

# **Comprehensive Annual Financial Report**

**For the Year Ended September 30, 2003**

**(Prepared Pursuant to GASB Statement No. 34  
"New Reporting Model")**



Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4.28.04

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

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

**Comprehensive Annual Financial Report**

**For the Year Ended September 30, 2003**

**(Prepared Pursuant to GASB Statement No. 34  
"New Reporting Model")**

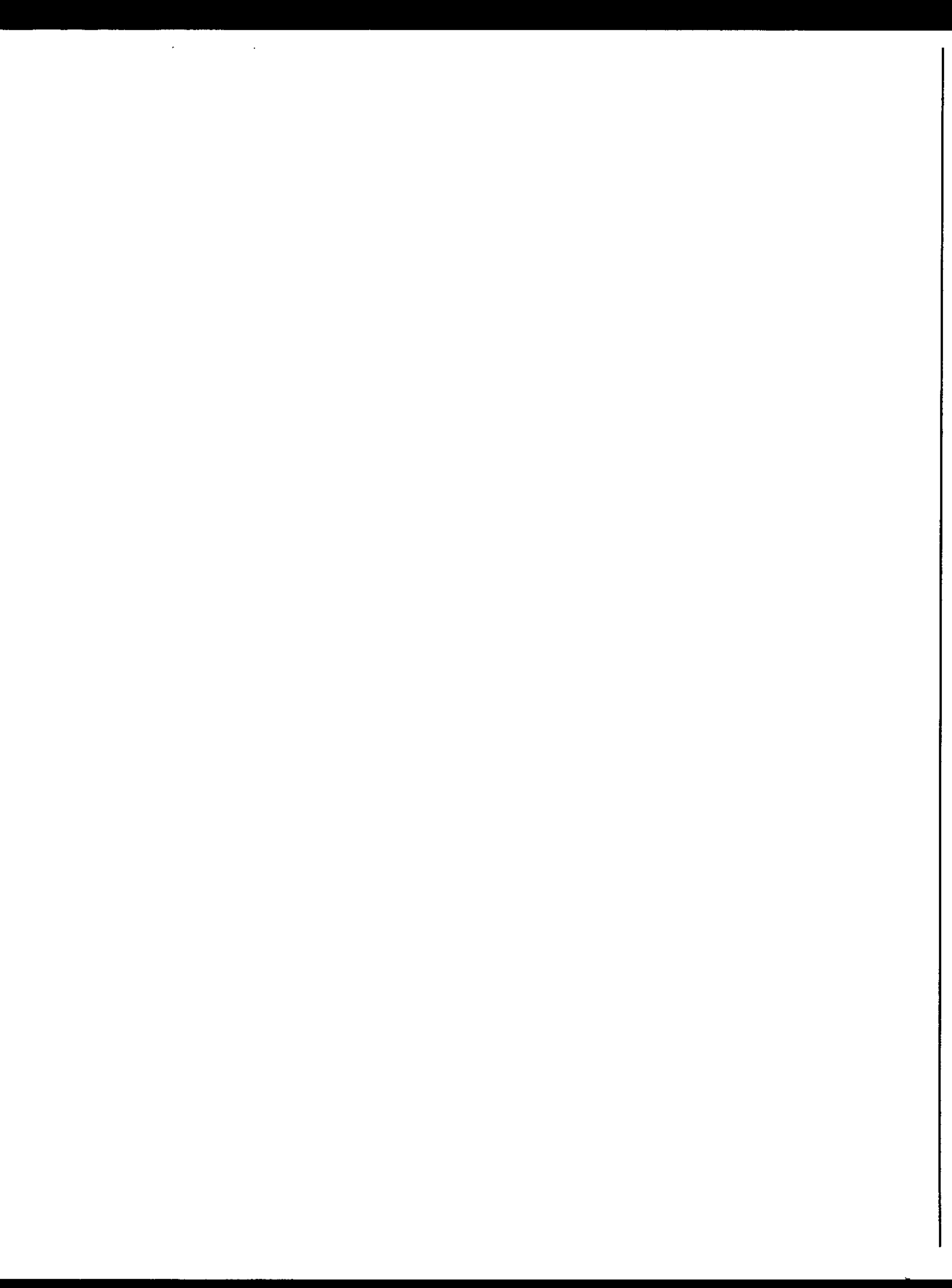
**Donzetta H. Kimble  
Executive Director**

**Bobbie R. Brown  
Assistant Executive Director**

**Prepared by the Accounting and  
Special Programs and Development Departments**

**Housing Authority of the City of Shreveport  
Table of Contents**

	<u>Statement</u>	<u>Page</u>
<b>INTRODUCTORY SECTION</b>		
Letter of Transmittal		i-vii
Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting		ix
Organizational Chart		x
Appointed Officials		
Board of Commissioners		xi
Selected Administrative Officials		xi
<b>FINANCIAL SECTION</b>		
INDEPENDENT AUDITORS' REPORT		1-2
REQUIRED SUPPLEMENTAL INFORMATION		3
Management's Discussion and Analysis (MD&A)		4-9
BASIC FINANCIAL STATEMENTS		10
PROPRIETARY FUND TYPE - ENTERPRISE FUND:		
Balance Sheet	A	12-13
Statement of Revenues, Expenses, and Changes in Net Assets	B	14
Statement of Cash Flows	C	15-16
Notes to the Basic Financial Statements		
Index		17
Notes		18-26
	<u>Exhibit</u>	
SUPPLEMENTAL INFORMATION		
NONMAJOR ENTERPRISE FUNDS		
Combining Balance Sheet	1	28
Combining Statement of Revenues, Expenses, and Changes in Net Assets	2	29
Combining Statement of Cash Flows	3	30-31
Schedule of Compensation Paid Board Members	4	32
Financial Data Schedule		34-48
Statement and Certification of Actual Development Cost		49
Statement and Certification of Actual Modernization Completed		50
	<u>Table</u>	
<b>STATISTICAL SECTION</b>		
General Fund Expenditures/Expenses By Function	1	51
General Fund Revenues By Source	2	52
Fund Balances/Equity - General Fund	3	53
Tenant Demographics: Occupancy Ratios By Program	4	54
Property Characteristic and Dwelling Unit Composition	5	55
Public Housing Management Assessment Program (PHMAP)	6	56
Construction Work in Progress	7	57
Section 8 Management Assessment Program (SEMAP) Scores	8	58





# Housing Authority

OF THE

## City of Shreveport

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COMMISSIONERS

BOB OWENS  
CHAIRMAN  
HAROLD KELLY  
VICE CHAIRMAN  
DAVID WATKINS  
REVEREND DR. MURPHY L. HUNT  
MARGY RAY

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SHREVEPORT, LA 71104

18 March 2004

DONZETTA H. KIMBLE  
EXECUTIVE DIRECTOR

BOBBIE R. BROWN  
ASST. EXECUTIVE  
DIRECTOR

Mr. Bob Owens, Chairman  
and Members of the Board of Commissioners  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

**RE: Fiscal Year '2003 Financial Report**

Dear Members of the Board of Commissioners:

The Comprehensive Annual Financial Report of the Housing Authority of the City of Shreveport (Authority), for fiscal year ending 30 September 2003, is hereby submitted. The report has been prepared by the Authority's Accounting and Special Programs and Development Departments staff, in accordance with guidelines recommended by the Government Finance Officers Association of the United States and Canada. Additional information relative to the Authority's financial status is included in the management's discussion and analysis.

- A. Management Responsibility** - Responsible for the accuracy of data and the completeness and fairness of its presentation, to include all disclosures. To the best of our knowledge and belief, the enclosed data is materially accurate in all aspects, and is reported in such a manner that has been designed to present fairly the financial position and results of various funds, accounts and other component units of the Authority's operations. All disclosures necessary to enable the reader to ascertain a clear understanding of the Authority's financial activities are included.
- B. Comprehensive Annual Financial Report (CAFR)** - The CAFR consists of the following component parts:
1. **Introductory Section** - This section includes a transmittal letter and the Authority's organizational structure;
  2. **Financial Section** - This section consist of management's discussion and analysis, basic financial statements, and combining and individual fund statements and schedules. Combining statements are presented when a

Mr. Bob Owens, Chairman  
and Members of the Board of Commissioners  
Page 2  
18 March 2004

Public Housing Agency has more than one major fund of a given fund category. Various statements are utilized to illustrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements; and

3. **Statistical Section** - This section consists of a number of tables containing unaudited data depicting the financial history, demographics and other miscellaneous data of the Authority for the preceding ten (10) years.

The Authority is required to undergo an annual audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular No. A-133, (Audits of states, local governments and non-profit organizations). Information related to the single audit includes the Schedule of Expenditures of federal awards, findings and recommendations, if applicable, and auditor's reports on internal control and compliance with applicable laws and regulations. The single audit report is issued apart from this CAFR.

Since its inception, the mission of the Authority has been to provide decent, safe, sanitary and affordable housing for low-income families residing in or expected to reside in the primary market area of which it has jurisdiction. It is further tasked with providing a network of resources to assist public housing families in their effort to become self reliant. Even though the Authority is not mandated to provide all direct social services to residents, it has a responsibility to help them secure such services. As a steward of taxpayers funds, the Authority will employ quality employees and encourage excellence to ensure that the Authority will achieve and maintain high performance standards.

To assist and enable low-income families in their plight from public housing to self-sufficiency the Authority implemented and administer numerous resident-oriented programs which are discussed in the notes of the financial statements included in this report.

- C. **Reporting Entity** - This report includes all funds of the Authority. Component units are legally separate entities for which a government is financially accountable.

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-rent housing programs in the United States. Accordingly, HUD has entered into an Annual Contributions Contract with the Authority for the purpose of assisting the Authority in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the Authority for the purpose of maintaining this low-rent character.

The Authority was duly created pursuant to the authority of the constitution and statutes (LSA:RS 40: 381, Section 401) of the State of Louisiana and was duly organized on the 11<sup>th</sup> day of March 1940, and since the date of its organization, the Authority has continued to exist without interruption in the performance of its public corporate purposes, with its principal place of business, located at 2500 Line Avenue, Shreveport, Louisiana.

The creation of the Authority was contingent upon the adoption of a resolution by the local governing body of the City of Shreveport constituting a declaration to the need of a Public Housing Agency in the City of Shreveport, Parish of Caddo, State of Louisiana. Even though the Authority has interconnection with the City of Shreveport in several respects, it is not a component unit of the City, as by the pronouncements of the Governmental Accounting Standards Board, in that it is not financially accountable for the operations of the Authority, has no responsibility to fund deficits or rights to receive surpluses, and has not guaranteed the Authority's debts.

The governing body of the Authority is its Board of Commissioners. The Board of Commissioners is comprised of five (5) members. They are appointed by the Mayor of the City of Shreveport and confirmed by the City Council, to serve a five (5) year staggered term with the option of reappointment. Each member serves until a successor is appointed. The Board of Commissioners appoints an Executive Director/Secretary who is charged with the responsibility to administer the day-to-day affairs of the Authority. The primary funding source for the Authority is through subsidy received from HUD, which oversees the expenses of most of its funds.

The Housing Authority is financially accountable for Shreveport Housing Authority Resident Advisory Board Inc; a legally separate entity. The Housing Authority can, to a limited degree, impose its will on the Resident Advisory Board.

The Housing Authority also provides office space and some furnishings to the Resident Advisory Board.

- D. Major Initiatives** - The Authority received an 83.0% PHAS score and a 95.0% SEMAP score from HUD for FY 2003. By HUD's standards, 83.0% qualifies as a "Standard Performer". The Authority is taking a pro-action role in initiating procedures to bring our PHAS score back to a status of "High Performer."

1. Homeownership Program - The Authority developed a Section 5(h) Homeownership plan by which an Implementation Agreement was

authenticated by HUD, October 1999, authorizing the Authority to sell up to fifty (50) of its public housing units to eligible and qualifying public housing residents;

2. **Capital Fund Program - Funding provided to the Authority by HUD to improve its management and maintenance operations and upgrade the housing stock to modernization and energy conservation standards. The major undertaking currently in effect is the continued comprehensive Modernization of LA 2-8's Pier Foundation Units. The next prioritized renovations is scheduled for LA 2-7 and LA 2-9. Renovations for LA 2-7 will take place in three phases. Phase I includes renovating 32 dwelling units. Phase II includes alterations and additions to the Office Maintenance Community Building (OMC), and Phase III includes drainage and site improvements.**
3. **Section 8 Programs - The Authority has administered various Section 8 Rental Assistance Programs since its inception under the Federal Housing and Community Development Act of 1974. Under the Section 8 Programs, rental assistance is provided to landlords on behalf of Section 8 participants who reside in privately-owned housing in the City of Shreveport.**
4. **Child Care Center - The Authority closed the Child Care Center on April 4, 2003.**
5. **The Ross Neighborhood Network grant was awarded in the amount of \$250,000.00. As a result of this Grant, there have been four (4) computer labs created. The labs are located at Wilkinson Terrace, Jackson Heights, the Career Center and the Goodman Plaza Community Center. The primary purpose of the computer labs located at Wilkinson Terrace and Jackson Heights is to improve the academic performance of the children living in the developments. The Career Center continues to teach basic computer and Internet classes to adult residents. The Goodman Plaza elderly residents continue to enjoy participating in activities sponsored by the computer lab. The Neighborhood Networks has expanded its service by actively participating in the Family Self-Sufficiency (FSS) Program. Neighborhood Networks continues to pursue its goal of providing the necessary resource to help residents improve their ability to become self-sufficient adults.**



**E. Internal Control** - The Authority's management staff is responsible for establishing and maintaining internal control which has been designed to ensure that the assets of the Authority are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accounting principles accepted in the United State of America. Internal control is designed to provide reasonable, but not absolute assurance recognizes that:

1. The cost of control should not exceed the benefit likely to be derived; and
2. The valuation of costs and benefits requires estimates and judgement by management.

It is our opinion that the Authority's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the Authority is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations that govern those programs.

As a component part of the Authority's single audit, aforementioned, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the Authority has complied with applicable laws and regulations. The result of the Authority's single audit for fiscal year ending 30 September 2003, provided no instances of material weakness in internal control or significant violation of applicable laws and regulations.

**F. Budgetary Controls** - The Authority maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Authority's Board of Commissioners. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. Revision(s) to the budget enacted requires the Authority's Board of Commissioners approval.

As illustrated by the statements and schedules included in the financial section of this report, the Authority continues to meet its responsibility for sound financial management.

- G. Cash Management** - All funds invested by the Authority during the year were placed in Certificates of Deposits with local banks. The cumulative amount of interest earned during the year on these investments was \$ 91,095.00.

The Authority's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits in financial institutions were collateralized by instruments insured by the Federal Deposit Insurance Corporation.

- H. Risk Management** - The Authority has a safety program in-place which is designed to eliminate and/or reduce to a minimum, the possibilities of unsafe acts by the Authority's employees, residents, contract labors and the general public. The Authority encourages the philosophy of "Think Safety and Be Safe."

The Authority has Workers Compensation and Employers Liability Insurance coverage with a policy limit of \$1,000,000.00 per accident, per employee.

