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**HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA**  
**REPORT ON EXAMINATION OF**  
**FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED JUNE 30, 1998**

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 OCT 28 1998

**ESTES & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

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HOUSING AUTHORITY OF NATCHITOCHEs PARISH  
SUMMARY OF AUDITOR'S RESULTS AND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of Auditor's Results

- A. We issued an unqualified opinion on the Housing Authority of Natchitoches Parish, Louisiana for the audit of its financial statements for the year ended June 30, 1998.
- B. No reportable conditions in internal control were disclosed by our audit of the financial statements.
- C. The audit did not disclose any noncompliance which is material to the financial statements.
- D. No reportable conditions in internal control were disclosed by our audit over major programs.
- E. We issued an unqualified opinion on compliance for major programs.
- F. Our audit disclosed no audit findings that we are required to report under 510(a) of OMB Circular A-133. Our audit procedures also included those of HUD Notice PIH 96-53.
- G. Major programs are as follows, and see Schedule of Federal Expenditures for CFDA numbers and amounts:
  - 1. Low Income Housing
  - 2. Section 8 HAP — Voucher
  - 3. Section 8 HAP — Existing & Moderate Rehab
  - 4. Drug Elimination
  - 5. CIAP
- H. The dollar threshold to distinguish Type A and Type B programs is \$ 300,000.
- I. The Housing Authority of Natchitoches Parish, Louisiana qualified for the year ended June 30, 1998 as a low-risk auditee.

Schedule of Findings and Questioned Costs

- J. There are no findings in these financial statements that are required to be reported in accordance with GAGAS.
- K. There are no audit findings or questioned costs for Federal awards which shall include audit findings as described in 510(a) of OMB Circular A-133. Our audit procedures also included those of HUD Notice PIH 96-53.

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MIKE ESTES, CPA/PFS, CFP

Independent Auditor's Report

Board of Commissioners  
Housing Authority of  
Natchitoches Parish  
Natchitoches Parish, Louisiana

Regional Inspector General for Audit  
Office of Inspector General  
Department of Housing and Urban  
Development

We have audited the accompanying general-purpose financial statements and the combining and individual fund and account group financial statements of the Housing Authority of Natchitoches Parish, Louisiana at and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Housing Authority of Natchitoches Parish, Louisiana' management. Our responsibility is to express an opinion on these general-purpose 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, and provisions of the Louisiana Governmental Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, the authority's policy is to prepare its financial statements on the basis of accounting practices prescribed or permitted by the Department of Housing and Urban Development, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the general-purpose financial statements and the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of Natchitoches Parish, Louisiana as of June 30, 1998 and the results of its operations and changes in its surplus for the year then ended, on the basis of accounting described in Note A.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 12, 1998 on our consideration of Housing Authority of Natchitoches Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statement of the Housing Authority of Natchitoches Parish, taken as a whole. 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

*Estes and Associates*

Fort Worth, Texas  
October 12, 1998

HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 1998

	Governmental Fund Types			Fiduciary Fund Types			Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General Fixed Assets	General Long-Term Debt		
ASSETS									
Cash and cash equivalents	\$ 102,130.98	\$	\$	\$	\$ 6,685.00	\$	\$	\$	\$ 108,815.98
Investments	66,236.03								66,236.03
Receivables, net of allowances:									
Rentals	766.09								766.09
Other	840.00								840.00
Due from:									
Other funds	14,756.64	22,412.52							37,169.16
Other governments		933.00							933.00
Prepaid expenditures	20,913.51								20,913.51
Property, plant and equipment						5,825,147.29			5,825,147.29
Total Assets	\$ 205,643.25	\$ 23,345.52	\$ 0.00	\$ 0.00	\$ 6,685.00	\$ 5,825,147.29	\$ 0.00	\$	\$ 6,060,821.06

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS (Continued)  
JUNE 30, 1998

	Governmental Fund Types			Fiduciary Fund Types		Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General Fixed Assets	General Long-Term Debt	
<b>LIABILITIES AND FUND EQUITY</b>								
<b>LIABILITIES</b>								
Accounts payable	\$ 5,807.29	\$	\$	\$	\$			\$ 5,807.29
Accrued liabilities	30,866.23							30,866.23
Due to:								
Tenants				6,685.00				6,685.00
Other funds	22,412.52			14,756.64				37,169.16
Other governments		17,719.56						17,719.56
Total Liabilities	59,086.04	17,719.56	0.00	14,756.64	6,685.00	0.00	0.00	98,247.24
<b>FUND EQUITY</b>								
Investment in general fixed assets				5,825,147.29				5,825,147.29
Fund balances:								
Reserved for capital projects				(14,756.64)				(14,756.64)
Unreserved:								
Undesignated	146,557.21	5,625.96						152,183.17
Total Fund Equity	146,557.21	5,625.96	0.00	(14,756.64)	0.00	5,825,147.29	0.00	5,962,573.82
Total Liabilities and Fund Equity	\$ 205,643.25	\$ 23,345.52	\$ 0.00	\$ 0.00	\$ 6,685.00	\$ 5,825,147.29	\$ 0.00	\$ 6,060,821.06

The Notes to Financial Statements are an integral part of these statements.



HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
YEAR ENDED JUNE 30, 1998

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<b>REVENUES</b>					
Rentals	\$ 87,302.75	\$	\$	\$ 462,331.79	\$ 549,634.54
Intergovernmental	122,605.00	832,526.00			955,131.00
Interest	7,340.34	796.00			8,136.34
Other	78,929.33				78,929.33
<b>Total Revenues</b>	<b>296,177.42</b>	<b>833,322.00</b>	<b>0.00</b>	<b>462,331.79</b>	<b>1,591,831.21</b>
<b>EXPENDITURES</b>					
Administration	81,309.72	121,749.10			203,058.82
Utilities	10,588.39				10,588.39
Ordinary maintenance	68,615.17				68,615.17
General expenditures	63,838.39				63,838.39
Extraordinary maintenance	2,115.00				2,115.00
Housing assistance payments		717,624.89			717,624.89
Other direct program costs	440.00				440.00
Capital expenditures	8,021.58			473,768.43	481,790.01
<b>Total expenditures</b>	<b>234,928.25</b>	<b>839,373.99</b>	<b>0.00</b>	<b>473,768.43</b>	<b>1,548,070.67</b>
Excess (deficiency) of revenues over (under) expenditures	61,249.17	(6,051.99)	0.00	(11,436.64)	43,760.54
<b>OTHER FINANCING SOURCES(USES)</b>					
Operating transfers in					0.00
Operating transfers out					0.00
<b>Total other financing sources(uses)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>FUND BALANCE, beginning of year</b>	<b>85,308.04</b>	<b>11,677.95</b>		<b>(3,320.00)</b>	<b>93,665.99</b>
<b>FUND BALANCE, end of year</b>	<b>\$ 146,557.21</b>	<b>\$ 5,625.96</b>	<b>\$ 0.00</b>	<b>\$ (14,756.64)</b>	<b>\$ 137,426.53</b>

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND AND SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 1998

	General Fund		Special Revenue Funds		Over (Under) Budget
	Budget	Actual	Budget	Actual	
<b>REVENUES</b>					
Rentals	\$ 91,030.00	\$ 87,302.75	\$ (3,727.25)	\$ 0.00	\$ 0.00
Intergovernmental	122,605.00	122,605.00	0.00	832,526.00	(15,538.00)
Interest	3,700.00	7,340.34	3,640.34	796.00	796.00
Other income	75,045.00	78,929.33	3,884.33		0.00
<b>Total Revenues</b>	<b>292,380.00</b>	<b>296,177.42</b>	<b>3,797.42</b>	<b>833,322.00</b>	<b>(14,742.00)</b>
<b>EXPENDITURES</b>					
Administration	93,858.00	81,309.72	(12,548.28)	121,749.10	2,666.10
Utilities	8,000.00	10,588.39	2,588.39		0.00
Ordinary maintenance	71,837.00	68,615.17	(3,221.83)		0.00
Other program costs	270.00	440.00	170.00		0.00
General expenditures	67,893.00	63,838.39	(4,054.61)		0.00
Extraordinary maintenance	3,430.00	2,115.00	(1,315.00)		0.00
Housing assistance payments				717,624.89	(11,356.11)
Capital expenditures	22,750.00	8,021.58	(14,728.42)		0.00
<b>Total Expenditures</b>	<b>268,038.00</b>	<b>234,928.25</b>	<b>(33,109.75)</b>	<b>839,373.99</b>	<b>(8,690.01)</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ 24,342.00</b>	<b>61,249.17</b>	<b>\$ 36,907.17</b>	<b>0.00</b>	<b>\$ (6,051.99)</b>
Transfer of net income to unreserved deficit					
<b>FUND BALANCES, beginning of year</b>		<b>85,308.04</b>		<b>11,677.95</b>	
<b>FUND BALANCES, end of year</b>		<b>\$146,557.21</b>		<b>\$ 5,625.96</b>	

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHEES PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET (GAAP BASIS) AND ACTUAL  
 DEBT SERVICE AND CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 1998

	Debt Service Fund			Capital Projects Funds		
	Budget	Actual	Over (Under) Budget	Budget	Actual	Over (Under) Budget
REVENUES						
Intergovernmental	\$	\$	0.00	\$462,331.79	\$462,331.79	\$ 0.00
Total Revenues	0.00	0.00	0.00	462,331.79	462,331.79	0.00
EXPENDITURES						
Capital expenditures			0.00	462,331.79	473,768.43	(11,436.64)
Total Expenditures	0.00	0.00	0.00	462,331.79	473,768.43	(11,436.64)
Excess (deficiency) of revenues over (under) expenditures	\$ 0.00	0.00	0.00	\$ 0.00	(11,436.64)	\$ (11,436.64)
Transfer of net income to unreserved deficit					(3,320.00)	
FUND BALANCES, beginning of year					\$ (14,756.64)	
FUND BALANCES, end of year		\$ 0.00			\$ (14,756.64)	

The Notes to Financial Statements are an integral part of these statements.

# HOUSING AUTHORITY OF NATCHITOCHE PARISH

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 1998

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Housing Authority of Natchitoches Parish, Louisiana (the Authority), a public corporate body, was organized for the purpose of providing decent, safe, and sanitary dwelling accommodations for persons of low income.

The Authority is engaged in the acquisition, modernization, and administration of low-rent housing. In addition, the Authority has administrative responsibility for various other community development programs whose primary purpose is the development of viable urban communities by providing decent housing, a suitable living environment, and economic opportunities principally for persons of low and moderate income.

The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the President of the Police Jury. Each member serves a five-year term on a rotating basis. Substantially all of the Authority's revenue is derived from subsidy contracts with the U.S. Department of Housing and Urban Development (HUD). The Annual Contributions Contracts entered into by the Authority and HUD provide operating subsidies for Authority-owned public housing facilities, housing assistance payments for eligible individuals, and receipt of annual debt service requirements for HUD-related long-term debt.

(1) Financial Reporting Entity

Generally accepted accounting principles require that the financial statements present the accounts and operations of the Authority and its component units, entities for which the Authority is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations and data from these units, if any, are combined with data of the Authority. Each discretely presented component unit, if any, would be reported in a separate column in the combined financial statements to emphasize that it is legally separate from the Authority. As of June 30, 1998, and for the fiscal year then ended, the Authority had no discretely presented component units or any component units required to be blended in these financial statements.

