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**Housing Authority of the City of Minden
Minden, Louisiana**

**Financial Statements and Supplemental Financial Information
Year Ended June 30, 1999
with
Reports of Certified Public Accountants
on Financial and Compliance Examination**

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 1-19-2000

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

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FINANCIAL SECTION

Independent Auditors' Report

Board of Commissioners
Housing Authority of the City of Minden
1209 East Street
Minden, LA 71055

We have audited the accompanying general purpose and combining financial statements of Housing Authority of the City of Minden as of June 30, 1999, and for the year then ended, as listed in the table of contents. These general purpose and combining financial statements, the schedule of expenditures of federal awards, and the supplemental financial information - statutory basis referred to below are the responsibility of the authority's management. Our responsibility is to express an opinion on these general purpose and combining financial statements based on our audit.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the general purpose and combining 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 and combining financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose and combining financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose and combining financial statements referred to above present fairly, in all material respects, the financial position of Housing Authority of the City of Minden as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated November 18, 1999 on our consideration of Housing Authority of the City of Minden's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general purpose and combining financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose and combining financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose and combining financial statements, taken as a whole.

The accompanying financial information listed as supplemental financial information - statutory basis in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Housing Authority of the City of Minden. As described in Note 1, the supplemental financial information - statutory basis 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 supplemental financial information - statutory basis has been subjected to the auditing procedures applied in the audit of the general purpose and combining financial statements and, in our opinion, is fairly presented in all material respects in conformity with the comprehensive basis of accounting described in Note 1.

The supplemental financial information-GASB required information is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that Housing Authority of the City of Minden is or will become year 2000 compliant, that Housing Authority of the City of Minden's year 2000 remediation efforts will be successful in whole or in part, or that parties with which Housing Authority of the City of Minden does business are or will become year 2000 compliant.

November 18, 1999

VanRheenen & Miller, Ltd.
VanRheenen & Miller, Ltd.
Certified Public Accountant

GENERAL PURPOSE FINANCIAL STATEMENTS

**Housing Authority of the City of Minden
Minden, Louisiana**

**Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1999**

	Governmental Fund Types		Account Groups		Memo Totals 1999
	Special Revenue	Debt Service	General Fixed Assets	General Long-term Debt	
Assets and Other Debits					
Assets:					
Cash	\$ 226,731.23	\$ -	\$ -	\$ -	\$ 226,731.23
Investments	275,727.64	-	-	-	275,727.64
Receivables:					
Accounts	9,289.50	-	-	-	9,289.50
Other governments	11,939.19	152,670.06	-	-	164,609.25
Interest	4,603.71	-	-	-	4,603.71
Other	25.00	-	-	-	25.00
Due from other funds	12,439.36	-	-	-	12,439.36
Prepaid items	28,469.29	-	-	-	28,469.29
Deferred charges	1,876.42	-	-	-	1,876.42
Restricted assets:					
Cash	-	413.51	-	-	413.51
Fixed assets	-	-	10,513,757.78	-	10,513,757.78
Other debits:					
Amount available in debt service fund	-	-	-	153,083.57	153,083.57
Amount to be provided for retirement of general long term debt	-	-	-	2,866,371.12	2,866,371.12
Total Assets and Other Debits	\$ 571,101.34	\$ 153,083.57	\$ 10,513,757.78	\$ 3,019,454.69	\$ 14,257,397.38
Liabilities, Equity, and Other Credits					
Liabilities:					
Accounts payable:					
Trade	\$ 8,488.81	\$ -	\$ -	\$ -	\$ 8,488.81
Other governments	47,232.86	-	-	-	47,232.86
Payroll taxes withheld and accrued	1,355.38	-	-	-	1,355.38
Security deposits	21,275.00	-	-	-	21,275.00
Due to other funds	12,439.36	-	-	-	12,439.36
Accrued PILOT	7,741.72	-	-	-	7,741.72
Deferred revenue	6,145.43	-	-	-	6,145.43
Fixed liabilities	-	-	-	3,019,454.69	3,019,454.69
Total liabilities	104,678.56	-	-	3,019,454.69	3,124,133.25
Equity and Other Credits:					
Investment in general fixed assets	-	-	10,513,757.78	-	10,513,757.78
Fund balances:					
Reserved for debt service	-	153,083.57	-	-	153,083.57
Reserved for prepaids	28,469.29	-	-	-	28,469.29
Unreserved, undesignated	437,953.49	-	-	-	437,953.49
Total Equity and Other Credits	466,422.78	153,083.57	10,513,757.78	-	11,133,264.13
Total Liabilities, Equity and Other Credits	\$ 571,101.34	\$ 153,083.57	\$ 10,513,757.78	\$ 3,019,454.69	\$ 14,257,397.38

The accompanying notes are an integral part of the financial statements.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Governmental Fund Types
Year Ended June 30, 1999**

	<u>Governmental Fund Types</u>		Memo Totals 1999
	<u>Special Revenue</u>	<u>Debt Service</u>	
Revenues:			
Rents	\$ 220,664.89	\$ -	\$ 220,664.89
Charges for services	16,215.73	-	16,215.73
Management fees	21,081.75	-	21,081.75
Operational subsidies/grants	667,200.60	152,670.06	819,870.66
Interest	19,412.27	-	19,412.27
Miscellaneous	656.59	-	656.59
Total Revenues	<u>945,231.83</u>	<u>152,670.06</u>	<u>1,097,901.89</u>
Expenditures			
Current:			
Housing operations			
Administration	157,907.39	-	157,907.39
Tenant services	8,919.67	-	8,919.67
Utilities	41,028.24	-	41,028.24
Ordinary maintenance and operations	181,379.53	-	181,379.53
General expense	143,699.37	-	143,699.37
Housing assistance	371,113.61	-	371,113.61
Capital outlay	5,255.00	-	5,255.00
Debt service			
Principal	-	67,308.47	67,308.47
Interest	-	85,303.52	85,303.52
Total Expenditures	<u>909,302.81</u>	<u>152,611.99</u>	<u>1,061,914.80</u>
Excess of Revenues over (under) Expenditures	35,929.02	58.07	35,987.09
Fund balances, beginning of period	<u>430,493.76</u>	<u>153,025.50</u>	<u>583,519.26</u>
Fund Balance, end of period	<u>\$ 466,422.78</u>	<u>\$ 153,083.57</u>	<u>\$ 619,506.35</u>

