69
HUD operating subsidy	64,908.00
Total operating receipts	<u>\$ 176,581.69</u>
Operating expenditures	
Operating expenses	\$ 170,311.99
Capital expenditures	463.00
Total operating expenditures	<u>\$ 170,774.99</u>
RR before provision for reserve, per audit	\$ 5,806.70
RR before provision for reserve, per PHA	\$ 5,806.70
Provision for operating reserve	( 5,806.70)
Residual receipts per PHA	<u><u>\$ .00</u></u>

See accountant's report.

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Schedule of Modernization Costs  
September 30, 1997

Annual Contributions Contract FW-2205

1. Funds approved	\$ 507,492.00
Funds expended	503,441.45
Excess of funds approved	<u>\$ 4,050.55</u>

2. Funds advanced	\$ 507,492.00
Funds expended	503,441.45
Excess (deficiency) of funds advanced	<u>\$ 4,050.55</u>

See accountant's report.

Housing Authority of the Town of Winnfield  
Winnfield, Louisiana

Analysis of General Fund Cash Balance  
September 30, 1997

Annual Contributions Contract FW-2205

Assets and Other Items	
Cash	\$ 60,402.00
Adjustment for CIAP/CGP funding	( 4,050.55)
Accounts receivable-tenants	7,494.89
Accounts receivable-other	.04
Prepaid insurance	10,032.03
	<hr/>
Total	\$ 73,878.41
	<hr/> <hr/>

Liabilities, Reserves, and Other Items	
Tenants' security deposits	\$ 8,462.00
Accounts payable-HUD	15,475.57
Accounts payable-other	5,096.08
Accrued PILOT	17,598.16
Operating reserve per PHA	26,823.60
Audit adjustments affecting OR (backed out)	423.00
	<hr/>
Total	\$ 73,878.41
	<hr/> <hr/>

See accountant's report.

NON-FINANCIAL SECTION

## ATTESTATION REPORT

### Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Management of Housing Authority of the Town of Winnfield

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Housing Authority of the Town of Winnfield and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Housing Authority of the Town of Winnfield's compliance with certain laws and regulations during the year ended September 30, 1997 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

#### *Public Bid Law*

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

One expenditure was made during the year for materials and supplies exceeding \$5,000. We examined documentation which indicated that all of these expenditures had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

#### *Code of Ethics for Public Officials and Public Employees*

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management did not provide us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

We were not able to determine if the employees included on the list of employees provided by management [agreed-upon procedure (3)] were board members or their family members since management did not provide the list required by agreed-upon procedure (2).

#### *Budgeting*

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on August 28, 1996, which indicated that the budget had been adopted by the commissioners of Housing Authority of the Town of Winnfield by a vote of 4 in favor and none opposed. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

*Accounting and Reporting*

8. Randomly select 6 disbursement made during the period under examination and:  
(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

All of the payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Executive Director and the chairman of the Board of Commissioners.

*Meetings*

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Housing Authority of the Town of Winnfield is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. We noted such a notice on the office door during the fieldwork.

*Debt*

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

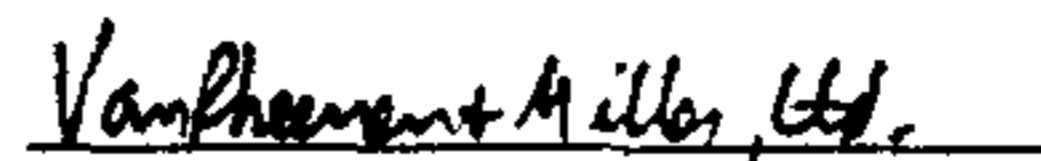
*Advances and Bonuses*

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the district for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of any opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Housing Authority of the Town of Winnfield and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

  
VanRheenen & Miller, Ltd.  
Certified Public Accountants