(2) Fund Accounting

The accounts of the Authority are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. The various funds are grouped by type and broad categories in the financial statements as follows:

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(3) Fund Accounting (continued)

GOVERNMENTAL FUNDS

Governmental Funds are those through which most governmental functions of the Authority are financed. The measurement focus is on determination of financial position and changes in financial position rather than on net income determination. The following are the Authority's governmental fund types:

General Fund - The General Fund is the general operating fund of the Authority. The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Authority which are not properly accounted for in another fund. All general operating revenues which are not restricted or designated as to their use by outside sources are recorded in the General Fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

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

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction, or rehabilitation of major capital facilities.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the Authority as an agent for individuals, private organizations, other governmental units, and/or other funds. The following is the Authority's fiduciary fund type:

Agency Funds - Agency Funds include Tenant Security Deposit Fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of result of operations.

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)  
JUNE 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the Authority's general fixed assets and general long-term debt for governmental fund types. These are not "funds." They are concerned only with the measurement of financial position and not with results of operations. The following are the Authority's account groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the Authority.

General Long-Term Debt Account Group - This account group is established to account for all long-term debt of the Authority.

(4) Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All Governmental and Agency Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Revenues are considered "measurable" when received in cash, except for certain revenues which are accrued when they are both measurable and available or have not been received at the normal time of receipt. Certain grant revenues are accrued when funds are expended. Revenues susceptible to accrual are federal grants, interest on investments, and other miscellaneous revenues which are both measurable and available to finance expenditures of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Agency Funds are custodial in nature and do not measure results of operations. They are clearing accounts whose assets at all times are equally offset by related liabilities.

(5) Budgetary Data

The Authority is required by its HUD Annual Contributions Contracts to adopt annual budgets for the Low-Rent Housing Program, included in the General Fund, and all Assisted Housing (Section 8) Programs, included in Special Revenue Funds. Annual budgets are not required for Capital Projects Funds as their budgets are approved for the length of the project. Both annual and project length budgets require grantor approval.

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)  
JUNE 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Authority is under a limited budget review from HUD with the control category of total operating expenditures. If there are no overruns of the total operating expenditures, then HUD does not require budget revisions other than when there are substantial additions to nonroutine expenditures, such as reinstatement of prior-year encumbrances. The Board and HUD must approve fund appropriation increases. Any unused appropriations lapse at year-end. Budgeted amounts are as originally adopted or as amended by the Board and HUD.

The original budget has been amended throughout the year to reflect changes in revenue and expenditure estimates.

The budget is prepared on a statutory (HUD) basis and does not contain a provision for uncollectible tenant receivables. The difference is not considered materially different from generally accepted accounting principles.

(6) Cash and Cash Equivalents

The entity defines cash and cash equivalents to include certificates of deposit, money market funds, savings accounts, and demand deposits.

(7) Tenant Receivables

Receivables for rentals and service charges are reported in the General Fund, net of allowances for doubtful accounts amounting to \$ -0- at June 30, 1998.

(8) Interfund Transactions

During the course of normal operations, the Authority has numerous transactions between funds to provide services, construct assets, and service debt. These transactions are generally reflected as operating transfers except for transactions reimbursing a fund for expenditures made by it for the benefit of another fund. Such transactions are recorded as expenditures in the disbursing fund and as a reduction of expenditures in the receiving fund.

(9) General Fixed Assets

General Fixed Assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the Governmental Funds and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded at estimated fair market value at the time received. Depreciation is not recorded on general fixed assets. Public domain general fixed assets (infrastructure) consisting of certain improvements other than buildings, including roads, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are capitalized along with other general fixed assets.

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)  
JUNE 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Costs of completed Modernization projects are reported as construction-in-progress until audited cost certification reports are submitted to HUD, at which time such costs are transferred to the appropriate property categories.

(10) General Long-Term Debt

All long-term indebtedness of the Authority is accounted for in the General Long-Term Debt Account Group and is intended to be paid through the Debt Service Fund.

(11) Compensated Absences

Authority employees accrue personal leave, or compensated absences, by a prescribed formula based on length of service. The cost of this has not been accrued due to immateriality.

(12) Total Columns on Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE B - 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 June 30, 1998. 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:

Total Bank Balances	Category		
	1	2	3
\$ <u>175,052.01</u>	\$ <u>175,052.01</u>	\$ <u>0.00</u>	\$ <u>0.00</u>

The Notes to Financial Statements are an integral part of these statements.



HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS  
(Continued)  
JUNE 30, 1998

NOTE C - ACTIVITIES OF THE PHA

At June 30, 1998, the PHA was managing 92 units of low-rent in two projects under Program FW — 2179, 313 units of Section 8 Existing, and 16 units of Section 8 Voucher under FW-2066.

NOTE D - CONTINGENCIES

The entity is subject to possible examinations 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 refund by the entity to federal grantors and/or program beneficiaries.

NOTE E - PROPERTY, PLANT AND EQUIPMENT

The general fixed assets account group is as follows:

	<u>End of Period</u>
Land, land impvts. &	
Buildings	5,756,489.39
Equipment	68,657.90
Total	<u>\$ 5,825,147.29</u>

NOTE F - RETIREMENT PLAN

The entity provides benefits for all of its full-time employees through a defined contribution plan. 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 months exclusionary period. The employee contributes 6.5 % and the entity contributes 8.5 % 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, 1998 was \$ 141,604.00. The entity's contributions were calculated using the base salary amount of \$ 104,308.00. Contributions to the plan were \$ 6,780.00 and \$ 8,700.00 by the employee and the entity, respectively.

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

NOTES TO FINANCIAL STATEMENTS

(Continued)

JUNE 30, 1998

NOTE G - DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Investments

The carrying amount approximates fair value because of the short maturity of these instruments.

Long Term Debt

It is not possible to estimate the fair value of long term debt owed to the federal government by this governmental entity, a housing authority. The housing authority is unable, by law, to secure long term financing from any other source. FASB 107 describes fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

NOTE H - ACCOUNTING FOR THE IMPAIRMENT OF LONG - LIVED ASSETS

The full amount of the carrying value of buildings and land improvements are deemed recoverable from future cash flows.

NOTE I - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of these financial statements requires the use of estimates by management. No significant estimates have been made by management that require disclosure.