The accompanying notes are an integral part of the financial statements.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - All Governmental Fund Types
Year Ended June 30, 1999**

	Special Revenue Funds		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<i>Revenues:</i>			
Rents	\$ 219,034.00	\$ 220,664.89	\$ 1,630.89
Charges for services	16,466.00	16,215.73	(250.27)
Management fees	21,000.00	21,081.75	81.75
Operational subsidies/grants	665,043.00	667,200.60	2,157.60
Interest	2,425.00	19,412.27	16,987.27
Miscellaneous	-	656.59	656.59
	<u>923,968.00</u>	<u>945,231.83</u>	<u>21,263.83</u>
Total Revenues			
<i>Expenditures</i>			
<i>Current:</i>			
Administrative salaries	120,300.00	115,566.35	4,733.65
Professional fees	14,850.00	15,174.67	(324.67)
Staff training	1,500.00	1,765.31	(265.31)
Travel	8,300.00	6,781.26	1,518.74
Sundry administration	22,800.00	18,619.80	4,180.20
Tenant services	13,000.00	8,919.67	4,080.33
Utilities	45,000.00	41,028.24	3,971.76
Maintenance salaries	108,000.00	114,470.07	(6,470.07)
Maintenance materials	30,000.00	32,362.85	(2,362.85)
Other maintenance costs	37,120.00	34,546.61	2,573.39
Insurance	50,950.00	48,545.62	2,404.38
PILOT	7,741.00	7,741.71	(0.71)
Employee benefits	81,100.00	75,331.42	5,768.58
Collection losses	1,500.00	4,280.08	(2,780.08)
Miscellaneous	1,959.00	7,800.54	(5,841.54)
Housing assistance payments	375,609.00	371,113.61	4,495.39
Capital expenditures	12,108.00	5,255.00	6,853.00
	<u>931,837.00</u>	<u>909,302.81</u>	<u>22,534.19</u>
Total Expenditures			
Excess of Revenues over (under) Expenditures	<u>\$ (7,869.00)</u>	35,929.02	<u>\$ 43,798.02</u>
Fund balances, beginning of period		<u>430,493.76</u>	
Fund Balance, end of period		<u>\$ 466,422.78</u>	

The accompanying notes are an integral part of the financial statements.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Notes to the Financial Statements
June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction.

The financial statements of the entity have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. 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.

The following is a summary of significant accounting policies:

A. Reporting Entity.

The entity is a public corporation, legally separate, fiscally independent and governed by Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the financial position and results of operations of Housing Authority of the City of Minden, 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.

B. Basis of Presentation.

1. **Funds and Account Groups.** 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 accounts are grouped, in the financial statements in this report, into the following 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.

Debt service fund - The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term principal, interest, and related costs.

Account Groups

The account groups are used to account for fixed assets and long-term liabilities which are not reported in the respective governmental funds.

2. **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.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Notes to the Financial Statements (Continued)
June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Land, Structures, and Equipment. Land, structures and equipment 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 "infrastructure" assets (streets, curbs, sidewalks, drainage system, and similar assets that are immovable) which are paid for by the entity.
4. Capitalized Interest. 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.
5. Long-term Liabilities. Long-term liabilities expected to be financed from governmental fund types are accounted for in the General Long-Term Debt Account Group. Expenditures related to such debt are reflected in the Debt Service Fund.
6. Fund Balance Reservations. 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.

C. Basis of Accounting.

1. Modified Accrual Basis of Accounting. All governmental fund types are accounted for using the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. 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 reported as expenditures in the year due.

The entity does not utilize encumbrance accounting.

2. Supplemental Financial Information - Statutory Basis. The supplemental financial information - statutory basis 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. Premiums and/or discounts on bonds are recognized in income or expense in the year bonds are sold.
 - f. The cost of accumulated unpaid vacation and sick leave is not accrued.
 - g. Financial statement formats vary from GAAP.
 - h. Expenditures under the Inland Foundation Grant are recorded on a project-life basis. Upon fulfillment of the grant agreement, noncapitalized expenditures are closed into surplus.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Notes to the Financial Statements (Continued)
June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- i. The entity does not utilize encumbrance accounting.
- j. 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.
- k. 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.

D. Budgetary Data.

1. Budget Policy and Practice. The entity follows these procedures in establishing the budgetary data reflected in the financial statements:
 - a. 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.
 - b. Budgets for the Debt Service Fund are not prepared inasmuch as all revenues and expenditures of this fund are controlled by and processed by HUD. The entity records Debt Service Fund transactions from documents supplied by HUD.
2. Encumbrances. Encumbrance accounting is not utilized by the entity.
3. Budget Basis of Accounting. The budgets are prepared on the statutory basis of accounting as prescribed by HUD.

E. Assets, Liabilities and Fund Equity.

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

F. Revenue, Expenditures and Expenses.

1. Compensated Absences. Vested and earned vacation and sick leave 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.
2. Income Taxes. The entity is not subject to federal or state income taxes.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Notes to the Financial Statements (Continued)
June 30, 1999**

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Deposits

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 (FDIC) insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at June 30, 1999. 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. (This includes bank balances that are collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name.)

Cash Deposits, categorized by level of risk, are:

Total Bank Balances	Category		
	1	2	3
\$ 240,816.49	\$ 240,816.49	\$.00	\$.00

B. Investments

Investing is performed in accordance with HUD regulations and State Statues. Funds may be invested in the following type of investments:

1. Direct obligations of the United States pledged by its full faith and credit
2. Obligations of Federal government agencies and government sponsored agencies
3. Demand, savings, money-market, certificates of deposit, and Super NOW deposits at commercial banks, mutual savings banks, savings and loan associations and credit unions provided that the entire deposit be insured by the FDIC or the National Credit Union Share Insurance Fund (NCUSIF) and any deposits in excess of insured amounts are adequately collateralized.
4. Certain municipal depository funds and local government investment pools provided that all investments made by these funds or pools are on the HUD-approved list of investment securities. The entity must limit its investments in this category to no more than 30 percent of the entity's available investment funds.
5. Repurchase agreements for a term of 30 days or less entered into with Federally insured depository institutions for purchase and sale of securities identified in 1 and 2 above.
6. Certain no-load, open-end mutual funds investing in only HUD-approved investment securities. The entity must limit its investment in this category to no more than 20 percent of the entity's available investment funds.

