

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

**General-Purpose Financial Statements and
Independent Auditor's Reports
As of and for the Year Ended December 31, 2003
With Supplemental Information Schedules**

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

**5150 Highway 22, Suite C-14
Mandeville, Louisiana 70471**

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 7-28-04

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana

General-Purpose Financial Statements

As of and for the Fiscal Year Ended December 31, 2003

With Supplemental Information Schedules

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INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
Housing Authority of the City of Donaldsonville
Donaldsonville, Louisiana**

I have audited the accompanying general-purpose financial statements of the Housing Authority of the City of Donaldsonville as of and for the year ended December 31, 2003, as listed in the table of contents. These general-purpose financial statements are the responsibility of the authority's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Louisiana Governmental Audit Guide. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly in all material respects, the financial position of the Housing Authority of the City of Donaldsonville as of December 31, 2003, and the results of its operations and the cash flows of its proprietary fund types for the year ended in conformity with U.S. generally accepted accounting principles.

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana
Independent Auditor's Report, 2003
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In accordance with Government Auditing Standards, I have also issued a report dated June 11, 2004 on my consideration of the authority's internal control over financial reporting and my tests of its compliance with certain 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 my audit.

My audit was conducted for the purpose of forming an opinion on the general-purpose financial statements of the authority taken as a whole. The accompanying Schedule of Expenditures of Federal Awards, required by the U.S. Office of Management and Budget Circular A-113, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis, and is not a required part of the general-purpose financial statements. The accompanying Financial Data Schedule, required by HUD, is presented for purposes of additional analysis, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements and any other included supplementary information taken as a whole.

William Daniel McCaskill, CPA
A Professional Accounting Corporation

June 11, 2004

Exhibit A

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
 Donaldsonville, Louisiana
 Proprietary Fund Type - Enterprise Fund - Balance Sheet
 As of December 31, 2000

Assets

Current Assets:

Cash and Cash Equivalents	\$ 800,708
Accounts Receivable - HUD Other Projects	87,832
Accounts Receivable - Miscellaneous	444
Accounts Receivable - Tenants Dwelling Units	128
Prepaid Expenses	13,288
Inventory	3,487
Allowance for Obsolete Inventory	(728)
Intraperiod Due From	76,024
Total Current Assets	980,573

Restricted Assets:

Cash and cash equivalents	14,028
Total Restricted Assets	14,028

Fixed Assets, Net of Accumulated Depreciation:

Land	190,000
Buildings	3,884,681
Furniture, Equipment & Machinery - Dwelling	110,872
Furniture, Equipment & Machinery - Administration	70,849
Leasehold Improvements	710,772
Accumulated Depreciation	(2,889,450)
Construction in Progress	223,132
Total Fixed Assets, Net of Accumulated Depreciation	1,290,054

Total Assets **\$ 2,300,628**

Current Liabilities (payable from current assets):

Accounts Payable - Vendors	\$ 18,718
Accounts Payable - HUD PMA Programs	1,828
Accrued Wages and Payroll Taxes Payable	5,109
Accrued Compensated Absences - Current	10,850
Intraperiod Due To	78,034
Total Current Liabilities (payable from current assets)	114,539

Current Liabilities (payable from restricted assets):

Tenant Security Deposits	14,028
--------------------------	--------

Total Liabilities **128,567**

Equity:

Contributed Capital	1,120,780
Retained Earnings	1,059,221
Total Equity	2,170,001

Total Liabilities and Equity **\$ 2,300,628**

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

Exhibit B

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
 Donaldsonville, Louisiana
Proprietary Fund Type - Enterprise Fund -
Statement of Revenues, Expenses, and Changes in Retained Earnings
For Fiscal Year Ended December 31, 2009