- I. Independent Audit** - The independent audit report of the Authority's Financial Statements as completed by Allen, Green & Williamson, LLP, Certified Public Accountants, 2924 Knight Street, Suite 430, Shreveport, Louisiana 71105, follows as an integral component of this report. Their audit of the financial statements and accompanying combining and individual fund statements and schedules were performed in accordance with auditing standards generally accepted in the United States of America and accordingly, included a review of the Authority's Systems of budgetary and accounting controls.

- J. Award** - The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report. To be awarded this certificate a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. This certificate is valid for a period of one year only.

The award is granted only after an intensive review of the financial report by an expert panel of Certified Public Accountants.

Mr. Bob Owens, Chairman  
and Members of the Board of Commissioners  
Page 7  
18 March 2004

Management believes that the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2003, which will be submitted to GFOA for review, will conform to the principles and standards of this organization.

- K. Acknowledgments** - The preparation of this report could not have been accomplished with little ease without the Authority's efficient and dedicated Accounting and Special Programs and Development Departments staff. Our sincere thanks and appreciation are expressed to them for their enable and invaluable assistance. Thanks are also rendered to the Authority's entire staff for their interest and support in planning and conducting the financial operations of the Authority in a responsible and progressive manner.

  
**Donzetta H. Kimble**  
Executive Director

  
**Bobbie R. Brown**  
Assistant Executive Director

**Housing Authority of the City of Shreveport**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Housing Authority of the  
City of Shreveport, Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in cursive script, appearing to read "Edward Hand".

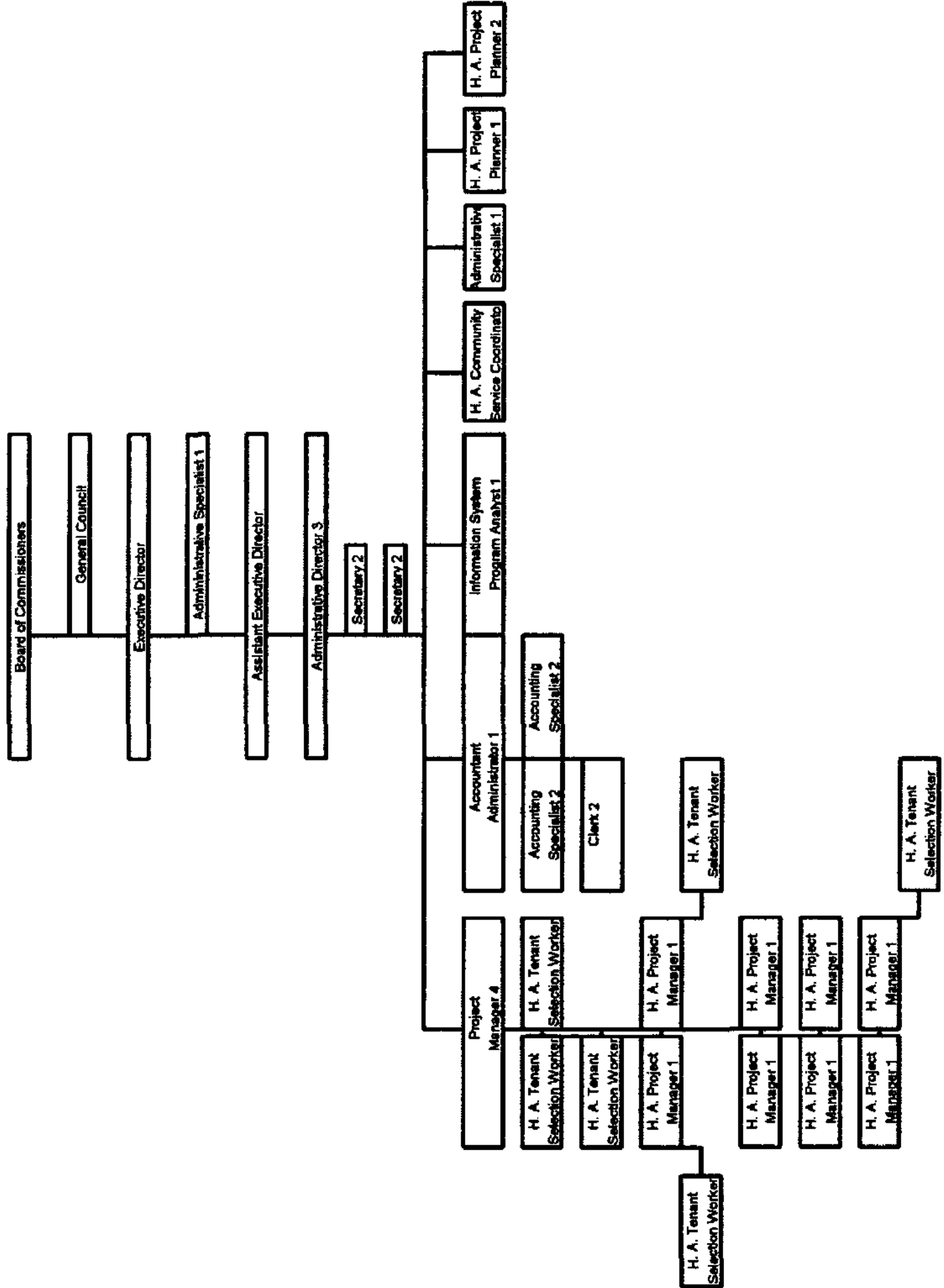
President

A handwritten signature in cursive script, appearing to read "Jeffrey R. Emer".

Executive Director

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
Organizational Chart  
Administrative Office**

**September 30, 2003**



**Housing Authority of the City of Shreveport**

**Appointed Officials  
September 30, 2003**

**Board of Commissioners**

Mr. David Watkins, Chairman

Mr. Harold Kelly, Vice Chairman

Reverend Dr. Murphy L. Hunt

Mr. Bob Owens

Ms. Margy Ray

**Selected Administrative Officials**

Donzetta H. Kimble

Executive Director

Bobbie R. Brown

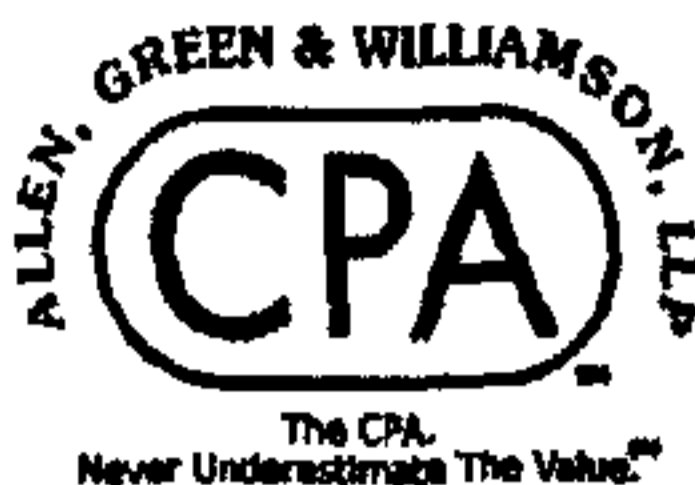
Assistant Executive Director

Ivory J. Glover

Administrative Director 3

Maurine Crenshaw

Accountant Administrator 1



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1963 - 2000

## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, Louisiana

We have audited the accompanying financial statements of the business-type activities, each major fund and the aggregate remaining fund information of the Housing Authority of the City of Shreveport as of and for the year ended September 30, 2003 which collectively comprise the Housing Authority's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. 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 opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund and the aggregate remaining fund information of the Housing Authority, as of September 30, 2003, the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued under separate cover, our report dated March 18, 2004, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis 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 required supplementary information. However, we did not audit the information, and express no opinion on it.



Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority's basic financial statements. The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the introductory section, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Housing Authority. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
March 18, 2004

**Housing Authority of the City of Shreveport**

**REQUIRED SUPPLEMENTAL INFORMATION  
MANAGEMENT'S DISCUSSION  
AND ANALYSIS (MD&A)**

## Housing Authority of the City of Shreveport

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### Management's Discussion and Analysis (MD&A) September 30, 2003

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As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended September 30, 2003. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

#### FINANCIAL HIGHLIGHTS

- The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$28,278 (*net assets*). Of this amount, \$3,814 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Housing Authority's enterprise funds reported combined ending net assets of \$28,278, a decrease of \$600 in comparison with the prior year. Approximately fourteen percent of this total amount is *available for spending* at the Housing Authority's discretion (unrestricted net assets).
- At the end of the current fiscal year, unrestricted net assets for the general fund was \$1,378, or twenty-eight percent of total general fund operating expenses for the fiscal year. Unrestricted net assets of the Section 8 fund of \$1,614 is nine percent of total Section 8 operating expenses for the year. Unrestricted net assets of the other enterprise funds of \$822 is 124 percent of total operating expenses for the year.
- Net assets of the general fund decreased \$412 from the prior year. A decrease in the capital fund program of \$797 was partially offset by a decrease in self insured health insurance claims expense of \$104. Net assets of the Section 8 fund decreased \$315. Revenues remained fairly stable but expenses such as salaries and contract costs increased. The other enterprise funds net assets increased \$127 due mainly to an increase in University Oaks net assets for the year.

**OVERVIEW OF THE FINANCIAL STATEMENTS** This discussion and analysis is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority's basic financial statements comprise two components: 1) fund financial statements, and 2) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Housing Authority is a special-purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

**FUND FINANCIAL STATEMENTS** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Housing Authority are reported as proprietary fund types.

Housing Authority of the City of Shreveport

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Management's Discussion and Analysis (MD&A)  
September 30, 2003

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**USING THIS ANNUAL REPORT** The Housing Authority's annual report consist of financial statements that show information about the Housing Authority's most significant funds – such as the Housing Authority's general fund, Section 8 fund, and other enterprise funds.

<b>Comprehensive Annual Financial Report</b>
<b><i>Introductory Section</i></b> Transmittal Letter Organizational Chart Appointed Officials and Selected Administrative Officials
<b><i>Financial Section</i></b> (Details Outlined in the Next Chart)
<b><i>Statistical Section</i></b> Ten Years of Historical Financial Operating Data Ten Years of Fund Balances/Equity for the General Fund Occupancy Ratios by Program Property Characteristics and Dwelling Unit Composition Construction Work in Progress Public Housing Management Assessment Program Scores Section 8 Management Assessment Program Scores Revenue Bond Coverage
(Refer to the Table of Contents in the front of this report for more details and the specific location of items identified above)

Housing Authority of the City of Shreveport

Management's Discussion and Analysis (MD&A)  
September 30, 2003

**Financial Section**

**Required Supplemental Information**

Management's Discussion & Analysis (MD&A)

**Basic Financial Statements**

Fund  
Financial Statements

Notes to the Basic Financial  
Statements

**Supplemental Information**

Nonmajor Funds Combining Statements  
Schedule of Compensation Paid Board Members  
Financial Data Schedule

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

The Introductory Section and the Statistical Section were prepared by the Housing Authority without association by the independent auditors. Accordingly, the Housing Authority assumes full responsibility for the accuracy of these two sections.

**Reporting the Housing Authority's Most Significant Funds** The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Housing Authority's enterprise funds use the following accounting approach:

**Housing Authority of the City of Shreveport**

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**Management's Discussion and Analysis (MD&A)**  
**September 30, 2003**

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Proprietary funds – All of the Housing Authority's services are reported in enterprise funds. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

**FINANCIAL ANALYSIS** The Housing Authority's net assets were \$28,278 at September 30, 2003. Of this amount, \$3,814 was unrestricted. Restricted net assets of \$492 are reported separately to show legal constraints from debt covenants and enabling legislation that limits the Housing Authority's ability to use those net assets for day-to-day operations.

As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. The general fund is used to account for the public housing, drug elimination, comprehensive grant, capital fund and resident opportunity programs. Section 8 vouchers, moderate rehabilitation and new construction programs are accounted for in the section 8 fund. The I-49, University Oaks, Armstrong Center, Jackson Heights Child Care and Resident Advisory Board programs are accounted for in separate funds. Our analysis below focuses on the net assets and the change in net assets of the primary government as a whole.

**Table 1**  
**Net Assets**  
**(in thousands)**

	September 30,	
	2002	2003
Current assets	\$ 5,284	\$ 4,432
Restricted current assets	678	812
Capital assets, net	28,576	28,051
Total assets	34,538	33,295
Current liabilities	1,148	568
Current liabilities payable from current restricted assets	127	320
Long-term liabilities	4,385	4,129
Total liabilities	5,660	5,017
Net assets		
Invested in capital assets, net of related debt	24,342	23,972
Restricted	475	492
Unrestricted	4,061	3,814
Total net assets	\$28,878	\$28,278

**Housing Authority of the City of Shreveport**

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**Management's Discussion and Analysis (MD&A)**  
**September 30, 2003**

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**Table 2**  
**Changes in Net Assets**  
**(in thousands)**

	September 30,	
	2002	2003
<b>Revenues/capital contributions:</b>		
<b>Operating revenues</b>		
Rent and other	\$ 2,216	\$ 2,371
<b>Nonoperating revenues</b>		
Interest earnings	118	92
Federal grants	17,070	19,444
<b>Capital contributions</b>	3,008	1,523
<b>Total revenues/capital contributions</b>	<u>22,412</u>	<u>23,430</u>
<b>Expenses:</b>		
<b>Operating expenses</b>		
Administration	2,520	2,626
Tenant services	362	633
Utilities	500	579
Ordinary maintenance and operations	1,311	1,700
Protective services	518	374
General expenses	1,268	517
Nonroutine maintenance	383	4
Housing assistance payments	13,222	15,257
Depreciation	2,119	2,085
Interest and bank charges	264	255
<b>Total expenses</b>	<u>22,467</u>	<u>24,030</u>
<b>Increase (decrease) in net assets</b>	<u>\$ ( 55 )</u>	<u>\$ ( 600 )</u>

Total revenues increased by \$1,018 due primarily to an increase in federal grants of \$2,374, which was offset somewhat by a decrease in capital contributions of \$1,485. The increase in federal grants was due primarily to an increase of \$2,080 in Section 8 revenue. The decrease in capital contributions is due to a decrease in capital fund activity for the year.

Total expenses increased \$1,563 due primarily to an increase in housing assistance payments of \$2,035. The increase in ordinary maintenance and operations was offset by a decrease in nonroutine maintenance. Tenant services increased due to an increase in salaries.

**Housing Authority of the City of Shreveport**

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**Management's Discussion and Analysis (MD&A)**  
**September 30, 2003**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

***Capital Assets***

At September 30, 2003, the Housing Authority had \$28,051 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of \$525, or 2% from last year. See Note 4 to the financial statements for more detail on capital assets.

**Capital Assets at Year-end  
(in thousands)**

	<u>2002</u>	<u>2003</u>
Land	\$ 3,160	\$ 3,160
Buildings	23,870	23,445
Furniture and equipment	290	334
Construction in progress	<u>1,256</u>	<u>1,112</u>
Totals	<u>\$28,576</u>	<u>\$28,051</u>

No debt was issued for these additions.

***Debt***

At September 30, 2003, the Housing Authority had \$4,080 in mortgage revenue bonds outstanding. The bonds mature annually until 2019 and have a stated interest rate of 6.1%.

Our long-term debt includes accrued annual and sick leave of \$195. We present more detail about our long-term liabilities in the notes to the financial statements.