The entity's investments are categorized to give an indication of the level of risk assumed by the entity at June 30, 1999. The categories are:

- Category 1 - Insured or registered, with securities held by the entity or its agent in the entity's name
- Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the entity's name
- Category 3 - Uninsured and Unregistered, with securities held by the counterparty, or its trust department or agent but not in the entity's name

**Housing Authority of the City of Minden
Minden, Louisiana**

**Notes to the Financial Statements (Continued)
June 30, 1999**

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

Investments, categorized by level of risk, are:

Types of Investments	Category			Fair Value/ Carrying Value	Cost
	1	2	3		
Deposits at federally insured depositories	\$ 275,727.64	\$.00	\$.00	\$ 275,727.64	\$ 275,727.64

NOTE 3 - RESTRICTED CASH

Restricted cash consists of the following:

Debt Service Fund	\$ 413.51
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NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

The following schedule as of June 30, 1999 represents interfund receivables and payables:

Fund Type	Interfund Receivables	Interfund Payables
Special Revenue:		
Owned Housing	\$ 4.75	\$.00
Certificate Housing	12,434.61	.00
Voucher Housing	.00	12,434.61
Management Fee	.00	4.75
Total	<u>\$ 12,439.36</u>	<u>\$ 12,439.36</u>

NOTE 5 - FIXED ASSETS

Changes in fixed assets are as follows:

	Beg. of Period	Additions	Deletions	End of Period
Land, land impvts.	\$ 443,993.88	\$.00	\$.00	\$ 443,993.88
Building	9,742,170.45	.00	.00	9,742,170.45
Equipment	331,837.45	5,255.00	(9,499.00)	327,593.45
Total	<u>\$ 10,518,001.78</u>	<u>\$ 5,255.00</u>	<u>\$ (9,499.00)</u>	<u>\$10,513,757.78</u>

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 6 - FIXED LIABILITIES

Fixed liabilities consist of the following:

	Interest Rate	Principal Balance
Payroll related costs		\$ 27,932.71
HUD notes payable	various	1,602,658.91
FFB note dated September 27, 1983	6.600%	690,676.67
Bonds payable, June 1, 1972 series	5.125%	698,186.40
Total		<u>\$ 3,019,454.69</u>

**Housing Authority of the City of Minden
Minden, Louisiana**

**Notes to the Financial Statements (Continued)
June 30, 1999**

NOTE 6 - FIXED LIABILITIES (Continued)

HUD notes payable are held and guaranteed by HUD. Under provisions of the federal Debt Forgiveness Act of 1985, these notes and accrued interest on these notes are to be forgiven by HUD. Timing of this action is uncertain.

The Federal Financing Bank note is payable in annual installments of \$80,798.74, including principal and interest. All annual installments to maturity are payable by HUD. The note matures November 1, 2011.

The bonds mature in series annually in varying amounts with the final maturity date in 2013. All required debt service to maturity on the bonds, including principal and interest, is payable by HUD under a debt service contract with the entity.

Changes in fixed liabilities are as follows:

	FFB Notes	HUD Notes	Bonds	Payroll Related Costs
Bal., beg. of period	\$ 723,710.52	\$ 1,602,658.91	\$ 732,461.02	\$ 23,349.99
Principal retirement	(33,033.85)	.00	(34,274.62)	.00
Net Change	.00	.00	.00	4,582.72
Bal., end of period	<u>\$ 690,676.67</u>	<u>\$ 1,602,658.91</u>	<u>\$ 698,186.40</u>	<u>\$ 27,932.71</u>

Scheduled retirements of fixed liabilities are as follows:

	FFB Notes	Bonds	Interest	Total
Within first year	\$ 35,214.08	\$ 35,544.05	\$ 79,161.10	\$ 149,919.23
Within second year	37,419.69	38,082.91	74,751.25	150,253.85
Within third year	40,007.91	40,621.76	70,158.98	150,788.65
Within fourth year	42,648.43	41,891.20	68,077.42	152,617.05
Within fifth year	45,463.23	43,160.63	63,115.39	151,739.25
Thereafter	489,923.33	498,885.85	251,880.60	1,240,689.78

NOTE 7 - RETIREMENT PLAN

The entity provides pension benefits for all of its full-time employees through the Housing Renewal and Local Agency Retirement Plan (the "Plan"). The Plan is a single-employer defined contribution plan and is administered by the Housing Authority of the City of Minden. The Plan is authorized and may be amended by the entity's Board of Commissioners.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate after a six month exclusionary period. The employee contributes a minimum of 5% and the entity contributes 5% of the employee's base salary each month. The entity's contributions for each employee (and interest allocated to the employee's account) are vested 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

The entity's total payroll in fiscal year ended June 30, 1999 was \$244,530.64. The entity's contributions were calculated using the base salary amount of \$230,170.60. Contributions to the plan were \$12,348.31 and \$11,508.53 by the employee and the entity, respectively.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Notes to the Financial Statements (Continued)
June 30, 1999**

NOTE 8 - RESTATEMENT OF FUND BALANCE

During the fiscal year ending June 30, 1999, the PHA elected to separate its management fee account from its owned housing program. As a result, the following adjustments have been made to the beginning balances on the combining financial statements:

	Owned Housing Program	Management Fee Account
Balance per prior audit	\$ 332,580.79	\$.00
Reclass management fee account fund balance	(27,615.65)	27,615.65
Restated balance at June 30, 1998	\$ 304,965.14	\$ 27,615.65

This restatement does not effect the combined financial statements since both the owned housing program and the management fee account are considered special revenue funds.

The PHA administers a grant for the Webster Parrish Literacy Program. All grant funds are advanced to an account owned by LVA/ Centenary College. In the prior financial statements, the funds in this account were included as cash for the PHA. The following restatement is needed to properly reflect this grant on an expenditure - driven basis (i.e., revenues are only recognized when the expenditure has occurred.)