Operating Revenues:	
Net Tenant Rental Revenue	\$ 215,677
Tenant Revenue - Other	16,832
Federal Grants	<u>308,694</u>
Total Operating Revenues	<u>541,203</u>
Operating Expenses:	
Administrative Expenses	177,632
Tenant Services	6,478
Utilities	32,768
Ordinary Maintenance & Operation	621,847
Protective Services	17,460
General Expenses	70,290
Extraordinary Maintenance & Operation	24,258
Depreciation Expense	<u>147,248</u>
Total Operating Expenses	<u>1,158,233</u>
Operating Loss	<u>(617,030)</u>
Non-operating Revenues:	
Federal Grants	285,191
Interest Income	<u>6,808</u>
Total Non-operating Revenues	<u>292,000</u>
Net Income	175,000
Add Depreciation on fixed assets acquired by grants, entitlements, and shared revenues internally restricted for capital acquisitions and construction that reduces contributed capital	<u>148,248</u>
Increase in Retained Earnings	323,248
Retained Earnings at Beginning of Year	628,181
Prior Period Adjustments and Corrections of Errors	<u>(33,070)</u>
Retained Earnings at End of Year	<u>\$ 1,024,257</u>

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

Exhibit C

HOUSING AUTHORITY OF THE CITY OF GONNALSBOURNE
 DISTRICTS/COUNTY: 1 (Utilities)
 Proprietary Fund Type - Enterprise Fund - Statement of Cash Flows
 For Fiscal Year Ended December 31, 2003

Cash flows from operating activities:	
Operating Loss	\$ (115,704)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	147,248
Decrease in Accounts Receivable - Other Government	588
Increase in Accounts Receivable - Miscellaneous	(284)
Decrease in Accounts Receivable - Tenants' Cleaning Funds, net	(25)
Increase in Prepaid Expenses	(188)
Decrease in Inventories	1,218
Increase in Accounts Payable - Vendors	5,653
Decrease in Accounts Payable - HUD PMA Programs	(1,000)
Increase in Accrued Wages and Payroll Taxes Payable	4,329
Decrease in Accrued Compensated Absences	(2,048)
Decrease in Deferred Revenue	1455
Decrease in Tenant Security Deposits	1577
Net cash provided by operating activities	<u>8,550</u>
Cash flows from capital and related financing activities:	
Payments to acquire, construct, or improve capital assets - Low Rent	(8,038)
Payments to acquire, construct, or improve capital assets - CFF	(241,000)
Proceeds from federal capital grants	258,528
Net cash used by capital and related financing activities	<u>(90,510)</u>
Cash flow from investing activities:	
Investment income (interest income)	5,858
Net cash provided by investing activities	<u>5,858</u>
Net increase in cash and cash equivalents	13,898
Cash and cash equivalents at beginning of year	<u>300,870</u>
Cash and cash equivalents at end of year	<u>\$ 314,768</u>

There were no non-cash investing, capital or financing transactions.

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

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
Donaldsonville, Louisiana
Notes to the Financial Statements
For Fiscal Year Ended December 31, 2003

The Public Housing Authority (the authority) was chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of Donaldsonville, Louisiana. This creation was contingent upon the approval of the local governing body of the City. A five member Board of Commissioners governs the authority. The members, appointed by the City of Donaldsonville Louisiana, serve a four year staggered term.

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.

At December 31, 2003, the authority was managing a Low Rent Public Housing Program and a Capital Fund Program.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Basis of Presentation

The accompanying financial statements of the 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. The authority also applies all Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana

Notes to the Financial Statements, 2000 – Continued

(2) Financial Reporting Entity

GASB Codification Section 2100 defines criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the authority is legally separate and fiscally independent, the authority is a separate governmental reporting entity.

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

Certain units of local government over which the authority exercises no oversight responsibility, such as the parish police jury, school board, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the authority. In addition, the accompanying financial statements do not include various tenant associations, which are legally separate entities.

The financial statements include all funds and activities that are within the oversight responsibility of the authority.

GASB Codification Section 2100 defines criteria for determining which component units should be considered part of the 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. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the authority 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 authority.
2. Organizations for which the authority does not appoint a voting majority, but are fiscally dependent on the authority.

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana

Notes to the Financial Statements, 2003 – Continued

3. Organizations for which the reporting entity financial statements would be misleading if date of the organization is not included because of the nature or significance of the relationship.

The authority has no component units.

(3) Fund Accounting

The authority uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The authority's fund is classified as a proprietary fund type – enterprise fund. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

(4) Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Proprietary funds use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred.

(5) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(6) Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in certificates of deposits and those investments with original maturities of 90 days or less.

Under state law, the authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana

Notes to the Financial Statements, 2000 - Continued

banks organized under Louisiana law and national banks having principal offices in Louisiana.