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

SPECIAL REVENUE FUND TYPES  
COMBINING BALANCE SHEET  
JUNE 30, 1998

	Assisted Housing Programs			
	Existing Units Program	Moderate Rehabilitation Program 1	Voucher Program	Total
<b>ASSETS</b>				
Due from:				
Other funds	\$ 1,525.85	\$ 15,542.56	\$ 5,344.11	\$ 22,412.52
Other governments	933.00			933.00
Total Assets	<u>\$ 2,458.85</u>	<u>\$ 15,542.56</u>	<u>\$ 5,344.11</u>	<u>\$ 23,345.52</u>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES</b>				
Due to:				
Other governments		\$ 12,582.56	\$ 5,137.00	\$ 17,719.56
Total liabilities	0.00	12,582.56	5,137.00	17,719.56
<b>FUND EQUITY</b>				
Unreserved and undesignated	2,458.85	2,960.00	207.11	5,625.96
Total fund equity	<u>2,458.85</u>	<u>2,960.00</u>	<u>207.11</u>	<u>5,625.96</u>
Total liabilities and fund equity	<u>\$ 2,458.85</u>	<u>\$ 15,542.56</u>	<u>\$ 5,344.11</u>	<u>\$ 23,345.52</u>

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

SPECIAL REVENUE FUND TYPES  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 JUNE 30, 1998

	Assisted Housing Programs			
	Existing Units Program	Moderate Rehabilitation Program 1	Voucher Program	Total
<b>REVENUES</b>				
Intergovernmental	\$ 778,071.00	\$ 18,880.00	\$ 35,575.00	\$ 832,526.00
Interest		545.00	251.00	796.00
<b>Total Revenues</b>	<u>778,071.00</u>	<u>19,425.00</u>	<u>35,826.00</u>	<u>833,322.00</u>
<b>EXPENDITURES</b>				
Administration	114,049.85	2,549.54	5,149.71	121,749.10
Housing assistance payments	669,758.22	17,363.77	30,502.90	717,624.89
<b>Total Expenditures</b>	<u>783,808.07</u>	<u>19,913.31</u>	<u>35,652.61</u>	<u>839,373.99</u>
Excess (deficiency) of revenues over (under) expenditures	(5,737.07)	(488.31)	173.39	(6,051.99)
<b>FUND BALANCE, beginning of year</b>	<u>8,195.92</u>	<u>3,448.31</u>	<u>33.72</u>	<u>11,677.95</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 2,458.85</u>	<u>\$ 2,960.00</u>	<u>\$ 207.11</u>	<u>\$ 5,625.96</u>

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHESES PARISH

CAPITAL PROJECT FUND TYPES  
 COMBINING BALANCE SHEET  
 JUNE 30, 1998

	CIAP Housing Programs				
	CIAP 905	CIAP 904	CIAP DEP-196	Total	
ASSETS					\$
Total Assets	0.00	0.00	0.00	0.00	\$ 0.00
LIABILITIES AND FUND EQUITY					
LIABILITIES					
Due to:					
Other funds			14,756.64	14,756.64	14,756.64
Total liabilities	0.00	0.00	14,756.64	14,756.64	14,756.64
FUND EQUITY					
Reserved for capital projects			(14,756.64)	(14,756.64)	(14,756.64)
Total fund equity	0.00	0.00	(14,756.64)	(14,756.64)	(14,756.64)
Total liabilities and fund equity	0.00	0.00	0.00	0.00	\$ 0.00

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

CAPITAL PROJECT FUND TYPES  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 JUNE 30, 1998

	CIAP Housing Programs			
	CIAP 905	CIAP 904	CIAP DEP-196	Total
REVENUES				
Intergovernmental	\$ 429,639.15	\$ 12,520.70	\$ 20,171.94	\$ 462,331.79
Total Revenues	429,639.15	12,520.70	20,171.94	462,331.79
EXPENDITURES				
Capital expenditures	426,319.15	12,520.70	34,928.58	473,768.43
Total Expenditures	426,319.15	12,520.70	34,928.58	473,768.43
Excess (deficiency) of revenues over (under) expenditures	3,320.00	0.00	(14,756.64)	(11,436.64)
FUND BALANCE, beginning of year	(3,320.00)			(3,320.00)
FUND BALANCE, end of year	\$ 0.00	\$ 0.00	\$ (14,756.64)	\$ (14,756.64)

The Notes to Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHE PARISH

FIDUCIARY FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 1998

	<u>Agency Funds</u>	
	Tenant Security Deposit Funds	Total Fiduciary Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 6,685.00	\$ 6,685.00
Total Assets	<u>\$ 6,685.00</u>	<u>\$ 6,685.00</u>
<b>LIABILITIES</b>		
Due to tenants	\$ 6,685.00	\$ 6,685.00
Total Liabilities	<u>\$ 6,685.00</u>	<u>\$ 6,685.00</u>

The Notes to Financial Statements are an integral part of these statements.





## HOUSING AUTHORITY OF NATCHITOCHE PARISH

BALANCE SHEET — STATUTORY BASIS  
JUNE 30, 1998ANNUAL CONTRIBUTION CONTRACT  
FW — 2179ASSETS

Cash - Exhibit F	\$	108,815.98
Accounts receivable - tenants		766.09
Accounts receivable - HUD		933.00
Accounts receivable - other		840.00
Investments - Note B		66,236.03
Deferred charges		20,913.51
Land, structures and equipment		<u>6,806,635.87</u>
Total Assets	\$	<u>7,005,140.48</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	30,211.85
Accrued liabilities		<u>30,866.23</u>
Total Liabilities		61,078.08
Surplus - Exhibit C(4)		<u>6,944,062.40</u>
Total Liabilities and Surplus	\$	<u>7,005,140.48</u>

HOUSING AUTHORITY OF NATCHITOCHE PARISH  
STATEMENT OF INCOME AND EXPENSES — STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT  
FW — 2179