	Inland Foundation Grant	Special Revenue Fund
Balance per June 30, 1998 audit	\$ 8,024.90	\$ 438,518.66
Remove excess cash from PHA accounts	(8,024.90)	(8,024.90)
Restated balance at June 30, 1998	\$.00	\$ 430,493.76

NOTE 9 - COMPENSATION OF BOARD MEMBERS

The entity provides compensation to its board members on a per diem basis. Each board member is provided \$75.00 per month. The following schedule represents the total per diem payments made to board members for the fiscal year ending June 30, 1999:

Gary Daniel	\$ 750.00
Phillip Hendry	600.00
Larry Johnston	825.00
Grover Lewis	900.00
Geneva Nelson	675.00
Total	\$ 3,750.00

NOTE 10 - 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.

COMBINING STATEMENTS

**Housing Authority of the City of Minden
Minden, Louisiana**

**Combining Balance Sheet - All Special Revenue Funds
June 30, 1999**

	Owned Housing FW-2026	Certificate Housing FW-2100	Voucher Housing FW-2100	Management Fee Account	Totals
Assets and Other Debits					
Assets:					
Cash	\$ 101,476.54	\$ 83,149.99	\$ 13,359.92	\$ 28,744.78	\$ 226,731.23
Investments	247,824.12	27,903.52	-	-	275,727.64
Receivables:					
Accounts	9,289.50	-	-	-	9,289.50
Other governments	-	-	11,939.19	-	11,939.19
Interest	4,173.64	430.07	-	-	4,603.71
Other	-	25.00	-	-	25.00
Due from other funds	4.75	12,434.61	-	-	12,439.36
Prepaid items	28,469.29	-	-	-	28,469.29
Deferred charges	1,876.42	-	-	-	1,876.42
Total Assets and Other Debits	\$ 393,114.26	\$ 123,943.19	\$ 25,299.11	\$ 28,744.78	\$ 571,101.34
 Liabilities, Equity, and Other Credits					
Liabilities:					
Accounts payable:					
Trade	\$ 8,488.81	\$ -	\$ -	\$ -	\$ 8,488.81
Other governments	27,556.90	19,675.96	-	-	47,232.86
Payroll taxes withheld and accrued	1,175.90	179.48	-	-	1,355.38
Security deposits	21,275.00	-	-	-	21,275.00
Due to other funds	-	-	12,434.61	4.75	12,439.36
Accrued PILOT	7,741.72	-	-	-	7,741.72
Deferred revenue	4,749.51	1,395.92	-	-	6,145.43
Total liabilities	70,987.84	21,251.36	12,434.61	4.75	104,678.56
 Equity and Other Credits:					
Fund balances:					
Reserved for prepaids	28,469.29	-	-	-	28,469.29
Unreserved, undesignated	293,657.13	102,691.83	12,864.50	28,740.03	437,953.49
Total Equity and Other Credits	322,126.42	102,691.83	12,864.50	28,740.03	466,422.78
Total Liabilities, Equity and Other Credits	\$ 393,114.26	\$ 123,943.19	\$ 25,299.11	\$ 28,744.78	\$ 571,101.34

The accompanying notes are an integral part of the financial statements.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Combining Statement of Revenue, Expenditures, and Changes in Fund Balances -
All Special Revenue Funds
Year Ended June 30, 1999**

	Owned Housing FW-2026	Certificate Housing FW-2100	Voucher Housing FW-2100	Inland Foundation Grant	Management Fee Account	Totals
Revenues:						
Rents	\$ 220,664.89	-	-	-	-	220,664.89
Charges for services	16,215.73	-	-	-	-	16,215.73
Management fees	-	-	-	-	21,081.75	21,081.75
Operational subsidies/grants	230,794.00	389,637.04	41,012.19	5,757.37	-	667,200.60
Interest	14,660.63	3,664.20	369.02	-	718.42	19,412.27
Miscellaneous	552.50	-	104.09	-	-	656.59
Total Revenues	482,887.75	393,301.24	41,485.30	5,757.37	21,800.17	945,231.83
Expenditures						
Current:						
Administrative salaries	76,753.65	24,328.80	1,831.20	-	12,652.70	115,566.35
Professional fees	12,474.67	2,170.00	530.00	-	-	15,174.67
Staff training	1,765.31	-	-	-	-	1,765.31
Travel	2,988.26	-	-	-	3,793.00	6,781.26
Sundry administration	8,701.43	4,587.85	1,100.43	-	4,230.09	18,619.80
Tenant services	8,919.67	-	-	-	-	8,919.67
Utilities	41,028.24	-	-	-	-	41,028.24
Maintenance salaries	114,470.07	-	-	-	-	114,470.07
Maintenance materials	32,362.85	-	-	-	-	32,362.85
Other maintenance costs	34,196.52	350.09	-	-	-	34,546.61
Insurance	47,629.34	878.88	37.40	-	-	48,545.62
PILOT	7,741.71	-	-	-	-	7,741.71
Employee benefits	68,136.64	7,194.78	-	-	-	75,331.42
Collection losses	4,280.08	-	-	-	-	4,280.08
Miscellaneous	800.03	1,242.33	0.81	5,757.37	-	7,800.54
Housing assistance payments	-	336,613.14	34,500.47	-	-	371,113.61
Capital Expenditures:	3,478.00	1,777.00	-	-	-	5,255.00
Total Expenditures	465,726.47	379,142.87	38,000.31	5,757.37	20,675.79	909,302.81
Excess of Revenues (over) (under) Expenditures	17,161.28	14,158.37	3,484.99	-	1,124.38	35,929.02
Fund Balance, beginning of period	304,965.14	88,533.46	9,379.51	-	27,615.65	430,493.76
Fund Balance, end of period	\$ 322,126.42	\$ 102,691.83	\$ 12,864.50	\$ -	\$ 28,740.03	\$ 466,422.78

The accompanying notes are an integral part of the financial statements.