**ECONOMIC FACTORS** The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions.

**CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT** Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Maurine Crenshaw, Accountant Administrator, at the Housing Authority of the City of Shreveport, 2500 Line Avenue, Shreveport, Louisiana 71104, telephone number (318) 227-8174.



## **BASIC FINANCIAL STATEMENTS**

**Housing Authority of the City of Shreveport**



**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Balance Sheet  
September 30, 2003**

Statement A

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 481,003	\$ 238,467	\$ 419,320	\$ 1,138,790
Investments	873,130	1,242,440	408,744	2,524,314
Accounts receivable, net	135,510	194,519	2,915	332,944
Interest receivable	22,102	11,154	3,002	36,258
Prepaid items and other assets	130,904	192,416	0	323,320
Inventory	76,639	0	0	76,639
<b>Restricted Assets</b>				
Restricted deposits	154,277	107,897	16,085	278,259
Repair and replacement account	0	38,354	0	38,354
Surplus account	0	2,386	0	2,386
Bond fund account	0	71,315	0	71,315
Debt service fund account	0	421,495	0	421,495
<b>Total Current Assets</b>	<u>1,873,565</u>	<u>2,520,443</u>	<u>850,066</u>	<u>5,244,074</u>
<b>Capital Assets</b>				
Land, buildings, and equipment (net of accumulated depreciation)	<u>19,750,245</u>	<u>4,479,638</u>	<u>3,821,447</u>	<u>28,051,330</u>
<b>TOTAL ASSETS</b>	<u>\$ 21,623,810</u>	<u>\$ 7,000,081</u>	<u>\$ 4,671,513</u>	<u>\$ 33,295,404</u>

(CONTINUED)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Balance Sheet  
September 30, 2003**

Statement A

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 165,502	\$ 57,199	\$ 6,202	\$ 228,903
Bank overdraft	0	0	0	0
Deferred revenue	18,250	154,970	1,631	174,851
Current portion of compensated absences	6,896	2,660	209	9,765
Current portion of long term debt	0	155,000	0	155,000
<b>Total Current Liabilities</b>	<u>190,648</u>	<u>369,829</u>	<u>8,042</u>	<u>568,519</u>
<b>Current Liabilities Payable From Current Restricted Assets</b>				
Deposits due others	154,277	107,897	16,085	278,259
Accrued interest	0	41,318	0	41,318
<b>Total Current Liabilities Payable From Current Restricted Assets</b>	<u>154,277</u>	<u>149,215</u>	<u>16,085</u>	<u>319,577</u>
<b>Noncurrent Liabilities</b>				
Compensated absences payable	131,015	50,532	3,964	185,511
Notes and bonds payable	0	3,925,000	0	3,925,000
Claims payable	18,754	0	0	18,754
<b>Total Noncurrent Liabilities</b>	<u>149,769</u>	<u>3,975,532</u>	<u>3,964</u>	<u>4,129,265</u>
<b>Total Liabilities</b>	<u>494,694</u>	<u>4,494,576</u>	<u>28,091</u>	<u>5,017,361</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	19,750,245	399,638	3,821,447	23,971,330
Restricted	0	492,232	0	492,232
Unrestricted	1,378,871	1,613,635	821,975	3,814,481
<b>NET ASSETS</b>	<u>21,129,116</u>	<u>2,505,505</u>	<u>4,643,422</u>	<u>28,278,043</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 21,623,810</u>	<u>\$ 7,000,081</u>	<u>\$ 4,671,513</u>	<u>\$ 33,295,404</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Statement of Revenues, Expenses,  
and Changes in Net Assets  
For the Year Ended September 30, 2003**

Statement B

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>OPERATING REVENUES</b>				
Dwelling rental	\$ 1,117,962	\$ 348,618	\$ 584,373	\$ 2,050,953
Other	104,228	20,584	194,877	319,689
<b>Total operating revenues</b>	<u>1,222,190</u>	<u>369,202</u>	<u>779,250</u>	<u>2,370,642</u>
<b>OPERATING EXPENSES</b>				
Administration	975,595	1,511,836	138,019	2,625,450
Tenant services	211,500	338,987	82,883	633,370
Utilities	401,124	130,582	47,693	579,399
Ordinary maintenance & operations	1,070,724	384,121	244,719	1,699,564
Protective services	266,267	107,027	817	374,111
General expenses	312,283	186,126	18,058	516,467
Nonroutine maintenance	0	0	4,514	4,514
Housing assistance payments	53,352	15,203,791	0	15,257,143
Depreciation	1,767,040	187,314	130,065	2,084,419
<b>Total operating expenses</b>	<u>5,057,885</u>	<u>18,049,784</u>	<u>666,768</u>	<u>23,774,437</u>
<b>Operating Income (Loss)</b>	<u>(3,835,695)</u>	<u>(17,680,582)</u>	<u>112,482</u>	<u>(21,403,795)</u>
<b>Nonoperating revenues (expenses)</b>				
Interest earnings	30,860	50,023	11,551	92,434
Federal grants	1,870,334	16,988,105	3,098	18,861,537
Federal grants used as security for revenue bonds	0	582,922	0	582,922
Interest and bank charges	0	(255,815)	0	(255,815)
<b>Total nonoperating revenues (expenses)</b>	<u>1,901,194</u>	<u>17,365,235</u>	<u>14,649</u>	<u>19,281,078</u>
<b>NET INCOME (Loss) before Contributions</b>	<u>(1,934,501)</u>	<u>(315,347)</u>	<u>127,131</u>	<u>(2,122,717)</u>
<b>Capital contributions</b>	<u>1,522,674</u>	<u>0</u>	<u>0</u>	<u>1,522,674</u>
<b>Change in net assets</b>	<u>(411,827)</u>	<u>(315,347)</u>	<u>127,131</u>	<u>(600,043)</u>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>21,540,943</u>	<u>2,820,852</u>	<u>4,516,291</u>	<u>28,878,086</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 21,129,116</u>	<u>\$ 2,505,505</u>	<u>\$ 4,643,422</u>	<u>\$ 28,278,043</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Statement of Cash Flows  
For the Year Ended September 30, 2003**

**Statement C**

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Rental receipts	\$ 1,134,287	\$ 353,218	\$ 587,456	\$ 2,074,961
Other receipts	104,228	10,252	209,854	324,334
Payments to vendors	(2,341,866)	(2,182,538)	(311,499)	(4,835,903)
Payments to employees	(1,128,485)	(458,144)	(258,496)	(1,845,125)
Payments to private landlords	0	(15,203,791)	0	(15,203,791)
Other payments	(70,431)	0	0	(70,431)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(2,302,267)</u>	<u>(17,481,003)</u>	<u>227,315</u>	<u>(19,555,955)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Federal grants	<u>1,870,334</u>	<u>18,310,852</u>	<u>3,098</u>	<u>20,184,284</u>
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>1,870,334</u>	<u>18,310,852</u>	<u>3,098</u>	<u>20,184,284</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase capital assets	(1,479,360)	(56,566)	(21,351)	(1,557,277)
Contributed capital	1,522,674	0	0	1,522,674
Principal paid on capital debt	0	(150,000)	0	(150,000)
Interest paid on capital debt	0	(255,308)	0	(255,308)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>\$ 43,314</u>	<u>\$ (462,874)</u>	<u>\$ (21,351)</u>	<u>\$ (440,911)</u>

(CONTINUED)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Statement of Cash Flows  
For the Year Ended September 30, 2003**

**Statement C**

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	\$ 847,420	\$ 21,084	\$ 312,568	\$ 1,181,072
Interest and dividends	32,091	46,563	14,645	93,299
Purchase investments	(873,130)	0	(293,311)	(1,166,441)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>6,381</u>	<u>67,647</u>	<u>33,902</u>	<u>107,930</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(382,238)	434,622	242,964	295,348
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>863,241</u>	<u>(198,155)</u>	<u>176,356</u>	<u>843,442</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>481,003</u>	<u>238,467</u>	<u>419,320</u>	<u>1,138,790</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	(3,835,695)	(17,680,582)	112,482	(21,403,795)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation and amortization expense	1,767,040	187,314	130,065	2,084,419
Bad Debt Expense	17,275			17,275
Change in assets and liabilities:				
Receivables, net	(13,860)	(5,732)	(14,501)	(34,093)
Inventories	5,060	0	0	5,060
Prepaid items	(11,605)	81,896	0	70,291
Accounts payables	(157,503)	(64,074)	7,545	(214,032)
Accrued expenses	(95,327)	0	0	(95,327)
Compensated absences	22,348	175	(8,276)	14,247
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ (2,302,267)</u>	<u>\$ (17,481,003)</u>	<u>\$ 227,315</u>	<u>\$ (19,555,955)</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Housing Authority of the City of Shreveport  
Notes to the Basic Financial Statements  
September 30, 2003**

**INDEX**

	<u>Page</u>
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES .....	18
A. REPORTING ENTITY .....	18
B. FUNDS .....	19
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING .....	19
D. CASH AND CASH EQUIVALENTS .....	20
E. INVESTMENTS .....	20
F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES .....	20
G. INVENTORY AND PREPAID ITEMS .....	20
H. CAPITAL ASSETS .....	21
I. DEFERRED REVENUES .....	21
J. COMPENSATED ABSENCES .....	21
K. RESTRICTED NET ASSETS .....	21
L. USE OF ESTIMATES .....	21
NOTE 2 - DEPOSITS .....	22
NOTE 3 - RECEIVABLES .....	22
NOTE 4 - CAPITAL ASSETS .....	23
NOTE 5 - RETIREMENT SYSTEM .....	23
NOTE 6 - ACCOUNTS PAYABLE .....	23
NOTE 7 - COMPENSATED ABSENCES .....	23
NOTE 8 - LONG TERM OBLIGATIONS .....	24
NOTE 9 - COMMITMENTS AND CONTINGENCIES .....	24
NOTE 10 - RISK MANAGEMENT .....	25
NOTE 11 - SEGMENT INFORMATION .....	25



**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2003**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Housing Authority of the City of Shreveport (the Housing Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** Housing authorities are chartered as public corporations under the laws LSA-R.S. 40:391 of the state of Louisiana for the purpose of providing safe and sanitary dwelling accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority of the City of Shreveport is governed by a five-member board of commissioners. The members, appointed by the Honorable Mayor of the City of Shreveport, serve a staggered term of five years.

The Housing Authority has the following units:

	<u># of Units</u>	
PHA Owned Housing	FW 923	945
Homeownership		11
Section 8		
Rental Certificates	FW 2075	135
Rental Vouchers	FW 2215	2,889
Moderate Rehab	FW 2075	308
Existing - Stone Vista	FW 2163	151
New Construction - Goodman Plaza	FW 77-393	170
Non HUD Programs:		
I-49 Dwelling Rental Units		56
Child Care		1
University Oaks I		64
University Oaks II		60

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a *primary government*, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

The Housing Authority is a related organization of the City of Shreveport since the City appoints a voting majority of the Housing Authority's governing board. The City is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Shreveport. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Shreveport.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2003**

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the government to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that the following component unit should be considered as part of the Housing Authority reporting entity.

Resident Advisory Board is a legally separate entity. The Housing Authority can, to a limited degree, impose its will on the Resident Advisory Board, and the Housing Authority provides office space, and furnishings to the Resident Advisory Board. Based on the above, it has been determined that the Resident Advisory Board is a component unit of the Housing Authority. The Resident Advisory Board provides service entirely or almost entirely to the Housing Authority and is included through blended presentation.

**B. FUNDS** The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. All funds of the Housing Authority are classified as proprietary.

The general fund is used to account for the public housing, drug elimination, comprehensive grant, and capital fund programs. Section 8 vouchers, moderate rehabilitation and new construction programs are accounted for in the section 8 fund. The I-49, University Oaks, Armstrong Center and Jackson Heights Child Care and Resident Advisory Board programs are accounted for in separate funds.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING** Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

When both restricted and unrestricted resources are available for use, it is the Housing Authority's policy to use restricted resources first, then unrestricted resources as needed.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2003**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to residents. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**D. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**E. INVESTMENTS** Investments are limited by R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Housing Authority reports at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

**F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

**G. INVENTORY AND PREPAID ITEMS** All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the purchase method. At year-end the amount of inventory is recorded for external financial reporting purposes.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2003**

**H. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The Housing Authority capitalizes items over \$500 and refrigerators and ranges. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings	40 years
Building and site improvements	15 years
Office equipment (other than computers)	7 years
Computers	3 years
Automobiles and trucks	5 years

**I. DEFERRED REVENUES** The Housing Authority reports deferred revenues on its balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

**J. COMPENSATED ABSENCES** The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 300 hours of annual leave which may be received upon termination or retirement. In a case where the employee notifies the Housing Authority not less than six months prior to retirement or resignation, annual leave in excess of 300 hours may be utilized prior to separation of employment. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

**K. RESTRICTED NET ASSETS** Net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**L. USE OF ESTIMATES** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2003**

**NOTE 2 - DEPOSITS** At September 30, 2003, the Housing Authority has cash and cash equivalents (book balances) totaling \$4,474,913 as follows:

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the Housing Authority's carrying amount of deposits was \$4,474,913 (which includes \$2,524,314 of time deposits and \$811,809 of restricted deposits), and the bank balance was \$4,748,239. Of the bank balance, \$300,000 was covered by federal depository insurance or by collateral held by the Housing Authority's agent in the Housing Authority's name (GASB Category 1). The remainder of \$4,448,239 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 3 - RECEIVABLES** The receivables at September 30, 2003, are as follows:

<u>Class of receivables</u>	<u>General</u>	<u>Section 8</u>	<u>Other Enterprise</u>	<u>Total</u>
Residents	\$ 1,447	\$ 7,222	\$2,915	\$ 11,584
Others	3,525	10,332	0	13,857
HUD	<u>130,538</u>	<u>176,965</u>	<u>0</u>	<u>307,503</u>
Total	<u>\$135,510</u>	<u>\$194,519</u>	<u>\$2,915</u>	<u>\$332,944</u>

The accounts receivable from residents is net of an allowance of \$20,218. The Housing Authority expects to collect all other balances in full; therefore, no allowance for doubtful accounts has been established.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2003**

**NOTE 4 - CAPITAL ASSETS** The changes and balances in capital assets are as follows:

	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, Ending</u>
Land	\$ 3,160,477	\$ 0	\$ 0	\$ 3,160,477
Buildings and improvements	49,653,832	1,448,337	0	51,102,169
Furniture and equipment	1,592,508	255,565	81,395	1,766,678
Construction in progress	<u>1,255,610</u>	<u>1,411,010</u>	<u>1,554,988</u>	<u>1,111,632</u>
Total	<u>55,662,427</u>	<u>3,114,912</u>	<u>1,636,383</u>	<u>57,140,956</u>
Less accumulated depreciation:				
Buildings and improvements	25,784,278	1,921,064	48,092	27,657,250
Furniture and equipment	<u>1,302,248</u>	<u>163,355</u>	<u>33,227</u>	<u>1,432,376</u>
Total	<u>27,086,526</u>	<u>2,084,419</u>	<u>81,319</u>	<u>29,089,626</u>
Fixed assets, net	<u>\$28,575,901</u>	<u>\$1,030,493</u>	<u>\$1,555,064</u>	<u>\$28,051,330</u>

**NOTE 5 - RETIREMENT SYSTEM** The Housing Authority participates in the Housing-Renewal and Local Agency Retirement Plan, administered by Automatic Data Processing Retirement Services, a defined contribution plan. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing one year of continuous and uninterrupted employment. Plan provisions and changes to plan contributions are determined by the Board of the Housing Authority.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to eight percent of each participant's basic (excludes overtime) compensation. The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority's total payroll for year ended September 30, 2003, was \$1,668,856. The Housing Authority's contributions were calculated using the base salary amount of \$1,383,852. Both the Housing Authority and the covered employees made the required contributions of \$193,516 for the year ended September 30, 2003.