	Year Ended
	06-30-98
Operating Income	\$ 87,302.75
Dwelling rental	7,340.34
Interest on general fund investments	78,299.72
Other income	78,299.72
Total Operating Income - Exhibit D(1)	172,942.81
Operating Expenses	81,309.72
Administration	440.00
Tenant Expense	10,588.39
Utilities	68,615.17
Ordinary maintenance and operation	63,838.39
General expense	2,115.00
Nonroutine maintenance	2,115.00
Total Operating Expense - Exhibit D(1)	226,906.67
Net Operating Income (Loss)	(53,963.86)
Other Credits	
Prior year adjustments - affecting residual receipts	4,947.40
Total Other Credits	4,947.40
Other Charges	
Gain or loss from disposition of nonexpendable equipment	31,377.07
Total Other Charges	31,377.07
Net Loss - Exhibit C(1)	\$ (80,393.53)

HOUSING AUTHORITY OF NATCHITOCHE PARISH  
STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT

FW – 2066

EXISTING

		<u>Year Ended</u>
		<u>06-30-98</u>
Operating Income		
Interest on general fund investments	\$	
Total Operating Income - Exhibit D(2)		<u>0.00</u>
Operating Expenses		
Administration		112,324.85
Housing assistance payments		669,758.02
Independent public accountant audit costs		<u>1,725.00</u>
Total Operating Expense - Exhibit D(2)		<u>783,807.87</u>
Net Operating Income (Loss)		<u>(783,807.87)</u>
Net Loss - Exhibit C(2)	\$	<u><u>(783,808.87)</u></u>

HOUSING AUTHORITY OF NATCHITOCHE PARISH  
STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT

FW – 2066

Vouchers

		Year Ended
		06-30-98
Operating Income		
Interest on general fund investments	\$	251.00
Total Operating Income - Exhibit D(3)		251.00
Operating Expenses		
Administration		5,057.71
Housing assistance payments		30,502.90
Independent public accountant audit costs		92.00
Total Operating Expense - Exhibit D(3)		35,652.61
Net Operating Income (Loss)		(35,401.61)
Net Loss - Exhibit C(3)	\$	(35,401.61)

HOUSING AUTHORITY OF NATCHITOCHES PARISH  
STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS

ANNUAL CONTRIBUTION CONTRACT  
FW – 2066  
Moderate Rehab

		Year Ended
		06-30-98
Operating Income		
Interest income	\$	545.00
Total Operating Income - Exhibit D(4)		545.00
Operating Expenses		
Administration		2,549.54
Housing assistance payments		17,363.77
Total Operating Expense - Exhibit D(4)		19,913.31
Net Operating Income (Loss)		(19,368.31)
Net Loss - Exhibit C(4)	\$	(19,368.31)

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS – STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1998ANNUAL CONTRIBUTION CONTRACT  
FW – 2179Unreserved Surplus

Balance per prior audit at 06-30-97	\$	(1,868,222.54)
Net loss for the year ended 06-30-98 - Exhibit B(1)		(80,393.53)
(Provision for) reduction of Operating Reserve for year ended 06-30-98 - Exhibit D(1)		(65,566.96)
Balance at 06-30-98		<u>(2,014,183.03)</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 06-30-97		86,255.62
Provision for (reduction of) Operating Reserve for the year ended 06-30-98 - Exhibit D(1)		65,566.96
Balance at 06-30-98 - Exhibit F	\$	<u>151,822.58</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1998ANNUAL CONTRIBUTION CONTRACT  
FW — 2179Cumulative HUD Contributions

Balance per prior audit at 06-30-97	\$	6,341,464.90
Annual contribution for year ended 06-30-98 - Exhibit D(1)		0.00
Operating subsidy for year ended 06-30-98		122,605.00
Balance at 06-30-98		<u>6,464,069.90</u>

Cumulative HUD Grants

Balance per prior audit at 06-30-97		1,885,538.15
Advances for year ended 06-30-98		<u>442,282.85</u>
Balance at 06-30-98		<u>2,327,821.00</u>
Total Surplus - Low Rent		<u>6,929,530.45</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1998ANNUAL CONTRIBUTION CONTRACT  
FW — 2066Unreserved Surplus

Balance per prior audit at 06-30-97	\$	(15,980,272.03)
HUD recapture		1,036,515.00
Adjustment by HUD		(910.38)
Adjustment by HUD FYE 06/30/97		1,158,690.00
Net loss for the year ended 06-30-98 - Exhibit B(2)		(783,808.87)
(Provision for) reduction of Operating Reserve for year ended 06-30-98 - Exhibit D(2)		5,737.07
(Provision for) reduction of Project Account for year ended 06-30-98 - Exhibit D(2)		(612,320.00)
Balance at 06-30-98		<u>(15,176,369.21)</u>

Reserved Surplus - Operating Reserve - Existing

Balance per prior audit at 06-30-97		8,195.92
Provision for (reduction of) Operating Reserve for the year ended 06-30-98 - Exhibit D(2)		(5,737.07)
Balance at 06-30-98 - Exhibit F	\$	<u>2,458.85</u>



## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1998ANNUAL CONTRIBUTION CONTRACT  
FW — 2066Project Account - Existing

Balance per prior audit at 06-30-97	\$	2,972,069.00
Provision for (reduction of) Project Account for the year ended 06-30-98 - Exhibit D(2)		612,320.00
Adjustment by HUD FYE 06/30/97		(1,158,690.00)
HUD recapture		(1,036,515.00)
Balance at 06-30-98		<u>1,389,184.00</u>

Cumulative HUD Contributions

Balance per prior audit at 06-30-97		12,791,286.22
Annual contribution for year ended 06-30-98 - Exhibit D(2)		778,071.00
Balance at 06-30-98	\$	<u>13,569,357.22</u>
Total Surplus - Existing		<u>(215,369.14)</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1998