SUPPLEMENTAL FINANCIAL INFORMATION - STATUTORY BASIS

**Housing Authority of the City of Minden
Minden, Louisiana**

**Balance Sheet - Statutory Basis
June 30, 1999**

	<u>Owned Housing FW-2026</u>	<u>Certificate Housing FW-2100</u>	<u>Voucher Housing FW-2100</u>
<u>Assets</u>			
Cash-checking and on hand	\$ 101,476.54	\$ 83,149.99	\$ 13,359.92
Investments	251,997.76	28,333.59	-
Accounts receivable-tenants	9,289.50	-	-
Accounts receivable-HUD	-	-	11,939.19
Accounts receivable-intra agency	4.75	12,434.61	-
Accounts receivable-other	-	25.00	-
Prepaid insurance	28,469.29	-	-
Debt amortization funds	153,083.57	-	-
Deferred charges	1,876.42	-	-
Fixed assets	<u>10,494,797.79</u>	<u>14,966.23</u>	<u>3,993.76</u>
Total Assets	<u>\$ 11,040,995.62</u>	<u>\$ 138,909.42</u>	<u>\$ 29,292.87</u>
<u>Liabilities and Surplus</u>			
Tenants' security deposits	\$ 21,275.00	\$ -	\$ -
Accounts payable-HUD	27,556.90	19,675.96	-
Accounts payable-intra agency	-	-	12,434.61
Accounts payable-other	8,488.81	-	-
Accrued and withheld payroll taxes	1,175.90	179.48	-
Accrued PILOT	7,741.72	-	-
FSS Escrow	-	1,395.92	-
Tenants' prepaid rents	2,580.79	-	-
Deferred credits	2,168.72	-	-
Accrued interest	1,402,956.48	-	-
Fixed liabilities	<u>2,991,521.98</u>	<u>-</u>	<u>-</u>
Total liabilities	4,465,466.30	21,251.36	12,434.61
Surplus	<u>6,575,529.32</u>	<u>117,658.06</u>	<u>16,858.26</u>
Total Liabilities and Surplus	<u>\$ 11,040,995.62</u>	<u>\$ 138,909.42</u>	<u>\$ 29,292.87</u>

Housing Authority of the City of Minden
Minden, Louisiana

Statement of Income and Expenses - Statutory Basis
Owned Housing Program
Year Ended June 30, 1999

Annual Contributions Contract FW-2026

Operating income	
Dwelling rental	\$ 220,664.89
Interest on general fund investments	14,660.63
Other Income	<u>16,215.73</u>
Total operating income	<u>251,541.25</u>
Operating Expenses	
Administration	102,683.32
Tenant services	8,919.67
Utilities	41,028.24
Ordinary maintenance and operations	161,309.05
General expense	128,914.86
Nonroutine maintenance	<u>19,720.39</u>
Total operating expenses	<u>462,575.53</u>
Net operating income (loss) before other items	(211,034.28)
Other charges (credits)	
Interest expense	83,649.45
Prior year adjustments affecting residual receipts	10,772.63
Prior year adjustments not affecting residual receipts	(5,334.00)
Loss from disposition of equipment	<u>8,946.50</u>
Total other charges (credits)	<u>98,034.58</u>
Net Income (Loss)	<u>\$ (309,068.86)</u>

Housing Authority of the City of Minden
Minden, Louisiana

Statement of Income and Expenses - Statutory Basis
Certificate Housing Program
Year Ended June 30, 1999

Annual Contributions Contract FW-2100

Operating income	
Interest on operating reserve investments	\$ 3,664.20
	<u>3,664.20</u>
Total operating income	
	<u>3,664.20</u>
Operating Expenses	
Housing assistance payments	336,613.14
Administrative expenses	31,086.65
Maintenance and operation	350.09
General expenses	9,315.99
Prior year adjustment affecting residual receipts	<u>(1,730.82)</u>
	<u>375,635.05</u>
Total operating expenses	
	<u>375,635.05</u>
Net Loss	<u>\$ (371,970.85)</u>

Housing Authority of the City of Minden
Minden, Louisiana

Statement of Income and Expenses - Statutory Basis
Voucher Housing Program
Year Ended June 30, 1999

Annual Contributions Contract FW-2100

Operating income	
Interest on general fund investments	\$ <u>369.02</u>
Total operating income	<u>369.02</u>
Operating Expenses	
Housing assistance payments	34,500.47
Administrative expenses	3,461.63
General expenses	<u>37.40</u>
Total operating expenses	<u>37,999.50</u>
Net Loss	<u>\$ (37,630.48)</u>

**Housing Authority of the City of Minden
Minden, Louisiana**

**Analysis of Surplus - Statutory Basis
June 30, 1999**

	Owned Housing FW-2026	Certificate Housing FW-2100	Voucher Housing FW-2100
Unreserved surplus			
Balance per 6-30-98 audit	\$ (5,814,744.17)	\$ (6,316,333.53)	\$ (123,247.77)
Prior audit AJEs subsequently booked	5,765.69	(1,730.82)	-
HUD adjustment prior year	-	(30,793.00)	5,411.72
Adjustment for rounding on HUD Form 52681	-	(0.30)	0.81
Net income (loss) FYE 6-30-99	(309,068.86)	(371,970.85)	(37,630.48)
OR provision FYE 6-30-99	(14,550.40)	(15,889.19)	(3,381.71)
HAP project provision FYE 6-30-99	-	(78,159.96)	(12,592.81)
Balance at 6-30-99	<u>(6,132,597.74)</u>	<u>(6,814,877.65)</u>	<u>(171,440.24)</u>
Reserved Surplus			
Balance per 6-30-98 audit	343,680.48	86,802.34	9,380.32
HUD adjustment to prior year	-	-	103.28
Separate management fee account	(27,615.65)	-	-
Adjustment for rounding on HUD Form 52681	-	0.30	(0.81)
OR provision FYE 6-30-99	14,550.40	15,889.19	3,381.71
Balance at 6-30-99	<u>330,615.23</u>	<u>102,691.83</u>	<u>12,864.50</u>
Project account - unfunded- HAP			
Balance per 6-30-98 audit	-	133,393.00	23,247.00
HUD adjustment prior year	-	30,793.00	(5,515.00)
HAP project provision FYE 6-30-99	-	78,159.96	12,592.81
Balance at 6-30-99	<u>-</u>	<u>242,345.96</u>	<u>30,324.81</u>
Cumulative contributions from HUD			
Balance per 6-30-98 audit	7,319,334.77	6,186,533.82	103,993.72
HUD adjustment prior year	-	-	103.28
Contribution FYE 6-30-99	152,670.06	389,637.04	41,012.19
Operating subsidy FYE 6-30-99	230,794.00	-	-
Balance at 6-30-99	<u>7,702,798.83</u>	<u>6,576,170.86</u>	<u>145,109.19</u>
Grants from HUD			
Balance per 6-30-98 audit	4,674,713.00	-	-
Grants FYE 6-30-99	-	-	-
Balance at 6-30-99	<u>4,674,713.00</u>	<u>-</u>	<u>-</u>
Cumulative donations			
Balance per 6-30-98 audit	-	11,327.06	-
Contribution FYE 6-30-99	-	-	-
Balance at 6-30-99	<u>-</u>	<u>11,327.06</u>	<u>-</u>
Total Surplus	<u>\$ 6,575,529.32</u>	<u>\$ 117,658.06</u>	<u>\$ 16,858.26</u>