**NOTE 6 - ACCOUNTS PAYABLE** The payables at September 30, 2003, are as follows:

	<u>General</u>	<u>Section 8</u>	<u>Other Enterprise</u>	<u>Total</u>
Vendors	\$ 66,573	\$43,332	\$4,086	\$113,991
Wages	32,826	13,323	2,116	48,265
Payable to HUD	0	544	0	544
Other	<u>66,103</u>	<u>0</u>	<u>0</u>	<u>66,103</u>
Total	<u>\$165,502</u>	<u>\$57,199</u>	<u>\$6,202</u>	<u>\$228,903</u>

**NOTE 7 - COMPENSATED ABSENCES** At September 30, 2003, employees of the Housing Authority have accumulated and vested \$195,276 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. These amounts are recorded as liabilities in the funds from which payment will be made.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2003**

**NOTE 8 - LONG TERM OBLIGATIONS** The following is a summary of the long-term obligation transactions for the year ended September 30, 2003:

	<u>Compensated Absences</u>	<u>Notes and Bonds</u>	<u>Total</u>
Balance, beginning	\$191,687	\$4,230,000	\$4,421,687
Additions	21,778	0	21,778
Deductions	<u>18,189</u>	<u>150,000</u>	<u>168,189</u>
Balance, ending	<u>\$195,276</u>	<u>\$4,080,000</u>	<u>\$4,275,276</u>
 Amount due within one year	 <u>\$9,765</u>	 <u>\$ 155,000</u>	 <u>\$164,765</u>

The following bonds are outstanding at September 30, 2003. The Mortgage Revenue bonds are collateralized with all revenues derived from operations of Goodman Plaza.

	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Issue Amount</u>	<u>Balance September 30, 2003</u>
<u>Mortgage revenue bonds</u>					
Series 1993	8-1-93	2019	6.100%	<u>\$5,295,000</u>	<u>\$4,080,000</u>

At September 30, 2003, the Housing Authority has reserved \$492,232 in the debt service fund for future debt requirements. The bonds are due as follows:

Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 155,000	\$ 247,909	\$ 402,909
2005	170,000	239,074	409,074
2006	175,000	229,214	404,214
2007	190,000	218,539	408,539
2008	200,000	206,949	406,949
2009 to maturity	<u>3,190,000</u>	<u>1,284,520</u>	<u>4,474,520</u>
Total	<u>\$4,080,000</u>	<u>\$2,426,205</u>	<u>\$6,506,205</u>

**NOTE 9 - COMMITMENTS AND CONTINGENCIES**

**Litigation** At September 30, 2003, the Housing Authority is involved in various litigation. In the opinion of legal counsel the potential loss on all claims will not materially affect the Housing Authority's financial position.

**Construction Projects** The Housing Authority had two construction projects in progress at September 30, 2003. These projects were substantially complete with a balance of \$17,589 left to complete. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

**Self-Insurance** The Housing Authority is partially self-insured for employee's group and health insurance coverage. Claims are funded through employee contributions and operating funds of the Housing Authority. The Housing

**Housing Authority of the City of Shreveport  
Notes to the Basic Financial Statements  
September 30, 2003**

Authority maintains stop-loss coverage with an insurance company for claims in excess of \$5,000 per claim for each employee. All known claims filed and an estimate of incurred but not reported claims based on experience of the Housing Authority are made and accrued as necessary in the financial statements.

**Grant Disallowances** The Housing Authority participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**Loan Grantor** The Housing Authority is the guarantor of a \$250,000 loan to the Shreveport Urban Renaissance Corporation. The Housing Authority would be liable to pay this debt, if the Shreveport Urban Renaissance Corporation was unable to pay.

**NOTE 10 - RISK MANAGEMENT** The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance. The Housing Authority established a risk management program for employee's group health insurance in 1995.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims in excess of \$5,000. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Settled claims have not exceeded commercial insurance coverage in any of the past thru fiscal years. Changes in the balances of claims liabilities during the past year are as follows:

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Unpaid claims, beginning of fiscal year	\$ 54,589	\$106,774	\$123,077
Incurred claims (including IBNRs)	199,894	428,513	116,628
Claim payments	<u>147,709</u>	<u>412,210</u>	<u>220,951</u>
Unpaid claims, end of fiscal year	<u>\$106,774</u>	<u>\$123,077</u>	<u>\$ 18,754</u>

**NOTE 11 - SEGMENT INFORMATION** The Housing Authority issued mortgage revenue bonds to finance the acquisition of Goodman Plaza, a 170-unit multifamily rental apartment complex designed for elderly persons and families. All of the Section 8 programs are reported in one fund. Repayment of the bonds relies on revenue generated by activities of Goodman Plaza. Summarized financial information for Goodman Plaza is presented below.



**Housing Authority of the City of Shreveport  
Notes to the Basic Financial Statements  
September 30, 2003**

**Condensed Statement of Net Assets**

<b>Assets:</b>	
Current assets	\$1,456,084
Restricted assets	545,275
Capital assets (net)	<u>3,601,212</u>
Total assets	<u>5,602,571</u>
<b>Liabilities:</b>	
Current liabilities	44,918
Current liabilities payable from current restricted assets	208,043
Noncurrent liabilities	<u>3,931,480</u>
Total liabilities	<u>4,184,441</u>
<b>Net assets:</b>	
Invested in capital assets, net of related debt	(478,788)
Restricted	492,232
Unrestricted	<u>1,404,686</u>
<b>Total net assets</b>	<b><u>\$1,418,130</u></b>

**Condensed Statement of Revenues, Expenses,  
and Changes in Net Assets**

Rental income	\$ 348,618
Other income	17,276
Depreciation and amortization expense	(138,929)
Other expenses	<u>(714,752)</u>
Operating income (loss)	(487,787)
Nonoperating revenues (expenses)	
Interest earnings	40,862
Federal grants	582,922
Interest and back charges	<u>(255,815)</u>
Change in net assets	(119,818)
Net assets at beginning of year	<u>1,537,948</u>
Net assets at end of year	<b><u>\$1,418,130</u></b>

**Condensed Statement of Cash Flows**

Net cash provided (used) by:	(\$ 386,210)
Operating activities	582,922
Noncapital financing activities	(405,815)
Capital and related financing activities	19,778
Investing activities	<u>263,927</u>
Beginning cash and cash equivalents	<u>\$ 74,602</u>
Ending cash and cash equivalents	

**Housing Authority of the City of Shreveport**

**Nonmajor Enterprise Funds**

**I-49**

This fund originated from the displacement of homes caused by the construction of Interstate 49. The fund consists of rental income and expenses of single family rental units scattered throughout Caddo Parish. The fund also accounts for proceeds from the sale of rental units.

**UNIVERSITY OAKS**

Apartment complex purchased in September 1999 to provide units under Section 8 and the open market.

**ARMSTRONG CENTER**

Community Center for Goodman Plaza. The center was closed during the year.

**JACKSON HEIGHTS**

This fund accounts for the revenues and expenditures of a child care center operated for Housing Authority employees and residents.

**RESIDENT ADVISORY BOARD**

Provides services to the Housing Authority.

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**NONMAJOR ENTERPRISE FUNDS  
Combining Balance Sheet  
September 30, 2003**

Exhibit 1

	L-49	UNIVERSITY OAKS	ARMSTRONG CENTER	JACKSON HEIGHTS	RESIDENT ADVISORY BOARD	TOTAL NONMAJOR FUNDS
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 20,253	\$ 398,873	\$ 0	\$ 0	\$ 194	\$ 419,320
Investments	289,867	0	118,877	0	0	408,744
Accounts receivable, net	479	2,436	0	0	0	2,915
Due from other funds	17,584	0	0	0	0	17,584
Interest receivable	0	0	3,002	0	0	3,002
<b>Restricted Assets</b>						
Restricted deposits	0	16,085	0	0	0	16,085
<b>TOTAL CURRENT ASSETS</b>	<b>328,183</b>	<b>417,394</b>	<b>121,879</b>	<b>0</b>	<b>194</b>	<b>867,650</b>
<b>Capital Assets</b>						
Capital assets (net of accumulated depreciation)	1,487,578	2,316,749	14,293	0	2,827	3,821,447
<b>TOTAL ASSETS</b>	<b>1,815,761</b>	<b>2,734,143</b>	<b>136,172</b>	<b>0</b>	<b>3,021</b>	<b>4,689,097</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Accounts payable	1,076	5,126	0	0	0	6,202
Due to other funds	0	0	0	14,977	2,607	17,584
Deferred revenue	94	1,537	0	0	0	1,631
Current portion of compensated absences	209	0	0	0	0	209
<b>Current Liabilities Payable from Current Restricted Assets</b>						
Deposits due others	4,844	11,241	0	0	0	16,085
<b>Noncurrent Liabilities</b>						
Compensated absences payable	2,112	1,852	0	0	0	3,964
<b>Total Liabilities</b>	<b>8,335</b>	<b>19,756</b>	<b>0</b>	<b>14,977</b>	<b>2,607</b>	<b>45,675</b>
<b>NET ASSETS</b>						
Invested in capital assets, net of related debt	1,487,578	2,316,749	14,293	0	2,827	3,821,447
Unrestricted	319,848	397,638	121,879	(14,977)	(2,413)	821,975
<b>NET ASSETS</b>	<b>1,807,426</b>	<b>2,714,387</b>	<b>136,172</b>	<b>(14,977)</b>	<b>414</b>	<b>4,643,422</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>						
	\$ 1,815,761	\$ 2,734,143	\$ 136,172	\$ 0	\$ 3,021	\$ 4,689,097

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**NONMAJOR ENTERPRISE FUNDS**  
**Combining Statement of Revenues, Expenses, and Changes in Net Assets**  
**For the Year Ended September 30, 2003**

Exhibit 2

	I-49	UNIVERSITY OAKS	ARMSTRONG CENTER	JACKSON HEIGHTS	RESIDENT ADVISORY BOARD	TOTAL NONMAJOR FUNDS
<b>OPERATING REVENUES</b>						
Dwelling rent	\$ 148,335	\$ 436,038	\$ 0	\$ 0	\$ 0	\$ 584,373
Other	5,214	36,611	0	7,264	145,788	194,877
<b>Total operating revenues</b>	<b>153,549</b>	<b>472,649</b>	<b>0</b>	<b>7,264</b>	<b>145,788</b>	<b>779,250</b>
<b>OPERATING EXPENSES</b>						
Administration	89,261	44,244	0	2,271	2,243	138,019
Tenant services	4,099	2,500	0	13,784	62,500	82,883
Utilities	1,559	44,116	0	2,018	0	47,693
Ordinary maintenance and operations	88,970	154,286	0	1,463	0	244,719
General expenses	13,866	3,992	0	0	200	18,058
Nonroutine maintenance	0	4,514	0	0	0	4,514
Protective services	40	0	0	0	777	817
Depreciation and amortization expense	63,081	60,650	682	0	5,652	130,065
<b>Total operating expenses</b>	<b>260,876</b>	<b>314,302</b>	<b>682</b>	<b>19,536</b>	<b>71,372</b>	<b>666,768</b>
<b>Operating Income (Loss)</b>	<b>(107,327)</b>	<b>158,347</b>	<b>(682)</b>	<b>(12,272)</b>	<b>74,416</b>	<b>112,482</b>
<b>Nonoperating revenues (expenses)</b>						
Interest earnings	7,255	968	3,328	0	0	11,551
Federal grants	0	0	0	3,098	0	3,098
<b>Total nonoperating revenues (expenses)</b>	<b>7,255</b>	<b>968</b>	<b>3,328</b>	<b>3,098</b>	<b>0</b>	<b>14,649</b>
<b>Change in net assets</b>	<b>(100,072)</b>	<b>159,315</b>	<b>2,646</b>	<b>(9,174)</b>	<b>74,416</b>	<b>127,131</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>						
	1,907,498	2,555,072	133,526	(5,803)	(74,002)	4,516,291
<b>NET ASSETS AT END OF YEAR</b>						
	\$ 1,807,426	\$ 2,714,387	\$ 136,172	\$ (14,977)	\$ 414	\$ 4,643,422

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**NONMAJOR ENTERPRISE FUNDS  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2003**

Exhibit 3

	<u>1-49</u>	<u>UNIVERSITY OAKS</u>	<u>ARMSTRONG CENTER</u>	<u>JACKSON HEIGHTS</u>	<u>RESIDENT ADVISORY BOARD</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Rental receipts	\$ 148,842	\$ 438,614	\$ 0	\$ 0	\$ 0	\$ 587,456
Other receipts	5,214	36,611	0	22,241	145,788	209,854
Payments to vendors	(112,325)	(186,251)	0	(8,504)	(4,419)	(311,499)
Payments to employees	(111,713)	(74,261)	0	(13,288)	(59,234)	(258,496)
Other receipts (payments)	0	0	0	0	0	0
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(69,982)</u>	<u>214,713</u>	<u>0</u>	<u>449</u>	<u>82,135</u>	<u>227,315</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Federal grants	0	0	0	3,098	0	3,098
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,098</u>	<u>0</u>	<u>3,098</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchase capital assets	0	(12,872)	0	0	(8,479)	(21,351)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>\$ 0</u>	<u>\$ (12,872)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (8,479)</u>	<u>\$ (21,351)</u>

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

NONMAJOR ENTERPRISE FUNDS  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2003

Exhibit 3

	1-49	UNIVERSITY OAKS	ARMSTRONG CENTER	JACKSON HEIGHTS	RESIDENT ADVISORY BOARD	TOTAL
<b>CASH FLOW FROM INVESTING</b>						
<b>ACTIVITIES:</b>						
Proceeds from sales and maturities of investments	\$ 312,568	\$ 0	\$ 0	\$ 0	\$ 0	\$ 312,568
Interest and dividends	10,234	968	3,443	0	0	14,645
Purchase investments	(289,868)	0	(3,443)	0	0	(293,311)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>32,934</b>	<b>968</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33,902</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(37,048)</b>	<b>202,809</b>	<b>0</b>	<b>3,547</b>	<b>73,656</b>	<b>242,964</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>57,301</b>	<b>196,064</b>	<b>0</b>	<b>(3,547)</b>	<b>(73,462)</b>	<b>176,356</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>20,253</b>	<b>398,873</b>	<b>0</b>	<b>0</b>	<b>194</b>	<b>419,320</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Operating income (loss)	(107,327)	158,347	(682)	(12,272)	74,416	112,482
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization expense	63,081	60,650	682	0	5,652	130,065
Change in assets and liabilities:						
Receivables, net	(17,077)	2,576	0	0	0	(14,501)
Inventories	0	0	0	0	0	0
Prepaid items	0	0	0	0	0	0
Accounts payables	(2,285)	(4,958)	0	12,721	2,067	7,545
Accrued expenses	0	0	0	0	0	0
Compensated absences	(6,374)	(1,902)	0	0	0	(8,276)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (69,982)</b>	<b>\$ 214,713</b>	<b>\$ 0</b>	<b>\$ 449</b>	<b>\$ 82,135</b>	<b>\$ 227,315</b>