## ANNUAL CONTRIBUTION CONTRACT

FW — 2066VouchersUnreserved Surplus

Balance per prior audit at 06-30-97	\$	(203,594.41)
HUD adjustment		7,070.01
Net loss for the year ended 06-30-98 - Exhibit B(3)		(35,401.61)
HUD recapture		70,541.00
(Provision for) reduction of Operating Reserve for year ended 06-30-98 - Exhibit D(3)		(173.39)
(Provision for) reduction of Project Account for year ended 06-30-98 - Exhibit D(3)		(34,672.00)
Balance at 06-30-98		<u>(196,230.40)</u>

Reserved Surplus - Operating Reserve - Voucher

Balance per prior audit at 06-30-97		33.72
Provision for (reduction of) Operating Reserve for the year ended 06-30-98 - Exhibit D(3)		173.39
Balance at 06-30-98	\$	<u>207.11</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1998ANNUAL CONTRIBUTION CONTRACT  
FW — 2066

<u>Project Account - Voucher</u>	
Balance per prior audit at 06-30-97	\$ 109,300.02
Provision for (reduction of) Project Account for the year ended 06-30-98 - Exhibit D(3)	34,672.00
HUD adjustment	(7,068.02)
HUD recapture	<u>(70,541.00)</u>
Balance at 06-30-98	<u>66,363.00</u>
 <u>Cumulative HUD Contributions - Voucher</u>	
Balance per prior audit at 06-30-97	94,293.40
Annual contribution for year ended 06-30-98 - Exhibit D(3)	<u>35,575.00</u>
Balance at 06-30-98	\$ <u>129,868.40</u>
Total Surplus - Voucher	<u>208.11</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1998

## ANNUAL CONTRIBUTION CONTRACT

FW — 2066Moderate RehabUnreserved Surplus

Balance per prior audit at 06-30-97	\$	(62,598.01)
Net loss for the year ended 06-30-98 - Exhibit B(4)		(19,368.31)
(Provision for) reduction of Operating Reserve for year ended 06-30-98 - Exhibit D(4)		488.31
(Provision for) reduction of Project Account for year ended 06-30-98 - Exhibit D(4)		18,880.00
HUD recapture		<u>114,785.30</u>
Balance at 06-30-98		<u>52,187.29</u>

Reserved Surplus - Operating Reserve

Balance per prior audit at 06-30-97		488.31
Provision for (reduction of) Operating Reserve for the year ended 06-30-98 - Exhibit D(4)		(488.31)
Balance at 06-30-98		<u>0.00</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

ANALYSIS OF SURPLUS — STATUTORY BASIS  
TWELVE MONTHS ENDED JUNE 30, 1998ANNUAL CONTRIBUTION CONTRACT  
FW — 2066  
Moderate Rehab

<u>Project Account</u>	
Balance per prior audit at 06-30-97	249,927.78
Provision for (reduction of) Project Account for the year ended 06-30-98	(18,880.00)
HUD recapture	(114,785.30)
Reclass to Mod Rehab I	(50,317.48)
Balance at 06-30-97	<u>65,945.00</u>
<u>Cumulative HUD Contributions - Mod Rehab</u>	
Balance per prior audit at 06-30-97	42,363.21
Annual contribution for year ended 06-30-98 - Exhibit D(4)	<u>18,880.00</u>
Balance at 06-30-98	<u>61,243.21</u>
Project account balance expired - Mod Rehab I	<u>50,317.48</u>
Total Surplus - Moderate Rehab	<u>229,692.98</u>
Total Surplus - Exhibit A	\$ <u><u>6,944,062.40</u></u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

## COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

## ANNUAL CONTRIBUTION CONTRACT

FW — 2179

	Year Ended
	<u>06-30-98</u>
<u>Computation of Residual Receipts</u>	
<u>Operating Receipts</u>	
Operating Income - Exhibit B (1)	\$ 172,942.81
HUD operating subsidy	122,605.00
Prior year adjustments - affecting residual receipts	4,947.40
Total Operating Receipts	<u>300,495.21</u>
<u>Operating Expenditures</u>	
Operating expenses - Exhibit B(1)	226,906.67
Capital expenditures:	
Replacement of nonexpendable equipment	(130.88)
Property betterments and additions	8,152.46
Total Operating Expenditures	<u>234,928.25</u>
Residual receipts (deficit) per audit before provision for reserve	<u>65,566.96</u>
Residual receipts per PHA before provision for reserve	65,566.96
(Provision for) or reduction of operating reserve - Exhibit C(1)	<u>(65,566.96)</u>
Residual receipts per PHA	<u>\$ 0.00</u>

HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTIONS

ANNUAL CONTRIBUTION CONTRACT  
FW – 2179

	<u>Year Ended</u>
	<u>06-30-98</u>
<u>Computation of Accruing Annual Contributions</u>	
Fixed annual contribution	\$ 0.00
Total Annual Contribution - Exhibit C	\$ 0.00

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT — OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAM

## ANNUAL CONTRIBUTION CONTRACT

FW — 2179EXISTING

	<u>Year Ended</u>
	<u>06-30-98</u>
Maximum Contribution Available	
Maximum annual contribution authorized	\$ 1,390,391.00
Project account balance at beginning of fiscal year	2,972,069.06
HUD recapture	(1,036,515.00)
Adjustment by HUD FYE 06/30/97	(1,158,590.06)
Total Annual Contribution Available	<u>2,167,355.00</u>
Annual Contribution Required	
Housing assistance payments	669,758.00
Administrative fee	106,138.00
Hard-to-house fee	450.00
Independent public accountant audit costs	1,725.00
	<u>778,071.00</u>
Project receipts other than annual contribution	
Total Contribution Required - Exhibit C(2)	<u>1,389,284.00</u>
Excess in Annual Contribution Available	\$ <u>778,071.00</u>
Year-end Settlement	
Annual contribution due for fiscal year	778,071.00
Total partial payments received by PHA for fiscal year	<u>777,138.00</u>
(Over) Under Payment Due (HUD) PHA	\$ <u>933.00</u>



## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT – OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAM

## ANNUAL CONTRIBUTION CONTRACT

FW – 2179EXISTING

	<u>Year Ended</u>
	<u>06-30-98</u>
Status of Project Account	
Project account balance at the beginning of fiscal year	\$ 2,972,069.06
Increase (decrease) during fiscal year - Exhibit C(2)	612,320.00
Adjustment by HUD FYE 06/30/97	(1,158,590.06)
HUD recapture	(1,036,515.00)
	<u>1,389,284.00</u>
Provision for Operating Reserve	
Operating receipts	
Operating income - Exhibit B(2)	0.00
Annual contributions earned	778,071.00
	<u>778,071.00</u>
Operating Expenditures	
Operating expenses -Exhibit B(2)	783,808.07
Property betterments and additions	
Replacement of nonexpendable equipment	
	<u>783,808.07</u>
Residual receipts (deficit) before provision for operating reserve	(5,737.07)
Audit adjustments - backed out	
(Provision for) reduction of operating reserve - Exhibit C(2)	5,737.07
Residual receipts (deficit) per PHA	\$ <u><u>0.00</u></u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT — OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAM

## ANNUAL CONTRIBUTION CONTRACT

FW — 2066  
VOUCHER

Year Ended

06-30-98

## Status of Project Account

Project account balance at the beginning of fiscal year	\$	109,300.02
Increase (decrease) during fiscal year - Exhibit C(3)		34,672.00
HUD adjustment		(7,068.02)
HUD recapture		(70,541.00)
		<u>66,363.00</u>
Provision for Operating Reserve		
Operating receipts		
Operating income - Exhibit B(3)		251.00
Annual contributions earned		35,575.00
		<u>35,826.00</u>
Operating Expenditures		
Operating expenses -Exhibit B(3)		35,652.61
		<u>35,652.61</u>
Residual receipts (deficit)		173.39
(Provision for) reduction of operating reserve - Exhibit C(3)		(173.39)
Residual receipts (deficit) after provision for operating reserve	\$	<u>0.00</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT -- OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAMANNUAL CONTRIBUTION CONTRACT  
FW -- 2066  
VOUCHER

	<u>Year Ended</u>
	<u>06-30-97</u>
Maximum Contribution Available	
Maximum annual contribution authorized	\$ 70,247.00
Project account balance at beginning of fiscal year	109,300.02
HUD adjustment	(7,068.02)
HUD recapture	(70,541.00)
Total Annual Contribution Available	<u>101,938.00</u>
Annual Contribution Required	
Housing assistance payments	30,502.90
Administrative fee	5,231.00
Hard-to-house fee	
Independent public accountant audit costs	92.00
	<u>35,825.90</u>
Project receipts other than annual contribution	250.90
Total Contribution Required - Exhibit C(3)	<u>66,363.00</u>
Excess in Annual Contribution Available	<u>35,575.00</u>
Year-end Settlement	
Annual contribution due for fiscal year	35,575.00
Total partial payments received by PHA for fiscal year	<u>40,712.00</u>
(Over) Under Payment Due (HUD) PHA - Exhibit A	\$ <u>(5,137.00)</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT – OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAM

## ANNUAL CONTRIBUTION CONTRACT

FW – 2066MODERATE REHAB

	<u>Year Ended</u>
	<u>06-30-98</u>
<i>Status of Project Account</i>	
Project account balance at the beginning of fiscal year	\$ 199,610.30
Increase (decrease) during fiscal year - Exhibit C(4)	(18,880.00)
HUD recapture	(114,785.30)
	<u>65,945.00</u>
<i>Provision for Operating Reserve</i>	
Operating receipts	
Operating income - Exhibit B(4)	545.00
Annual contributions earned	18,880.00
	<u>19,425.00</u>
<i>Operating Expenditures</i>	
Operating expenses -Exhibit B(4)	19,913.31
	<u>19,913.31</u>
Residual receipts (deficit)	(488.31)
Net deficit last year	
(Provision for) reduction of operating reserve - Exhibit C(4)	488.31
	<u>488.31</u>
Residual receipts (deficit) after provision for operating reserve	\$ <u>0.00</u>

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND  
PROJECT ACCOUNT -- OPERATING RESERVE CHANGES  
HOUSING ASSISTANCE PAYMENTS PROGRAMANNUAL CONTRIBUTION CONTRACT  
FW - 2066  
MODERATE REHAB

	<u>Year Ended</u>
	<u>06-30-98</u>
Maximum Contribution Available	
Maximum annual contribution authorized	\$ 0.00
Project account balance at beginning of fiscal year	199,610.30
HUD recapture	(114,785.30)
Total Annual Contribution Available	<u>84,825.00</u>
Annual Contribution Required	
Housing assistance payments	17,364.00
Administrative fee	2,061.00
	<u>19,425.00</u>
Project receipts other than annual contribution	<u>545.00</u>
Total Contribution Required - Exhibit C(4)	<u>18,880.00</u>
Excess in Annual Contribution Available	<u>65,945.00</u>
Year-end Settlement	
Annual contribution due for fiscal year	18,880.00
Total partial payments received by PHA for fiscal year	<u>30,214.00</u>
(Over) Under Payment Due (HUD) PHA - Exhibit A	\$ <u>(11,334.00)</u>

HOUSING AUTHORITY OF THE NATCHITOCHE PARISH  
 STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST  
 ANNUAL CONTRIBUTION CONTRACT  
FW-2179

1. The Actual Modernization costs are as follows:

	<u>Project 905-95</u>	<u>Project 904-93</u>
Funds Approved	\$ 750,000.00	\$ 196,560.00
Funds Expended	<u>750,000.00</u>	<u>196,560.00</u>
Excess of Funds Approved	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Funds Advanced	\$ 750,000.00	\$ 196,560.00
Funds Expended	<u>750,000.00</u>	<u>196,560.00</u>
Excess of Funds Advanced	<u>\$ 0.00</u>	<u>\$ 0.00</u>

2. The distribution of costs by project as shown on the Final Statements of Modernization Costs dated April 27, 1998 accompanying the Actual Modernization Cost Certificates submitted to HUD for approval are in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

STATEMENT OF COMPLETED DRUG GRANT  
JUNE 30, 1998

		72-081- 6306
Total grant proceeds	\$	<u>27,600.00</u>
Reimbursement - loan		<u>27,600.00</u>
Total grant proceeds expended	\$	<u>27,600.00</u>

1. The total grant amount and total expended amount of \$ 27,600.00 agrees to the final Financial Status Report, Form 269A, dated May 4, 1997. The costs through closeout were audited in conjunction with the fiscal audit of the PHA for the year ended June 30, 1998.
2. All applicable drug costs have been paid and all related liabilities have been discharged through payment.