Housing Authority of the City of Minden
Minden, Louisiana

**Computation of Residual Receipts and Accruing Annual Contributions
Owned Housing Program
Year Ended June 30, 1999**

Annual Contributions Contract FW-2026

Computation of Residual Receipts	
Operating receipts	
Operating income	\$ 251,541.25
Proceeds, personal property sale	552.50
HUD operating subsidy	<u>230,794.00</u>
Total operating receipts	<u>482,887.75</u>
Operating expenditures	
Operating expenses	462,575.53
Prior year adjustments affecting residual receipts	10,772.63
Capital expenditures	<u>3,478.00</u>
Total operating expenditures	<u>476,826.16</u>
Residual Receipts before provision for reserve, per audit	6,061.59
Audit adjustments (backed out)	<u>8,488.81</u>
Residual Receipts before provision for reserve, per PHA	14,550.40
Provision for operating reserve	<u>(14,550.40)</u>
Residual receipts per PHA	<u>\$ (0.00)</u>
Computation of Accruing Annual Contributions	
Fixed annual contributions*	\$ 153,450.76
Less interest savings	<u>(780.70)</u>
Total annual contribution accrued	152,670.06
Less amount available for reduction of annual contribution - Residual Receipts above	<u>(0.00)</u>
Accruing annual contribution	<u>\$ 152,670.06</u>

* Subject to adjustment by HUD.

**Housing Authority of the City of Minden
Minden, Louisiana**

**Computation of Annual Contributions Earned and Project Account and Operating Reserve Changes
Certificate Housing Program
Year Ended June 30, 1999**

Annual Contributions Contract FW-2100

Maximum Contribution Available	
Maximum annual contribution authorized	\$ 467,797.00
Project account, beginning of year	<u>164,186.00</u>
 Total annual contribution available	 <u>631,983.00</u>
 Annual Contributions Required	
Housing assistance payments	336,613.14
Administrative fee	51,678.90
Hard-to-house fee	495.00
Audit fee	<u>850.00</u>
 Total funds required	 389,637.04
Less project receipts other than annual contribution	<u>-</u>
 Total annual contribution required	 <u>389,637.04</u>
 Project Account Change	
New project account balance	<u>\$ 242,345.96</u>
 Annual Contributions Earned - lesser of contribution available or required	 <u>\$ 389,637.04</u>
 Operating Reserve Changes	
Operating receipts	
Operating income	\$ 3,664.20
Annual contribution earned	<u>389,637.04</u>
Total operating receipts	<u>393,301.24</u>
 Operating expenditures	
Operating expenses	375,635.05
Capital expenditures	<u>1,777.00</u>
Total operating expenditures	<u>377,412.05</u>
 Net operating receipts available-audit	 15,889.19
Audit adjustment (backed out)	<u>-</u>
 Provision for operating reserve	 <u>\$ 15,889.19</u>

**Housing Authority of the City of Minden
Minden, Louisiana**

**Computation of Annual Contributions Earned and Project Account and Operating Reserve Changes
Voucher Housing Program
Year Ended June 30, 1999**

Annual Contributions Contract FW-2100

Maximum Contribution Available	
Maximum annual contribution authorized	\$ 53,605.00
Project account, beginning of year	<u>17,732.00</u>
Total annual contribution available	<u>71,337.00</u>
Annual Contributions Required	
Housing assistance payments	34,500.47
Administrative fee	6,350.74
Audit fee	<u>530.00</u>
Total funds required	41,381.21
Less project receipts other than annual contribution	<u>(369.02)</u>
Total annual contribution required	<u>41,012.19</u>
Project Account Change	
New project account balance	<u>\$ 30,324.81</u>
Annual Contributions Earned - lesser of contribution available or required	<u>\$ 41,012.19</u>
Operating Reserve Changes	
Operating receipts	
Operating income	\$ 369.02
Annual contribution earned	<u>41,012.19</u>
Total operating receipts	<u>41,381.21</u>
Operating expenditures	
Operating expenses	<u>37,999.50</u>
Net operating receipts available-audit	3,381.71
Audit adjustment (backed out)	<u>-</u>
Provision for operating reserve	<u>\$ 3,381.71</u>

Housing Authority of the City of Minden
Minden, Louisiana

Schedule of Inland Foundation Grant
June 30, 1999

Grants received	\$ 8,000.00
Excess of funds from prior year	8,024.90
Interest earned on grant money	<u>194.62</u>
Total amount available	<u>\$ 16,219.52</u>
Current year grant expenditures	<u>\$ 5,757.37</u>
Excess of funds advanced	<u>\$ 10,462.15</u>

**Housing Authority of the City of Minden
Minden, Louisiana**

**Analysis of General Fund Cash Balance
June 30, 1999**

	Owned Housing FW-2026	Certificate Housing FW-2100	Voucher Housing FW-2100
<u>Assets and Other Items</u>			
Cash-checking and on hand	\$ 101,476.54	\$ 83,149.99	\$ 13,359.92
Investments	251,997.76	28,333.59	-
Accounts receivable-tenants	9,289.50	-	-
Accounts receivable-HUD	-	-	11,939.19
Accounts receivable-intra agency	4.75	12,434.61	-
Accounts receivable-other	-	25.00	-
Prepaid insurance	28,469.29	-	-
Deferred charges	1,876.42	-	-
	<u>\$ 393,114.26</u>	<u>\$ 123,943.19</u>	<u>\$ 25,299.11</u>
Total	<u>\$ 393,114.26</u>	<u>\$ 123,943.19</u>	<u>\$ 25,299.11</u>