(CONCLUDED)

**Housing Authority of the City of Shreveport**

**Schedule of Compensation Paid Board Members  
For the Year Ended September 30, 2003**

**Exhibit 4**

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

David Watkins, Chairman

Harold Kelly, Vice Chairman

Reverend Dr. Murphy L. Hunt

Bob Owens

Margy Ray

**Housing Authority of the City of Shreveport**





**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Business Activities	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program
111	Cash - Unrestricted	\$419,320	\$172,215	\$17,501	\$463,502	\$0
115	Cash - Restricted for Payment of Current Liabilities	\$0	\$533,550	\$0	\$0	\$0
113	Cash - Other Restricted	\$0	\$0	\$0	\$84,705	\$0
114	Cash - Tenant Security Deposits	\$16,085	\$11,725	\$0	\$69,572	\$0
100	Total Cash	\$435,405	\$717,490	\$17,501	\$617,779	\$0
121	Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0
122	Accounts Receivable - HUD Other Projects	\$0	\$84,226	\$0	\$0	\$0
125	Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$3,525	\$0
126	Accounts Receivable - Tenants - Dwelling Rents	\$5,634	\$7,446	\$0	\$18,722	\$0
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(\$2,719)	(\$224)	\$0	(\$17,275)	\$0
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$3,002	\$11,154	\$0	\$22,102	\$0
120	Total Receivables, net of allowances for doubtful accounts	\$5,917	\$102,602	\$0	\$27,074	\$0
131	Investments - Unrestricted	\$408,744	\$1,242,440	\$0	\$873,130	\$0
142	Prepaid Expenses and Other Assets	\$0	\$192,416	\$0	\$130,904	\$0
143	Inventories	\$0	\$0	\$0	\$78,639	\$0
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0
144	Interprogram Due From	\$0	\$0	\$0	\$124,887	\$0
150	Total Current Assets	\$850,066	\$2,254,948	\$17,501	\$1,850,413	\$0
161	Land	\$505,713	\$411,180	\$0	\$2,243,584	\$0
162	Buildings	\$4,589,488	\$4,283,636	\$0	\$39,893,058	\$0
163	Furniture, Equipment & Machinery - Dwellings	\$14,713	\$106,730	\$0	\$480,050	\$0
164	Furniture, Equipment & Machinery - Administration	\$48,468	\$54,959	\$0	\$578,566	\$0
165	Leasehold Improvements	\$0	\$0	\$0	\$0	\$0
166	Accumulated Depreciation	(\$1,336,935)	(\$1,255,293)	\$0	(\$26,050,970)	\$0
167	Construction In Progress	\$0	\$0	\$0	\$0	\$0
160	Total Fixed Assets, Net of Accumulated Depreciation	\$3,821,447	\$3,601,212	\$0	\$17,124,288	\$0
180	Total Non-Current Assets	\$3,821,447	\$3,601,212	\$0	\$17,124,288	\$0
190	Total Assets	\$4,671,513	\$5,856,160	\$17,501	\$18,974,701	\$0

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0002	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0003	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0006	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0007	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0009	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0010	Public Housing _Com prehensive Grant Program	Resident Opportunity and Supportive Services
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$8,969	\$1,663	\$0	\$583	\$8,149	\$0	\$0	\$24,746
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$8,969	\$1,663	\$0	\$583	\$8,149	\$0	\$0	\$24,746
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$19,451	\$27,004	\$42,435	\$0	\$0
\$8,969	\$1,663	\$0	\$20,034	\$35,153	\$42,435	\$0	\$24,746
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$1,788	\$0	\$14,411	\$0	\$0	\$0	\$17,788
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	(\$1,788)	\$0	(\$14,411)	\$0	\$0	\$0	(\$5,929)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,859
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,859
\$8,969	\$1,663	\$0	\$20,034	\$35,153	\$42,435	\$0	\$36,605

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Business Activities	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program
312	Accounts Payable <= 90 Days	\$4,086	\$41,276	\$0	\$60,922	\$0
321	Accrued Wage/Payroll Taxes Payable	\$2,116	\$4,348	\$0	\$32,826	\$0
322	Accrued Compensated Absences - Current Portion	\$209	\$677	\$0	\$6,896	\$0
325	Accrued Interest Payable	\$0	\$41,318	\$0	\$0	\$0
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0
333	Accounts Payable - Other Government	\$0	\$0	\$0	\$66,103	\$0
341	Tenant Security Deposits	\$16,085	\$11,725	\$0	\$69,572	\$0
342	Deferred Revenues	\$1,631	\$64	\$0	\$18,250	\$0
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$0	\$155,000	\$0	\$0	\$0
345	Other Current Liabilities	\$0	\$0	\$0	\$84,705	\$0
347	Interprogram Due To	\$0	\$0	\$0	\$0	\$0
310	<b>Total Current Liabilities</b>	<b>\$24,127</b>	<b>\$254,406</b>	<b>\$0</b>	<b>\$339,274</b>	<b>\$0</b>
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue Bonds	\$0	\$3,925,000	\$0	\$0	\$0
354	Accrued Compensated Absences - Non Current	\$3,964	\$12,863	\$0	\$131,015	\$0
353	Noncurrent Liabilities - Other	\$0	\$0	\$0	\$18,754	\$0
350	<b>Total Noncurrent Liabilities</b>	<b>\$3,964</b>	<b>\$3,937,863</b>	<b>\$0</b>	<b>\$149,769</b>	<b>\$0</b>
300	<b>Total Liabilities</b>	<b>\$28,091</b>	<b>\$4,192,269</b>	<b>\$0</b>	<b>\$489,043</b>	<b>\$0</b>
508	<b>Total Contributed Capital</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
508.1	Invested in Capital Assets, Net of Related Debt	\$3,821,447	(\$478,788)	\$0	\$17,124,288	\$0
511	<b>Total Reserved Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
511.1	Restricted Net Assets	\$0	\$492,232	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$821,975	\$1,650,447	\$17,501	\$1,361,370	\$0
513	<b>Total Equity/Net Assets</b>	<b>\$4,643,422</b>	<b>\$1,663,891</b>	<b>\$17,501</b>	<b>\$18,485,658</b>	<b>\$0</b>
600	<b>Total Liabilities and Equity/Net Assets</b>	<b>\$4,671,513</b>	<b>\$5,856,160</b>	<b>\$17,501</b>	<b>\$18,974,701</b>	<b>\$0</b>

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0002	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0003	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0006	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0007	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0009	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0010	Public Housing Comprehensive Grant Program	Resident Opportunity and Supportive Services
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,384
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$263	\$0	\$0	\$0	\$281	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$270	\$1,400	\$0	\$0	\$0	\$0	\$0	\$23,362
\$270	\$1,663	\$0	\$0	\$0	\$281	\$0	\$24,746
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$270	\$1,663	\$0	\$0	\$0	\$281	\$0	\$24,746
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,859
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$8,699	\$0	\$0	\$20,034	\$35,153	\$42,154	\$0	\$0
\$8,699	\$0	\$0	\$20,034	\$35,153	\$42,154	\$0	\$11,859
\$8,969	\$1,663	\$0	\$20,034	\$35,153	\$42,435	\$0	\$36,605

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Business Activities	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program
703	Net Tenant Rental Revenue	\$584,373	\$348,618	\$0	\$1,117,962	\$0
704	Tenant Revenue - Other	\$0	\$0	\$0	\$104,228	\$0
705	Total Tenant Revenue	\$584,373	\$348,618	\$0	\$1,222,190	\$0
706	HUD PHA Operating Grants	\$0	\$1,541,673	\$57,620	\$1,524,296	\$56,985
706.1	Capital Grants	\$0	\$0	\$0	\$0	\$0
708	Other Government Grants	\$6,209	\$0	\$0	\$0	\$0
711	Investment Income - Unrestricted	\$11,551	\$13,297	\$0	\$30,860	\$0
715	Other Revenue	\$194,877	\$17,276	\$0	\$0	\$0
720	Investment Income - Restricted	\$0	\$30,000	\$0	\$0	\$0
700	Total Revenue	\$797,010	\$1,950,864	\$57,620	\$2,777,346	\$56,985

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0002	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0003	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0006	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0007	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0009	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0010	Public Housing_Compre hensive Grant Program	Resident Opportunity and Supportive Services
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$17,490	\$5,349	\$0	\$277,052	\$130,514	\$173,035	\$0	\$67,716
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,788
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$88	\$594	\$0	\$2,095	\$249	\$248	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$17,578	\$5,943	\$0	\$279,147	\$130,763	\$173,283	\$0	\$85,504

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Business Activities	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program
911	Administrative Salaries	\$74,646	\$81,854	\$0	\$376,761	\$0
912	Auditing Fees	\$338	\$1,973	\$0	\$5,777	\$0
913	Outside Management Fees	\$0	\$0	\$0	\$0	\$0
914	Compensated Absences	\$0	\$4,860	\$0	\$22,348	\$0
915	Employee Benefit Contributions - Administrative	\$16,606	\$47,595	\$0	\$108,787	\$0
916	Other Operating - Administrative	\$49,540	\$122,498	\$0	\$298,204	\$0
921	Tenant Services - Salaries	\$74,594	\$162	\$0	\$17,540	\$0
923	Employee Benefit Contributions - Tenant Services	\$8,289	\$0	\$0	\$8,880	\$0
924	Tenant Services - Other	\$0	\$7,622	\$0	\$117,364	\$0
931	Water	\$12,648	\$5,698	\$0	\$50,635	\$0
932	Electricity	\$17,240	\$117,887	\$0	\$243,224	\$0
933	Gas	\$634	\$0	\$0	\$44,930	\$0
938	Other Utilities Expense	\$17,170	\$7,017	\$0	\$62,335	\$0
941	Ordinary Maintenance and Operations - Labor	\$71,333	\$74,416	\$0	\$491,376	\$0
942	Ordinary Maintenance and Operations - Materials and Other	\$45,493	\$44,200	\$0	\$230,616	\$0
943	Ordinary Maintenance and Operations - Contract Costs	\$108,030	\$136,351	\$0	\$203,595	\$0
945	Employee Benefit Contributions - Ordinary Maintenance	\$13,883	\$32,795	\$0	\$138,452	\$0
953	Protective Services - Other	\$817	\$107,027	\$0	\$209,282	\$56,985
961	Insurance Premiums	\$11,141	\$38,395	\$0	\$196,537	\$0
962	Other General Expenses	\$0	\$12,828	\$0	\$0	\$0
963	Payments in Lieu of Taxes	\$0	\$0	\$0	\$75,415	\$0
964	Bad Debt - Tenant Rents	\$6,917	\$618	\$0	\$40,331	\$0
967	Interest Expense	\$0	\$255,815	\$0	\$0	\$0
969	Total Operating Expenses	\$529,320	\$1,099,591	\$0	\$2,942,389	\$56,985
970	Excess Operating Revenue over Operating Expenses	\$267,690	\$851,273	\$57,620	(\$165,043)	\$0
971	Extraordinary Maintenance	\$5,980	\$0	\$0	\$6,686	\$0
972	Casualty Losses - Non-Capitalized	\$4,514	\$0	\$0	\$0	\$0
973	Housing Assistance Payments	\$0	\$933,757	\$53,352	\$0	\$0
974	Depreciation Expense	\$130,065	\$126,101	\$0	\$1,630,639	\$0
900	Total Expenses	\$669,879	\$2,159,449	\$53,352	\$4,579,714	\$56,985
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$127,131	(\$208,585)	\$4,268	(\$1,802,368)	\$0

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0002	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0003	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0006	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0007	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0009	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0010	Public Housing_Comprensive Grant Program	Resident Opportunity and Supportive Services
\$775	\$243	\$0	\$12,505	\$3,876	\$6,739	\$0	\$0
\$56	\$26	\$0	\$902	\$282	\$282	\$0	\$0
\$1,472	\$343	\$0	\$9,665	\$7,507	\$7,136	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$542	\$325	\$0	\$4,829	\$1,266	\$1,485	\$0	\$0
\$18,740	\$5,877	\$0	\$598	\$54,491	\$12,501	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$894	\$0	\$0	\$24,810	\$0	\$24,211	\$0	\$67,716
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$43,166	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$289	\$168	\$0	\$5,700	\$1,758	\$1,758	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$22,768	\$6,982	\$0	\$102,175	\$69,180	\$54,112	\$0	\$67,716
(\$5,190)	(\$1,039)	\$0	\$176,972	\$61,583	\$119,171	\$0	\$17,788
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$13,140	\$4,249	\$0	\$250,833	\$106,078	\$148,062	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,929
\$35,908	\$11,231	\$0	\$353,008	\$175,258	\$202,174	\$0	\$73,645
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(\$18,330)	(\$5,288)	\$0	(\$73,861)	(\$44,495)	(\$28,891)	\$0	\$11,859



**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Business Activities	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity Prior Period Adjustments, Equity Transfers and	\$4,516,291	\$1,872,476	\$13,233	\$17,799,785	\$0
1104	Correction of Errors	\$0	\$0	\$0	\$2,488,241	\$0
1113	Maximum Annual Contributions Commitment (Per ACC)	\$0	\$0	\$0	\$0	\$0
Prorata Maximum Annual Contributions Applicable to						
1114	a Period of less than Twelve Months	\$0	\$0	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$0	\$982,205	\$0	\$0	\$0
1116	Total Annual Contributions Available	\$0	\$982,205	\$0	\$0	\$0
1120	Unit Months Available	2,087	3,852	176	11,208	0
1121	Number of Unit Months Leased	2,011	3,791	176	9,847	0

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0002	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0003	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0006	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0007	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0009	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat LA002MR0010	Public Housing_Compre hensive Grant Program	Resident Opportunity and Supportive Services
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$27,029	\$5,288	\$28,419	\$65,476	\$79,648	\$71,045	\$1,081,219	(\$13,625)
\$0	\$0	(\$28,419)	\$28,419	\$0	\$0	(\$1,081,219)	\$13,625
\$8,870	\$3,872	\$0	\$0	\$127,143	\$176,744	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$277,322	\$31,175	\$0	\$1,717,258	\$181,651	\$64,579	\$0	\$0
\$286,192	\$35,047	\$0	\$1,717,258	\$308,794	\$241,323	\$0	\$0
96	24	0	691	540	552	0	0
90	24	0	566	475	552	0	0