## HOUSING AUTHORITY OF NATCHITOCHE PARISH

STATEMENT OF PHDEP COSTS — UNCOMPLETED  
JUNE 30, 1998

		PHDEP 48 DEP-196
Funds Approved	\$	50,000.00
Funds Expended		<u>22,354.09</u>
Excess of Funds Approved	\$	<u>27,645.91</u>
Funds Advanced	\$	20,171.94
Funds Expended		<u>22,354.09</u>
Excess of Funds Advanced - Exhibit F(1)	\$	<u>(2,182.15)</u>

The above reflects the passed audit adjustment that will be posted during the year ended June 30, 1999:

DR - Prior year adjustments - Reflecting residual receipts	\$	12,574.49	
CR - 95 PHDEP expenditures			\$ 12,574.49



## HOUSING AUTHORITY OF NATCHITOCHE PARISH

## ANALYSIS OF GENERAL FUND CASH BALANCE

## ANNUAL CONTRIBUTION CONTRACT

FW — 2179Composition Before Adjustments

## Net operating receipts retained:

Operating reserves - Exhibit C(1) - (4)	\$	151,822.58
Deficient modernization funds - Exhibit E(2)		(2,182.15)
Passed audit adjustment to net operating receipts		(12,574.49)
		<u>137,065.94</u>

## Adjustments

## Expenses/costs not paid:

Accounts payable		30,211.85
Accrued payments in lieu of taxes		30,866.23
Current year imbalance		360.59

## Income not received:

Accounts receivable		<u>(2,539.09)</u>
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## General Fund Cash Available

195,965.52

## General Fund Cash:

Invested		(66,236.03)
Applied to deferred charges (prepaid insurance, inventories, etc.)		<u>(20,913.51)</u>

## General Fund Cash - Exhibit A

\$ 108,815.98

HOUSING AUTHORITY OF NATCHITOCHE PARISH

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 1998

<u>FEDERAL GRANTOR PROGRAM TITLE</u>	<u>CDFA NO.</u>	<u>GRANT ID NO.</u>	<u>AWARD AMOUNT</u>	<u>PROGRAM EXPENDITURES</u>
U.S. Department of Housing and Urban Development				
Direct Programs:				
Low-Income Housing				
Operating Subsidy	14.850	FW- 2179	\$ 122,605.00	\$ 122,605.00
Major Program Total 1/			<u>122,605.00</u>	<u>122,605.00</u>
Section 8 Hap -				
Existing	14.156	FW- 2179	778,071.00	778,071.00
Moderate Rehab	14.156	FW- 2179	18,880.00	18,880.00
Major Program Total			<u>796,951.00</u>	<u>796,951.00</u>
Vouchers				
	14.177	FW- 2288	35,575.00	35,575.00
Major Program Total			<u>35,575.00</u>	<u>35,575.00</u>
Comprehensive Improvement Assistance Program				
Project 905	14.852	FW- 2179	429,639.15	426,319.15
Project 904	14.852	FW- 2179	12,520.70	12,520.70
Major Program Total			<u>442,159.85</u>	<u>438,839.85</u>
Drug Elimination				
	14.854	48-196	20,171.94	22,354.09
Major Program Total			<u>20,171.94</u>	<u>22,354.09</u>
Total HUD			\$ <u>1,417,462.79</u>	\$ <u>1,416,324.94</u>

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MIKE ESTES, CPA/PFS, CFP

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

Housing Authority of  
Natchitoches Parish  
Natchitoches Parish, Louisiana

Compliance

We have audited the compliance of the Housing Authority of Natchitoches Parish, Louisiana with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and HUD Notice PIH 96-53 that are applicable to each of its major federal programs for the year ended June 30, 1998. The Housing Authority of Natchitoches Parish, Louisiana'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 Housing Authority of Natchitoches Parish, Louisiana's management. Our responsibility is to express an opinion on the Housing Authority of Natchitoches Parish, Louisiana'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* and HUD Notice PIH 96-53. 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 the Housing Authority of Natchitoches Parish, Louisiana'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 the Housing Authority of Natchitoches Parish, Louisiana's compliance with those requirements.

In our opinion, the Housing Authority of Natchitoches Parish, Louisiana 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, 1998.

### Internal Control Over Compliance

The management of The Housing Authority of Natchitoches Parish, Louisiana is responsible for establishing and maintaining internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of Natchitoches Parish, Louisiana'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 audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Estes and Associates*

Fort Worth, Texas  
October 12, 1998

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MIKE ESTES, CPA/PFS, CFP

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

Housing Authority of  
Natchitoches Parish  
Natchitoches Parish, Louisiana

We have audited the financial statements of the Housing Authority of Natchitoches Parish, Louisiana as of and for the year ended June 30, 1998, and have issued our report thereon dated October 12, 1998. 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, and provisions of the Louisiana Governmental Audit Guide.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of Natchitoches Parish, Louisiana's 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 a 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*, or the Louisiana Governmental Audit Guide.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of Natchitoches Parish, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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 audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Estes and Associates*

Fort Worth, Texas  
October 12, 1998