Liabilities, Reserves, and Other Items

Tenants' security deposits	\$ 21,275.00	\$ -	\$ -
Accounts payable-HUD	27,556.90	19,675.96	-
Accounts payable-intra agency	-	-	12,434.61
Accounts payable-other	8,488.81	-	-
Accrued and withheld payroll taxes	1,175.90	179.48	-
Accrued PILOT	7,741.72	-	-
FSS escrow	-	1,395.92	-
Tenants' prepaid rents	2,580.79	-	-
Deferred credits	2,168.72	-	-
Operating reserve per PHA	330,615.23	102,691.83	12,864.50
Adjustments affecting Operating Reserve (backed out)	(8,488.81)	-	-
	<u>\$ 393,114.26</u>	<u>\$ 123,943.19</u>	<u>\$ 25,299.11</u>
Total	<u>\$ 393,114.26</u>	<u>\$ 123,943.19</u>	<u>\$ 25,299.11</u>

**Housing Authority of the City of Minden
Minden, Louisiana**

Owned Housing Program

**Adjusting Journal Entries
June 30, 1999**

Annual Contributions Contract FW-2026

	Acct. # for audit report	Acct. # for posting by PHA	Debit	Credit
(1) Unreserved Surplus	2810	2810		\$ 27,615.65
Reserved Surplus	2820	2820	\$ 27,615.65	
To reclass journal entry to separate the management fee account. This entry balances the analysis of general fund cash.				
(2) Unreserved Surplus	2810	2810	552.50	
Reserved Surplus	2820	2820		552.50
To include account number 7530 in the provision for operating reserve.				
(3) Other Income	3690	DO NOT	8,182.51	
Interest Income	3610	BOOK		8,182.51
To reclass interest income charged to other income.				
(4) Tenants' Accounts Receivable	1122	DO NOT	2,580.79	
Tenants' Prepaid Rents	2240	BOOK		2,580.79
To reclass prepaid rents at June 30, 1999.				
(5) Prior Year Adj. Aff. R.R.	6010	DO	11,099.69	
Electricity	4320			1,001.26
Water	4310			2,730.39
Administrative Sundry	4190			513.17
Maintenance Materials	4420			2,248.63
Accounting	4170	NOT		494.00
Contract Costs	4430			306.25
Employee Benefits	4540			971.99
Replacement of Nonexp. Eq.	7520			2,834.00
Equipment Contra	7590		2,834.00	
Prior Year Adj. Not Aff. R.R.	6020	BOOK		2,834.00
To reverse the effect of prior year accounts payable.				

**Housing Authority of the City of Minden
Minden, Louisiana**

Owned Housing Program

**Adjusting Journal Entries
June 30, 1999**

Annual Contributions Contract FW-2026

	<u>Acct. # for audit report</u>	<u>Acct. # for posting by PHA</u>	<u>Debit</u>	<u>Credit</u>
(6)				
Electricity	4320	DO	\$ 760.46	
Water	4310		2,841.62	
Other Utilities	4390		45.00	
Maintenance Materials	4420	NOT	3,779.48	
Legal Expense	4130		1,062.25	
Accounts Payable	2119	BOOK		\$ 8,488.81
To record accounts payable at June 30, 1999.				

**Housing Authority of the City of Minden
Minden, Louisiana**

Certificate Housing Program

**Adjusting Journal Entries
June 30, 1999**

Annual Contributions Contract FW-2100

	Acct. # for audit report	Acct. # for posting by PHA	Debit	Credit
(1)				
Cumulative HUD Annual Contr. Project Account	2840 2827	2840 2827	\$ 495.00	\$ 495.00
Accounts Payable- HUD	2118	2118	495.00	
Reserved Surplus	2826	2826		495.00
To adjust Line #17 on Form 52681. The PHA had deducted the hard to house fees earned from HAP paid.				
(2)				
Unreserved Surplus	2810	2810	9,702.00	
Reserved Surplus	2826	2826		9,702.00
To adjust the provision for operating reserve. Line 45 of Form 52681 was not changed to reflect amounts moved to voucher as a result of expiring certificates.				
(3)				
Cash in Bank	1111.01	1111.01	6,424.00	
Cumulative HUD Annual Contrib.	2840	2840	6,424.00	
Accounts Receivable- HUD	1125	1125		6,424.00
Project Account	2827	2827		6,424.00
To correct prior audit adjustment #6. The amounts used in the prior audit were correct but the entry given to the PHA to post was reversed.				
(4)				
Unreserved Surplus	2810	2810	.30	
Reserved Surplus	2826	2826		.30
To balance the analysis of general fund cash.				
(5)				
Accounts Payable- HUD	2118	2118	8,314.00	
Accounts Receivable- HUD	1125	1125		8,314.00
To combine amounts owed to HUD.				
(6)				
Project Account	2827	2827		30,793.00
Unreserved Surplus	2810	2810	30,793.00	
To record HUD adjustments to Form 52681 for the fiscal year ending June 30, 1998.				