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
111	Cash - Unrestricted	\$66,252	\$0	\$1,138,790
115	Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$533,550
113	Cash - Other Restricted	\$96,172	\$0	\$180,877
114	Cash - Tenant Security Deposits	\$0	\$0	\$97,382
100	Total Cash	\$162,424	\$0	\$1,950,599
121	Accounts Receivable - PHA Projects	\$10,332	\$0	\$10,332
122	Accounts Receivable - HUD Other Projects	\$73,375	\$105,792	\$307,503
125	Accounts Receivable - Miscellaneous	\$0	\$0	\$3,525
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$0	\$31,802
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	(\$20,218)
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$0	\$36,258
120	Total Receivables, net of allowances for doubtful accounts	\$83,707	\$105,792	\$369,202
131	Investments - Unrestricted	\$0	\$0	\$2,524,314
142	Prepaid Expenses and Other Assets	\$0	\$0	\$323,320
143	Inventories	\$0	\$0	\$76,639
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0
144	Interprogram Due From	\$0	\$0	\$213,777
150	Total Current Assets	\$246,131	\$105,792	\$5,457,851
161	Land	\$0	\$0	\$3,160,477
162	Buildings	\$888,206	\$1,447,782	\$51,102,170
163	Furniture, Equipment & Machinery - Dwellings	\$0	\$110,332	\$691,825
164	Furniture, Equipment & Machinery - Administration	\$268,123	\$90,750	\$1,074,853
165	Leasehold Improvements	\$0	\$0	\$0
166	Accumulated Depreciation	(\$277,903)	(\$146,398)	(\$29,089,627)
167	Construction in Progress	\$0	\$1,111,632	\$1,111,632
160	Total Fixed Assets, Net of Accumulated Depreciation	\$878,426	\$2,614,098	\$28,051,330
180	Total Non-Current Assets	\$878,426	\$2,614,098	\$28,051,330
190	Total Assets	\$1,124,557	\$2,719,890	\$33,509,181

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
312	Accounts Payable <= 90 Days	\$2,056	\$4,267	\$113,991
321	Accrued Wage/Payroll Taxes Payable	\$8,977	\$0	\$48,265
322	Accrued Compensated Absences - Current Portion	\$1,983	\$0	\$9,765
325	Accrued Interest Payable	\$0	\$0	\$41,318
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$544
333	Accounts Payable - Other Government	\$0	\$0	\$66,103
341	Tenant Security Deposits	\$0	\$0	\$97,382
342	Deferred Revenues	\$154,906	\$0	\$174,851
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$0	\$0	\$155,000
345	Other Current Liabilities	\$96,172	\$0	\$180,877
347	Interprogram Due To	\$87,220	\$101,525	\$213,777
310	<b>Total Current Liabilities</b>	<b>\$351,314</b>	<b>\$105,792</b>	<b>\$1,101,873</b>
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue Bonds	\$0	\$0	\$3,925,000
354	Accrued Compensated Absences - Non Current	\$37,669	\$0	\$185,511
353	Noncurrent Liabilities - Other	\$0	\$0	\$18,754
350	<b>Total Noncurrent Liabilities</b>	<b>\$37,669</b>	<b>\$0</b>	<b>\$4,129,265</b>
300	<b>Total Liabilities</b>	<b>\$388,983</b>	<b>\$105,792</b>	<b>\$5,231,138</b>
508	<b>Total Contributed Capital</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
508.1	Invested in Capital Assets, Net of Related Debt	\$878,426	\$2,614,098	\$23,971,330
511	<b>Total Reserved Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
511.1	Restricted Net Assets	\$0	\$0	\$492,232
512.1	Unrestricted Net Assets	(\$142,852)	\$0	\$3,814,481
513	<b>Total Equity/Net Assets</b>	<b>\$735,574</b>	<b>\$2,614,098</b>	<b>\$28,278,043</b>
600	<b>Total Liabilities and Equity/Net Assets</b>	<b>\$1,124,557</b>	<b>\$2,719,890</b>	<b>\$33,509,181</b>

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
703	Net Tenant Rental Revenue	\$0	\$0	\$2,050,953
704	Tenant Revenue - Other	\$0	\$0	\$104,228
705	Total Tenant Revenue	\$0	\$0	\$2,155,181
706	HUD PHA Operating Grants	\$15,425,914	\$163,717	\$19,441,361
706.1	Capital Grants	\$0	\$1,504,886	\$1,522,674
708	Other Government Grants	\$0	\$0	\$6,209
711	Investment Income - Unrestricted	\$1,532	\$0	\$60,514
715	Other Revenue	\$3,308	\$0	\$215,461
720	Investment Income - Restricted	\$1,920	\$0	\$31,920
700	Total Revenue	\$15,432,674	\$1,668,603	\$23,433,320

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
911	Administrative Salaries	\$262,406	\$0	\$819,805
912	Auditing Fees	\$18,545	\$0	\$28,181
913	Outside Management Fees	\$646,261	\$0	\$672,384
914	Compensated Absences	\$0	\$0	\$27,208
915	Employee Benefit Contributions - Administrative	\$111,192	\$0	\$292,627
916	Other Operating - Administrative	\$115,380	\$163,717	\$841,546
921	Tenant Services - Salaries	\$0	\$0	\$92,296
923	Employee Benefit Contributions - Tenant Services	\$0	\$0	\$17,169
924	Tenant Services - Other	\$281,289	\$0	\$523,906
931	Water	\$0	\$0	\$68,982
932	Electricity	\$0	\$0	\$378,331
933	Gas	\$0	\$0	\$45,564
938	Other Utilities Expense	\$0	\$0	\$86,522
941	Ordinary Maintenance and Operations - Labor	\$0	\$0	\$637,125
942	Ordinary Maintenance and Operations - Materials and Other	\$0	\$0	\$320,309
943	Ordinary Maintenance and Operations - Contract Costs	\$0	\$0	\$491,142
945	Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$185,130
953	Protective Services - Other	\$0	\$0	\$374,111
961	Insurance Premiums	\$118,121	\$0	\$373,867
962	Other General Expenses	\$6,492	\$0	\$19,320
963	Payments in Lieu of Taxes	\$0	\$0	\$75,415
964	Bad Debt - Tenant Rents	\$0	\$0	\$47,866
967	Interest Expense	\$0	\$0	\$255,815
969	Total Operating Expenses	\$1,559,686	\$163,717	\$6,674,621
970	Excess Operating Revenue over Operating Expenses	\$13,872,988	\$1,504,886	\$16,758,699
971	Extraordinary Maintenance	\$0	\$0	\$12,666
972	Casualty Losses - Non-Capitalized	\$0	\$0	\$4,514
973	Housing Assistance Payments	\$13,747,672	\$0	\$15,257,143
974	Depreciation Expense	\$61,213	\$130,472	\$2,084,419
900	Total Expenses	\$15,368,571	\$294,189	\$24,033,363
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$64,103	\$1,374,414	(\$600,043)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
FINANCIAL DATA SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

Line Item No.	Account Description	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0
1103	Beginning Equity	\$671,471	\$2,660,331	\$28,878,086
	Pror Period Adjustments, Equity Transfers and			
1104	Correction of Errors	\$0	(\$1,420,647)	\$0
	Maximum Annual Contributions Commitment (Per			
1113	ACC)	\$14,719,254	\$0	\$15,035,883
	Prorata Maximum Annual Contributions Applicable to			
1114	a Period of less than Twelve Months	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$1,365,451	\$0	\$4,619,641
1116	Total Annual Contributions Available	\$16,084,705	\$0	\$19,655,524
1120	Unit Months Available	37,684	0	56,910
1121	Number of Unit Months Leased	37,684	0	55,216

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
Shreveport, Louisiana**

**STATEMENT OF CERTIFICATION OF ACTUAL  
MODERNIZATION COMPLETED  
September 30, 2003**

1. The actual modernization costs for the completed modernization program costs is as follows:

	<u>PROJECT LA 48P002501-00</u>
Funds approved	\$ 1,689,724
Funds expended	<u>1,689,724</u>
Excess of funds approved	<u>\$ 0</u>
Funds advanced	\$ 1,689,724
Funds expended	<u>1,689,724</u>
Excess of funds advanced	<u>\$ 0</u>

2. The distribution of costs as shown on the actual modernization cost certificate dated November 26, 2002 for the Project LA 48P002501-00 is 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 THE CITY OF SHREVEPORT  
Shreveport, Louisiana**

**STATEMENT OF CERTIFICATION OF ACTUAL  
MODERNIZATION COMPLETED  
September 30, 2003**

1. The actual modernization costs for the completed modernization program costs is as follows:

	<u>PROJECT LA 48P002501-01</u>
Funds approved	\$ 1,723,905
Funds expended	<u>1,723,905</u>
Excess of funds approved	<u>\$ 0</u>
Funds advanced	\$ 1,723,905
Funds expended	<u>1,723,905</u>
Excess of funds advanced	<u>\$ 0</u>

2. The distribution of costs as shown on the actual modernization cost certificate dated January 28, 2003 for the Project LA 48P002501-01 is 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 THE CITY OF SHREVEPORT

Table 1

General Fund Expenditures/Expenses By Function  
Fiscal Years Ended September 30,

Fiscal Year	Administration	Tenant Services	Utilities	Ordinary Maintenance and Operations	Protective Services and General	Non routine Maintenance	Capital Outlay	Depreciation	Total
1994 (2)	359,224	103,685	306,864	573,462	593,729	10,919	0	0	1,947,883
1995	311,672	79,932	334,840	595,796	588,593	4,529	0	0	1,915,363
1996	336,313	90,735	346,820	748,798	390,948	16,374	0	0	1,929,988
1997	384,028	49,806	344,615	619,165	602,025	21,636	0	0	2,021,275
1998	423,323	0	387,625	867,726	373,226	4,254	59,122	0	2,115,276
1999	672,205	42,806	379,720	685,309	675,136	7,606	0	1,830,572	4,303,353
2000 (3)	846,797	98,355	382,506	795,373	453,024	2,497	58,917	1,578,849	4,216,318
2001	813,047	147,440	393,327	911,340	866,354	495,925	0	1,641,261	5,268,694
2002	672,661	189,649	325,233	941,642	1,178,111	308,201	0	1,794,364	5,409,861
2003	975,595	211,500	401,124	1,070,724	631,902	0	0	1,767,040	5,057,885

Notes:

- (1) The financial statements for the fiscal years 1992 and 1993 were prepared in conformity with the accounting practices prescribed by the U. S. Department of Housing and Urban Development for public housing authorities. Fixed asset purchases were capitalized.
- (2) Beginning with the fiscal year 1994, the financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. The funds were reported as governmental funds.
- (3) The funds of the Housing Authority were reported as enterprise funds beginning for the 1999 year. Previously, they were treated as governmental fund types.

Source: Comprehensive Annual Financial Reports of the Housing Authority of the City of Shreveport.

Table 2

## HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

General Fund Revenues by Source  
Fiscal Years Ended September 30,

Fiscal Year	Dwelling rentals		Federal sources		Interest earnings		Other (4)		Total	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
1994 (2)	872,438	44.76%	1,038,877	53.30%	13,922	0.71%	23,760	1.22%	1,948,997	100%
1995	773,974	40.00%	1,123,915	58.09%	18,635	0.96%	18,197	0.94%	1,934,721	100%
1996	837,964	37.19%	1,358,334	60.29%	32,579	1.45%	24,211	1.07%	2,253,089	100%
1997	966,326	33.76%	1,138,100	39.76%	48,803	1.70%	709,461	24.78%	2,862,690	100%
1998	1,061,490	43.62%	1,253,804	51.53%	91,361	3.75%	26,625	1.08%	2,433,280	100%
1999	1,063,770	43.39%	1,247,289	50.87%	99,942	4.08%	40,836	1.67%	2,451,837	100%
2000 (3)	1,116,641	43.75%	1,241,805	48.66%	117,956	4.62%	75,830	2.97%	2,552,232	100%
2001	1,149,370	33.62%	1,327,483	38.63%	153,949	4.50%	787,924	23.05%	3,418,726	100%
2002	1,074,128	38.90%	1,576,305	57.15%	48,704	1.76%	60,416	2.19%	2,761,553	100%
2003	1,117,962	35.79%	1,870,334	59.88%	30,860	0.99%	104,228	3.34%	3,123,384	100%

## Notes:

- (1) The financial statements for the fiscal years 1992 and 1993 were prepared in conformity with the accounting practices prescribed by the U. S. Department of Housing and Urban Development for public housing authorities.
- (2) Beginning with the fiscal year 1994, the financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. The funds were reported as governmental funds.
- (3) The funds of the Housing Authority were reported as enterprise funds beginning for the 1999 year. Previously, they were treated as governmental fund types.
- (4) The other amount column includes maintenance charges, late charges and other miscellaneous revenue.

Source: Comprehensive Annual Financial Reports of the Housing Authority of the City of Shreveport.

**Table 3**

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**Fund Balances/Equity - General Fund  
Fiscal Years Ended September 30,**

<u>Fiscal Year</u>	<u>General Fund</u>
1994	503,594
1995	548,206
1996	883,380
1997	1,794,655
1998	2,177,659
1999	1,714,127
2000 (1)	1,504,431
2001	1,961,659
2002	1,678,097
2003	1,378,871

(1) For the years ended September 30, 2000 and thereafter, the numbers reflect unrestricted net assets.

Source: Comprehensive Annual Financial Reports of the Housing Authority of the City of Shreveport.

Table 4

## HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Resident Demographics:  
Occupancy Ratios by Program  
Fiscal Years Ended September 30,

Fiscal Year	General Fund			Section 8 Program			Total		
	Number of Units	Average occupied units	Occupied ratio	Number of units	Average occupied units	Occupied ratio	Number of Units	Average occupied units	Occupied ratio
1993	884	773	87.44%	1,276	1,212	94.96%	2,160	1,985	91.90%
1994	898	832	92.65%	2,054	1,863	90.70%	2,952	2,695	91.29%
1995	898	836	93.10%	2,359	2,150	91.14%	3,257	2,986	91.68%
1996	934	850	91.01%	2,367	2,210	93.37%	3,301	3,060	92.70%
1997	934	882	94.43%	1,994	1,883	94.43%	2,928	2,765	94.43%
1998	934	878	94.00%	1,943	1,803	92.79%	2,877	2,681	93.19%
1999	934	852	91.22%	2,055	1,978	96.25%	2,989	2,830	94.68%
2000	945	869	91.96%	3,128	2,175	69.53%	4,073	3,044	74.74%
2001	945	863	91.32%	3,332	2,263	67.92%	4,277	3,126	73.09%
2002	944	837	88.67%	3,309	3,071	92.81%	4,253	3,908	91.89%
2003	943	819	86.85%	3,319	3,273	98.61%	4,262	4,092	96.01%

Source: Records of the Housing Authority of the City of Shreveport.

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Property Characteristics and Dwelling Unit Composition  
September 30, 2003

Project Number	Name of Development	Address	Year built or acquired	Bedroom Composition					Total
				Zero	One	Two	Three	Four	
LA48-P002-001	Naomi D. Jackson Heights	1411 Milam Street	1950		104	114	52		270
LA48-P002-002	Wilkinson Terrace	2725 Southern Avenue	1950		52	74	58		184
LA48-P002-003	Hollywood Heights	5000 Armstrong Place	1966			65	64		129
LA48-P002-004	Greenwood Terrace	4619 Luciana Circle	1976		8	46	36	10	100
LA48-P002-005	Barton Drive Manor	1625 Barton Drive	1980		30	24	46		100
LA48-P002-007	Briarwood Village	4223 Greenbriar Lane	1987				32		32
LA48-P002-008	67 Unit Acquisition	Scattered Sites	1987				67		67
LA48-P002-009	14 Unit Acquisition	Scattered Sites	1994				14		14
LA48-P002-010	36 Unit Acquisition	Scattered Sites	1996				36		36
LA48-P002-011	11 Unit Acquisition	Scattered Sites	2000			1	10		11
<b>Total Units</b>				0	194	324	415	10	943
<b>Managed Units</b>									
LA48-0002-004	U. S. Goodman Plaza	625 Jordan Street	1978	20	100	50			170
	I-49 Housing Program	Scattered Sites		4	10	10	42		56
LA48-E002-009	University Oaks I & II Apartments	4701/15 Shreveport-Blanchard Hwy.	1989		56	64	4		124
<b>Total Managed Units</b>				20	160	124	46	0	350

Source: Records of the Housing Authority of the City of Shreveport.

Table 6

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**Construction Work in Progress  
September 30, 2003**

Project Number	Name of Construction	Current Contract Amount
LA48-P002-008	Comprehensive Modernization of Scattered Sites Public Housing Units	\$2,882,330
LA48-P002-008	Comprehensive Modernization of LA 2-8's Pier Foundation Units	\$155,850
LA48-P002-001	Site Improvements at Naomi D. Jackson Heights	\$94,900

Table 7

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Public Housing Management Assessment Program (PHMAP) SCORES  
 Fiscal Years Ended September 30, 1992 through September 30, 1999  
 Public Housing Assessment System (PHAS) SCORES  
 Fiscal Year Ended September 30, 1999 through September 30, 2001

<u>Fiscal Year</u>	<u>Score</u>
1992	72.16%
1993	78.00%
1994	75.48%
1995	78.10%
1996	94.12%
1997	93.50%
1998	94.70%
1999	84.30%

Public Housing Assessment System (PHAS) and  
 Section Eight Management Assessment Program (SEMAM) scores  
 Fiscal Year Ended September 30, 2000 through September 30, 2003

<u>Fiscal Year</u>	<u>PHAS Score</u>	<u>SEMAM Score</u>
2000	85.90%	95.00%
2001	91.00%	78.00%
2002	90.00%	92.00%
2003	83.00%	95.00%

Source: Real Estate Assessment Center (REAC)



**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
REVENUE BOND COVERAGE**

**Table 8**

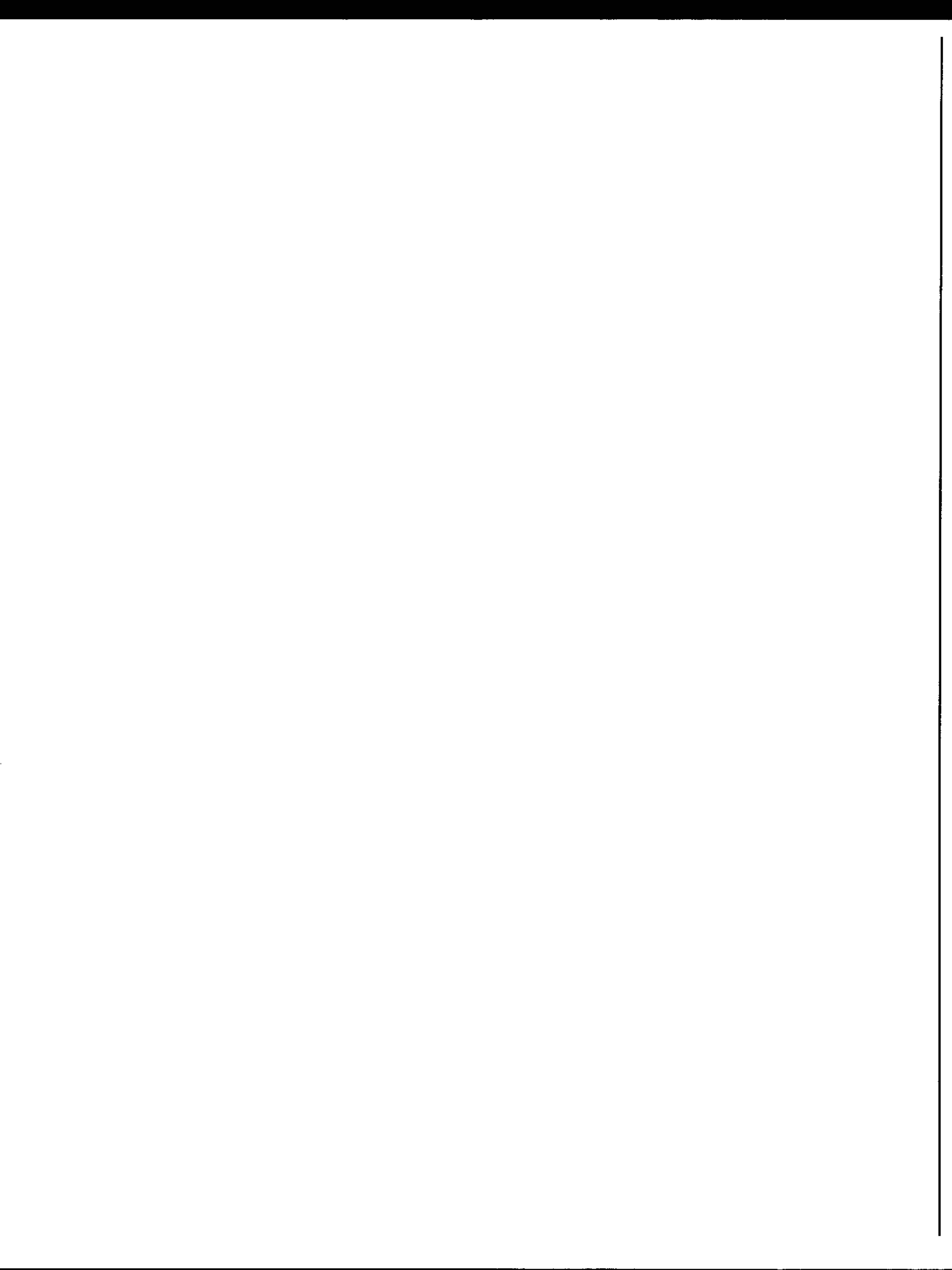
FOR FISCAL YEARS ENDED SEPTEMBER 30, 2003

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1994	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1995	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1996	1,043,123	537,877	505,246	105,000	299,176	404,176	1.25
1997	1,113,136	553,474	559,662	110,000	294,661	404,661	1.38
1998	1,121,629	584,231	537,398	115,000	289,711	404,711	1.33
1999	1,045,805	520,656	525,149	125,000	306,636	431,636	1.22
2000	1,022,020	481,908	540,112	130,000	276,872	406,872	1.33
2001	990,520	657,315	333,205	130,000	271,239	401,239	0.83
2002	1,060,326	569,213	491,113	145,000	264,284	409,284	1.20
2003	955,664	533,039	422,625	150,000	256,309	406,309	1.04

N/A=Information was not available for these years.

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

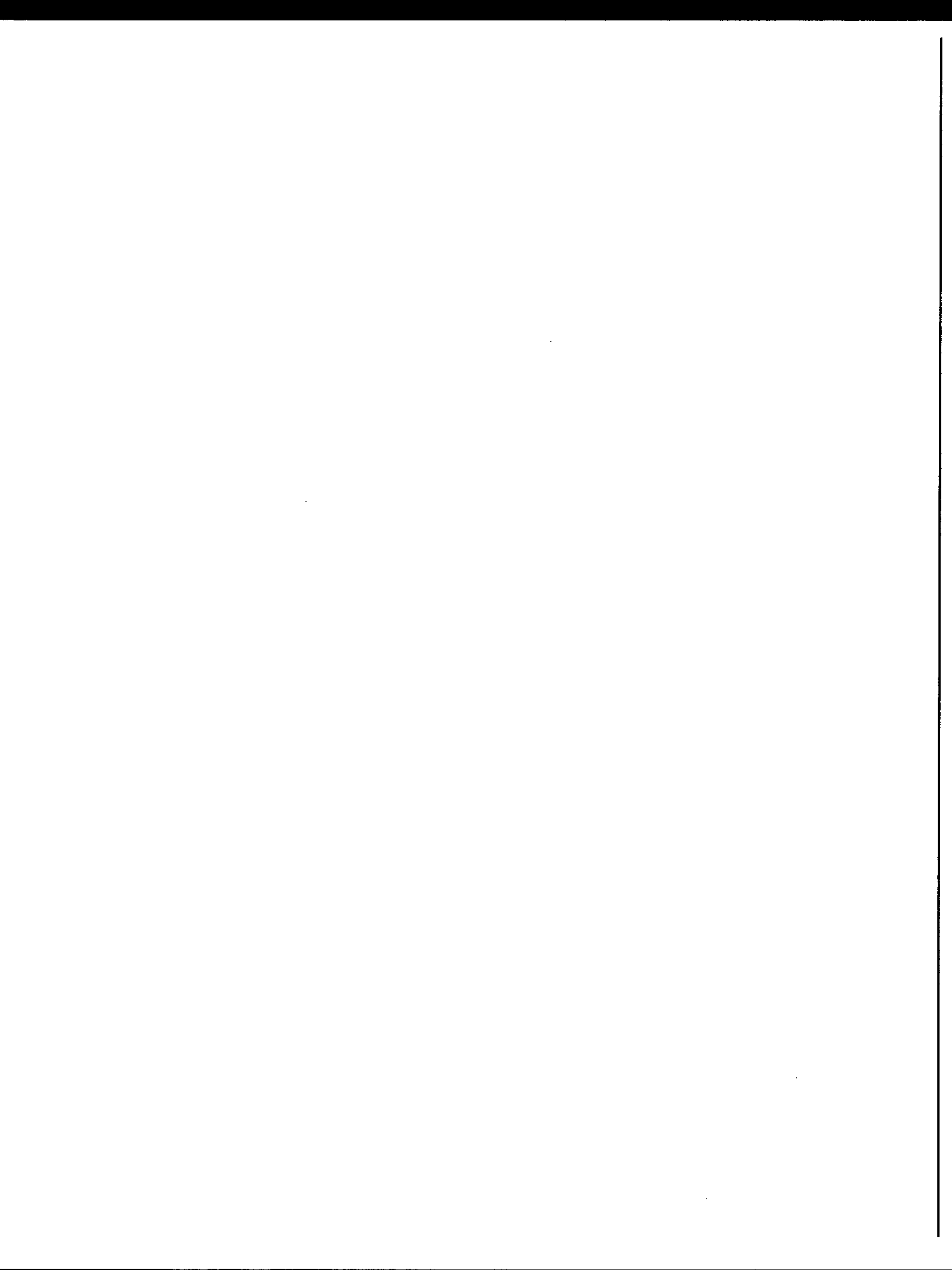
**Single Audit Report  
As of and for the Year Ended September 30, 2003**

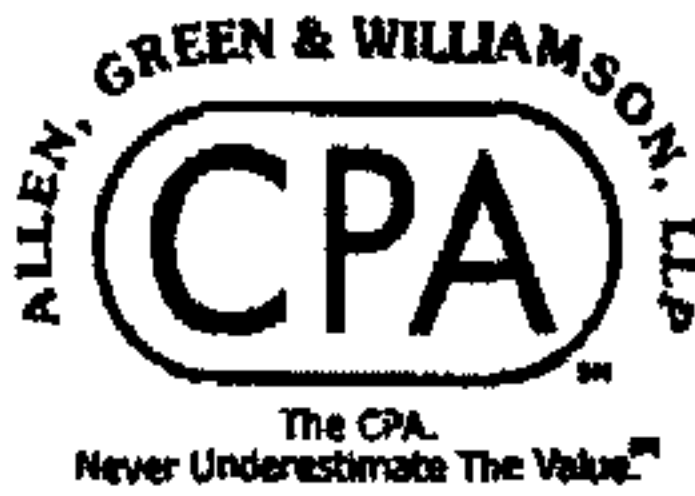


**Housing Authority of the City of Shreveport**

**Table of Contents**

	<u>Page</u>
<b>OTHER REPORTS REQUIRED BY <u>GOVERNMENT AUDITING STANDARDS</u> AND BY OFFICE OF MANAGEMENT AND BUDGET <u>(OMB) CIRCULAR NO. A-133</u></b>	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>	1-2
Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With <u>OMB Circular No. A-133</u>	3-4
Schedule of Expenditures of Federal Awards	5
Notes to the Schedule of Expenditures of Federal Awards	6
Schedule of Findings and Questioned Costs	7-9
<b>OTHER INFORMATION</b>	<b>10</b>
Summary Schedule of Prior Audit Findings	11-12
Corrective Action Plan for Current-Year Findings and Questioned Costs	13-14
Management Letter Items	15
Management Letter	16-17
Status of Prior Management Letter Items	18





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

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the City of Shreveport, Louisiana, as of and for the year ended September 30, 2003, and have issued our report thereon dated March 18, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America.

### Compliance

As part of obtaining reasonable assurance about whether the Housing Authority's basic 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 the Housing Authority'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 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.

### Management Letter Items

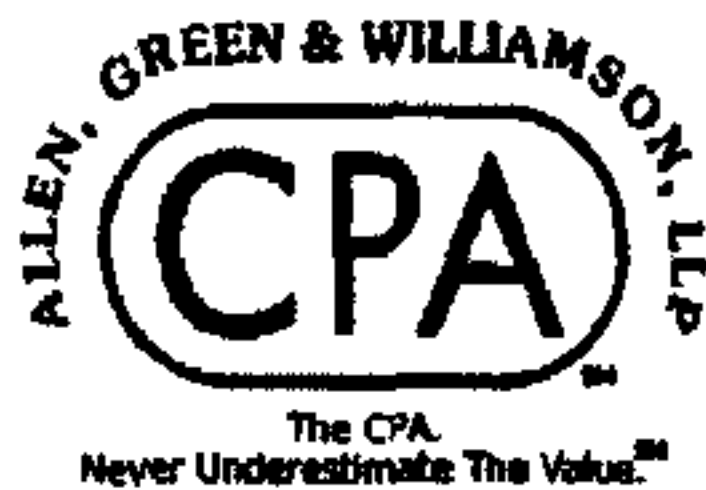
We noted another matter involving the internal control over financial reporting, which we have reported to management of the Housing Authority in a separate letter dated March 18, 2004.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
March 18, 2004



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## **Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular No. A-133**

### **Board Members**

Housing Authority of the City of Shreveport  
Shreveport, Louisiana

### **Compliance**

We have audited the compliance of the Housing Authority of the City of Shreveport 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 September 30, 2003. The Housing Authority's major federal programs are identified in the summary of auditors' 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's management. Our responsibility is to express an opinion on the Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and (OMB) Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and (OMB) Circular No. 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'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's compliance with those requirements.

In our opinion, the Housing Authority 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 September 30, 2003. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 03-F1 and 03-F2.

### **Internal Control Over Compliance**

The management of the Housing Authority 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 the Housing Authority'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 No. A-133.



We noted a certain matter involving internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect the Housing Authority's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs and item 03-F1.