**Housing Authority of the City of Minden
Minden, Louisiana**

Voucher Housing Program

**Adjusting Journal Entries
June 30, 1999**

Annual Contributions Contract FW-2100

	Acct. # for audit report	Acct. # for posting by PHA	Debit	Credit
(1)				
Unreserved Surplus	2810	2810		\$.81
Reserved Surplus	2826	2826	\$.81	
To balance the analysis of general fund cash.				
(2)				
Accounts Payable- HUD	2118	2118	103.28	
Cumulative HUD Annual Contr.	2840	2840		103.28
Reserved Surplus	2826	2826		.28
Unreserved Surplus	2810	2810	5,967.28	
Project Account	2827	2827		5,967.00
To complete accounting for HUD adjustments to Form 52681 for the fiscal year ending June 30, 1998				

SUPPLEMENTAL FINANCIAL INFORMATION - FEDERAL AWARDS

Housing Authority of the City of Minden
Minden, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 1999

<u>Federal Grantor/Program Title</u>	<u>Grant ID Number</u>	<u>Federal CFDA Number</u>	<u>Current Year Program or Award Amount</u>	<u>Balance Beginning of Year - Cash/Receivable/(Payable)</u>	<u>Grant Receipts or Revenue Recognized</u>	<u>Grant Disbursements/Expenditures</u>	<u>Balance End of Year Cash/Receivable (Payable)</u>
U.S. Department of Housing and Urban Development							
Direct Programs:							
Low - Income Housing:							
Operating Subsidies	FW-2026	14.850	\$230,794.00	\$ -	\$230,794.00	\$230,794.00	\$ -
Total Low - Income Housing			230,794.00	-	230,794.00	230,794.00	-
Section 8 Cluster Programs:							
Section 8 Rental Certificate	FW-2100	14.857	389,637.04	8,314.00	417,627.00	389,637.04	(19,675.96)
Section 8 Rental Voucher	FW-2100	14.855	41,012.19	(566.28)	28,506.72	41,012.19	11,939.19
Total Section 8 Cluster Programs			430,649.23	7,747.72	446,133.72	430,649.23	(7,736.77)
Total HUD and Grand Total			\$661,443.23	\$ 7,747.72	\$676,927.72	\$661,443.23	\$ (7,736.77)

See Note 1 to Financial Statements for a discussion of accounting principles applied to this statement.

See Notes to Financial Statements.

SUPPLEMENTAL FINANCIAL INFORMATION -
GASB REQUIRED INFORMATION

**Housing Authority of the City of Minden
Minden, Louisiana**

**Year 2000 Supplementary Information
June 30, 1999**

GASB Technical Bulletin No. 98-1 requires certain information to be disclosed regarding the impact of the Year 2000 (Y2K) on the processing of date dependent information by the computerized information systems being utilized by governmental entities.

GASB Technical Bulletin No. 99-1 further expounded on the disclosure requirements and methods of reporting. The disclosures that follow are intended to comply with these requirements:

The PHA is currently working to resolve the potential impact of the Year 2000 (Y2K) on the processing date-dependent information by the computerized information systems being utilized. The PHA is in the remediation stage of compliance. While a Y2K compliance plan has been developed and is being implemented, there still remain components of the automated environments within the PHA that are not Y2K compliant. The Y2K Issue is the result of computer programs being written using two digits rather than four to define a year. This could result in miscalculations or system failures. The PHA has spent \$5,250.00 during the 1998-99 year to make their application software, operating systems, and computer hardware Y2K compliant. It is estimated that \$1,949.93 will be required to complete the Y2K conversion. These costs are not expected to have material impact on th PHA's financial operations. However, if the PHA and/or their hardware and software vendors are unable to resolve the outstanding Y2K issues in a timely manner, the Y2K issue could result in a material financial risk. The PHA plans to devote the necessary resources to resolve all remaining Y2K issues in a timely manner.

NON-FINANCIAL SECTION

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General Purpose and Combining Financial Statements Performed in Accordance with Government Auditing Standards

Board of Commissioners
Housing Authority of the City of Minden
1209 East Street
Minden, LA 71055

We have audited the general purpose and combining financial statements of Housing Authority of the City of Minden as of and for the year ended June 30, 1999, and have issued our report thereon dated November 18, 1999. We conducted our 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

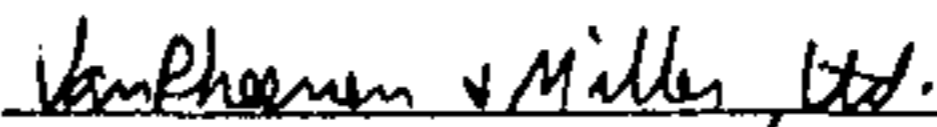
As part of obtaining reasonable assurance about whether Housing Authority of the City of Minden's general purpose and combining financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance 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 our audit and, accordingly, we do not express such an opinion. The results of our 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 our audit, we considered Housing Authority of the City of Minden's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose and combining financial statements and not to provide assurance on the internal control over financial reporting. Our 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Commissioners, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

November 18, 1999



VanRheenen & Miller, Ltd.
Certified Public Accountants

Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133

Board of Commissioners
Housing Authority of the City of Minden
1209 East Street
Minden, LA 71055

Compliance

We have audited the compliance of Housing Authority of the City of Minden with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1999. Housing Authority of the City of Minden'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 authority's management. Our responsibility is to express an opinion on Housing Authority of the City of Minden's compliance based on our audit.

We conducted our 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 we 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 Housing Authority of the City of Minden's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Housing Authority of the City of Minden's compliance with those requirements.

In our opinion, Housing Authority of the City of Minden 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 June 30, 1999.

Internal Control Over Compliance

The management of Housing Authority of the City of Minden 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 our audit, we considered Housing Authority of the City of Minden's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our 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. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Commissioners, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

November 18, 1999

VanRheenen & Miller, Ltd.
VanRheenen & Miller, Ltd.
Certified Public Accountants

**Housing Authority of the City of Minden
Schedule of Findings and Questioned Costs
Year Ended June 30, 1999**

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the general purpose and combining financial statements of Housing Authority of the City of Minden.
2. No reportable conditions relating to the audit of the general purpose and combining financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General Purpose and Combining Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the general purpose and combining financial statements of Housing Authority of the City of Minden were disclosed during this audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for the Housing Authority of the City of Minden expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for Housing Authority of the City of Minden reported in Part C. of this Schedule.
7. The programs identified as major programs included: Section 8 Rental Voucher Program, CFDA #14.855; Section 8 Rental Certificate Program, CFDA #14.857.
8. The threshold for distinguishing Types A and B programs was \$300,000.00.
9. Housing Authority of the City of Minden was not determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There are no findings related to the financial statement audit.

C. FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAMS AUDIT

There are no major findings related to the audit of the major federal award programs.

**Housing Authority of the City of Minden
Summary Schedule of Prior Audit Findings
Year Ended June 30, 1999**

There were no findings in the June 30, 1998 audit.