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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the Housing Authority of the City of Shreveport, as of and for the year ended September 30, 2003, and have issued our report thereon dated March 18, 2004. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
March 18, 2004

**Housing Authority of the City of Shreveport  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2003**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
United States Department of Agriculture			
Passed through Louisiana Department of Education:			
Child and Adult Care Food Program	10.558	N/A	\$ <u>3,098</u>
United States Department of Housing and Urban Development			
Direct Programs			
Public and Indian Housing			
Operating Subsidy	14.850(a)	FW923	1,524,296
Public and Indian Housing Drug Elimination Program	14.854	N/A	56,985
Public Housing Capital Fund Program	14.872	N/A	1,668,603
Section 8 Moderate Rehabilitation			
Mod Rehab #2	14.856	FW2075	17,490
Mod Rehab #3	14.856	FW2075	5,349
Mod Rehab #7	14.856	FW2075	277,052
Mod Rehab #9	14.856	FW2075	130,514
Mod Rehab #10	14.856	FW2075	<u>173,035</u>
Total Program			<u>603,440</u>
Housing Choice Vouchers	14.871	FW2075	15,425,914
Section 8 New Construction	14.182	N/A	1,541,673
Shelter Plus Care	14.238	N/A	57,620
Resident Opportunity and Supportive Services	14.870	N/A	<u>85,504</u>
Total United States Department of HUD			<u>20,964,035</u>
 Total			 <u>\$20,967,133</u>

**Housing Authority of the City of Shreveport**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2003**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the City of Shreveport, Shreveport, Louisiana. The Housing Authority of the City of Shreveport (the Housing Authority) reporting entity is defined in Note 1 to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority's basic financial statements.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the Housing Authority's basic financial statements as follows:

General Fund	\$3,393,008
Section 8	17,571,027
Other Enterprise	<u>3,098</u>
Total	<u>\$20,967,133</u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**NOTE 5 - MATCHING REVENUES** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2003**

**PART I - Summary of the Auditors' Results**

**Financial statement audit**

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the basic financial statement.

**Audit of federal awards**

- iv. There was a reportable condition required to be disclosed by OMB Circular No. A-133. The reportable condition was not considered to be a material weakness.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal programs are:
  - CFDA #14.850(a)      Public and Indian Housing Operating Subsidy
  
  - Section 8 Tenant-Based Cluster
  - CFDA #14.871      Section 8 Housing Choice Vouchers Program
  
  - Section 8 Project-Based Cluster
  - CFDA #14.856      Section 8 Moderate Rehabilitation
  - CFDA #14.182      Section 8 New Construction
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$629,014.
- ix. The auditee does not qualify as a low-risk auditee under OMB Circular No. A-133, Section .530.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2003**

**PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):**

**Reference # and title:**      **03-F1**                      **Documentation for MASS Submission**

**Federal program and specific federal award identification:** This finding applies to the Public and Indian Housing Low Rent Program, CFDA #14.850, FW923

**Criteria or specific requirement:** The Housing Authority is required to electronically submit the Management Assessment Subsystem (MASS) to the Real Estate Assessment Center (REAC) annually. This information is used to grade the housing authority's performance. Critical information included in the MASS is vacant unit turnaround time, work orders, annual inspection of dwelling units and systems, and security.

**Condition found:** The work order numbers provided on the MASS for emergency and non emergency work orders agree to the reports generated from the work order system. The report generated for emergency work orders reflects only 26 emergency work orders for the fiscal year. The non emergency work order listing appears to include some items which should have been classified as emergency, such as problems with smoke detectors. A sample of work orders was selected to trace the issue and completion dates and times to the signed work order retained by the maintenance department. Ten emergency and twenty non emergency work orders were selected for testing. Four of the work orders could not be found. Four work orders did not indicate a completion date or noted the work order was void. Ten of the work orders noted a completion time which was prior to the issue time.

**Possible asserted effect (cause and effect):**

**Cause:** It appears that the work orders listed on the report that indicate an issue date and time that is identical to the completion date and time could actually be voided work orders. There are 3 employees in the maintenance department that receive calls and issue work orders. When a work order is entered in the system the person entering the work order does not check to see if a work order for that address has already been entered. A resident could call two days in a row and 2 different employees take the call and enter 2 work orders. When duplicate work orders were discovered, the duplicate work order was closed out which is reflected on the report as a completed work order. The system has the capability of voiding work orders but this option does not work correctly so the duplicate work orders were actually closed out. The work order screen defaults to a non emergency work order unless that person entering the work order changes the field to "E" for emergency. It appears that numerous emergency work orders were entered as non emergency because the field was not changed when the work order was entered.

**Effect:** The total number of non emergency work orders could be overstated by the work orders which were duplicates and should have been voided but were reflected as completed work orders. The number of emergency work orders appears to be understated because it appears that some emergency work orders were entered as non emergency work orders in the system.

**Recommendations to prevent future occurrences:** Each employee entering work orders in the system should have a clear understanding of the problems which should be classified as emergency. Care should be taken to enter emergencies with the "E" code. To avoid entering duplicates, the person entering the work order should check the address to see if that work order has already been entered. This will take more time but it will save the time of entering duplicates and then voiding the duplicate. The software provider should be contacted to correct the

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2003**

**PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):**

problem of voiding work orders. Duplicate work order should be reflected on the system as "void" and not closed out as completed work orders.

**Reference # and title:     **03-F2**                             **Resident Files****

**Federal program and specific federal award identification:** This finding applies to Section 8 Housing Choice Vouchers, CFDA #14.871, FW2075.

**Criteria or specific requirement:** The Housing Authority is required to submit electronically to HUD a form 50058 each time the PHA completes an admission, annual reexamination, interim reexamination, portability move-in, or other change of unit for a family. This report contains key line items such as effective dates, names, dates of birth, social security numbers, etc.

**Condition found:** Forty resident files were selected to test certain attributes including documentation for the Form 50058. Two of these files did not contain a form 50058 so the form could not be tested.

**Possible asserted effect (cause and effect):**

**Cause:** Form 50058 was not filed in the resident file.

**Effect:** It appears the files referred to above do not meet some federal standards.

**Recommendations to prevent future occurrences:** The Housing Authority should have a system in place to ensure that Form 50058 is included in the resident file.

## **Housing Authority of the City of Shreveport**

### **Other Information**

The information in the following section concerns management's actions or intentions concerning prior- and current-year audit findings and is required by U. S. Office of Management and Budget (OMB) Circular No. A-133. This information has been prepared by the management of the Housing Authority. Management accepts full responsibility, as required by OMB Circular No. A-133, for the accuracy of the information. This information has not been audited by the auditors except as required by OMB Circular No. A-133 Section 500(e), and accordingly, no opinion is expressed. Section 500(e) requires the auditor to follow-up on prior audit findings, perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings prepared by the auditee, and report, as a current-year audit finding when the auditor concludes that the Summary Schedule of Prior Audit Findings materially misrepresents the status of any prior audit finding.

**Housing Authority of the City of Shreveport  
Summary Schedule of Prior Audit Findings  
September 30, 2003**

**Finding reference #:      02-F1                      Problems in Processing Housing Assistance Payments**

**Initially occurred:** Fiscal year ended September 31, 2001.

**Condition:** The Housing Authority calculates the housing assistance payments (HAP) to landlords based on the residents income. These payments are made on a monthly basis. The Housing Authority receives an administration fee and HAP reimbursement from HUD based on the HAP paid and number of units leased.

The HAP register was reviewed for three months to review rents paid to landlord and units leased. There were eleven instances of duplicate payments being made.

**Corrective action taken:** The HAP payments are reviewed each month to identify duplicate payments to landlords for the same unit. Any duplicates identified are reported to the contract administrator for the Section 8 program so HAP payments for the next month can be reduced by the overpayment.

**Finding reference #:      02-F2                      Documentation for MASS Submission**

**Initially occurred:** Fiscal year ended September 30, 2001.

**Condition:** The Housing Authority is required to electronically submit the Management Assessment Subsystem (MASS) to the Real Estate Assessment Center (REAC). The critical information submitted reflects the unit turnaround, work orders, annual inspections, and security. The MASS information submitted to REAC was reviewed along with supporting documentation. The documentation provided to support the information concerning the work orders and the annual inspections did not agree to the submission.

**Corrective action planned:** See current year corrective action for finding 03-F1.

**Finding reference #:      02-F3                      Problems Noted in Test of Resident Files**

**Initially occurred:** Fiscal year ended September 30, 1999.

**Condition:** The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the total rent as necessary (24 CFR Section 5.617 and 960.209) changes in the rent calculation resulting from a reexamination should be reflected on the rental register.

The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or reexamination. The following key line items contain critical information: effective date of action, names, dates of birth, social security numbers, unit address, unit inspection date, total annual income, and gross rent of unit.

In testing of fourteen resident files the following exceptions were noted:

1. One file with no documentation for social security number or birth date reported on Form 50058.
2. One file with no original application in the file.



**Housing Authority of the City of Shreveport  
Summary Schedule of Prior Audit Findings  
September 30, 2003**

3. One file with no current Form 50058, recertification, or income verification.

**Corrective action taken:** Emphasis was placed on quality control procedures between the central processing department and site managers on the preparation and maintenance of resident's files. Training was provided to staff on HUD regulations and requirements as applicable to resident's information. Central processing staff conducted random audits of resident files for completeness and accuracy.

**Finding reference #:**        **02-F4**                                **Cash Disbursements**

**Initially occurred:** Fiscal year ended September 30, 2002.

**Condition:** Supporting documentation for cash disbursements should, at a minimum, include authorization for the purchase, original invoice, evidence of receipt, and recalculation of billed amounts. There should also be a method of cancellation of invoices to prevent duplicate payments. Twenty five transactions of the resident advisory board were chosen for testing vendor disbursements. Three disbursements were made without proper documentation.

**Corrective action taken:** Invoices of the resident advisory board are now processed by the accounting department of the Housing Authority and subject to the checks and balances of the accounts payable process.

**Housing Authority of the City of Shreveport  
Corrective Action Plan for Current-Year Findings and Questioned Costs  
For the Year Ended September 30, 2003**

**Reference # and title:**      **03-F1**                      **Documentation for MASS Submission**

**Condition found:** The Housing Authority is required to electronically submit the Management Assessment Subsystem (MASS) to the Real Estate Assessment Center (REAC) annually. This information is used to grade the housing authority's performance. Critical information included in the MASS is vacant unit turnaround time, work orders, annual inspection of dwelling units and systems, and security. The work order numbers provided on the MASS for emergency and non emergency work orders agree to the reports generated from the work order system. The report generated for emergency work orders reflects only 26 emergency work orders for the fiscal year. The non emergency work order listing appears to include some items which should have been classified as emergency, such as problems with smoke detectors. A sample of work orders was selected to trace the issue and completion dates and times to the signed work order retained by the maintenance department. Ten emergency and twenty non emergency work orders were selected for testing. Four of the work orders could not be found. Four work orders did not indicate a completion date or noted the work order was void. Ten of the work orders noted a completion time which was prior to the issue time.

**Corrective action planned:** We will provide training for all employees who work in the work order intake office to help them become aware of the difference between an emergency and non-emergency work order. One employee will be assigned the duty of inputting work orders. A process will be implemented to first review all work orders before inputting them into the computer when this duty is to be performed by any one other than the assigned individual. We will have the software company repair the problems that allow for the duplication of work orders.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director      Telephone: (318) 227-8174  
Housing Authority of the City of Shreveport      Fax: (318) 221-2579  
2500 Line Avenue  
Shreveport, Louisiana 71104

**Anticipated completion date:** July 2004

**Reference # and title:**      **03-F2**                      **Resident Files**

**Condition found:** The Housing Authority is required to submit electronically to HUD a form 50058 each time the PHA completes an admission, annual reexamination, interim reexamination, portability move-in, or other change of unit for a family. This report contains key line items such as effective dates, names, dates of birth, social security numbers, etc. Forty resident files were selected to test certain attributes including documentation for the Form 50058. Two of these files did not contain a form 50058 so the form could not be tested.

**Corrective action planned:** The Section 8 Office has been instructed to review files more closely. The Section 8 Coordinator has been instructed to strengthen quality control procedures by ensuring participants' files are thoroughly reviewed prior to submission for further processing.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director      Telephone: (318) 227-8174  
Housing Authority of the City of Shreveport      Fax: (318) 221-2579  
2500 Line Avenue

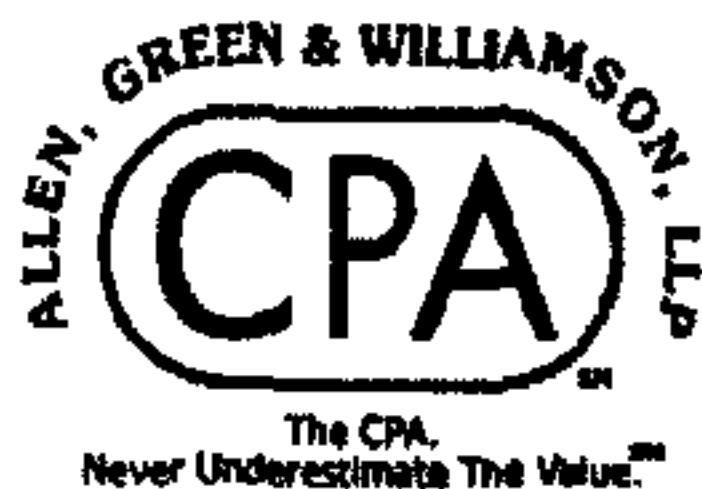
**Housing Authority of the City of Shreveport  
Corrective Action Plan for Current-Year Findings and Questioned Costs  
For the Year Ended September 30, 2003**

Shreveport, Louisiana 71104

**Anticipated completion date: July 2004**

**Housing Authority of the City of Shreveport  
Management Letter Items  
For the Year Ended September 30, 2003**

**Management Letter Items**



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## Management Letter

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, LA

In planning and performing our audit of the basic financial statements of the Housing Authority of the City of Shreveport for the year ended September 30, 2003, we considered the Housing Authority's internal control to plan our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control.

However, during our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated March 18, 2004, on the basic financial statements of the Housing Authority. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

### **03-M1 Retention of Voided Checks**

**Comment:** In processing Section 8 HAP checks some checks are \$0 amount checks because the number of residents included on the landlord's check runs over more than one voucher. Presently, the Housing Authority does not retain these \$0 amount checks.

**Recommendation:** These \$0 checks should be retained and voided by the Housing Authority.

**Management's Response:** The staff has been instructed that retaining the \$0 amount checks is to be implemented immediately. The staff also has been instructed that accountability for all checks is to be maintained.

\* \* \* \* \*

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and use of the Board, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
March 18, 2004

**Housing Authority of the City of Shreveport  
Status of Prior Management Letter Items  
September 30, 2003**

**Finding reference # and title:    02-M1                    Maintaining Depreciation Schedule**

**Comment:** The Housing Authority is not maintaining a depreciation schedule with their capital asset listing. The depreciation schedules are done on manual spreadsheets. The capital asset software used by the Housing Authority does have a depreciation function. The Housing Authority should use the depreciation function on their capital asset software to maintain their depreciation schedule.

**Corrective action taken:** Information was entered on the capital asset software to depreciate capital assets on the system.

**Finding reference # and title:    02-M2                    Resident Advisory Board Expenses**

**Comment:** The Resident Advisory Board is operating with no source of income. Expenses for the resident advisory board are estimated to be \$150,000 for the fiscal year 2003. These have been covered by the Section 8 reserve and if continued the reserve will be depleted in the year 2005.

**Corrective action taken:** A budget was developed and approved by the Housing Authority board for the resident advisory board. Actual expenses are monitored to ensure compliance with the budget.