(7) Investments

Investments are limited by HUD regulations, state law, and the authority's investment policy. Investments with original maturities of 90 days or greater are classified as investments. Deposits or investments with original maturities of 90 days or less, are classified as cash equivalents. Investments are stated at fair value based on quoted market prices.

(8) Inventories

Inventory items are valued at cost on a first-in first-out (FIFO) basis. Any difference between cost and market is deemed immaterial. The authority uses a periodic inventory system and accounts for inventory using the purchase method.

(9) Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid expenses generally consist of prepaid insurance.

(10) Fixed Assets

Fixed assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value) using the straight-line method. Donated capital assets are recorded at their estimated fair value at the date of donation. The capitalization limit is \$1,000. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	40 Years
Building improvements	15 Years
Leasehold improvements	15 Years
Equipment	5-7 Years

Interest costs during construction have been capitalized. All land and buildings are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the government and to protect other interests of the government.

(11) Compensated Absences

Employees earn from 96 to 192 hours and from 96 to 192 hours per year in annual leave and sick leave, respectively. Employees may accumulate an unlimited number of annual leave hours. Depending on their length of service, employees receive payment for up to 300 annual leave hours upon termination or retirement at their then-current rate of pay. Employees are not compensated for unused sick leave. The cost of current leave privileges, computed in accordance

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana

Notes to the Financial Statements, 2003 - Continued

with GASB Codification Section 680 is recognized as a current year expense when leave is earned.

NOTE B - CASH AND CASH EQUIVALENTS

See Note A for discussion of policies related to cash and cash equivalents. At December 31, 2003, the authority has cash and cash equivalents (book balances) totaling \$516,758 as follows:

Interest-bearing demand deposits	\$388,712
Time deposits	127,998
Other	59
Total	<u>\$516,758</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2003, the authority has \$622,663 in deposits (bank balances), categorized below to reflect the amount of risk assumed by the authority.

GASB Category 1	\$200,000
GASB Category 2	-
GASB Category 3	<u>322,663</u>
	<u>\$522,663</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 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 authority that the fiscal agent has failed to pay deposited funds upon demand.

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
Donaldsonville, Louisiana
Notes to the Financial Statements, 2000 - Continued

NOTE C - FIXED ASSETS

The following is a summary of fixed assets:

Land	\$198,823
Buildings	3,084,881
Furniture and Equipment	
Dwellings	110,873
Administration	70,849
Leasehold Improvements	710,272
Construction in progress	223,332
Total	<u>4,378,829</u>
Accumulated depreciation	<u>(2,689,633)</u>
Net fixed assets	<u>\$1,689,196</u>

NOTE D - RETIREMENT PLAN

The authority participates in the Louisiana Housing Council Group Retirement Plan, administered by Brassard, Bush and Hunt, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities which are members of the Louisiana Housing Council. Through this plan, the authority provides pension benefits for all of its full-time employees. All full-time employees who have attained age 18 are eligible to participate in the plan on the first day of the month after completing three months of continuous and uninterrupted employment.

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 8 percent of each participant's basic (excludes overtime) compensation. Employees are required to contribute 8 percent of their annual covered salary.

The authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the authority.

Normal retirement date shall be the first day of the month following the employee's sixty-fifth birthday. Early retirement may be elected on the first day of

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana

Notes to the Financial Statements, 2003 - Continued

any month within 10 years of the employee's normal retirement date, provided the employee has completed five years of service with the authority. With the authority's consent, employees may defer retirement to the first day of any month beyond normal retirement date.

The authority's total payroll for the year ended December 31, 2003, was \$132,471. The authority's contributions were calculated using the base salary amount of \$118,178. The authority made the required contributions of \$9,472 for the year ended December 31, 2003.

NOTE E - COMPENSATED ABSENCES

At December 31, 2003, employees of the authority have accumulated and vested \$13,383 of employee leave benefits, which is presented as a current liability of the appropriate fund(s) in the balance sheet. The long-term portion of the liability is considered immaterial and has not been reclassified to long-term liabilities. Except as discussed above, the liability has been computed in accordance with GASB Codification Section 060.

NOTE F - PRIOR PERIOD ADJUSTMENTS AND CORRECTIONS OF ERRORS

The Low Rent Program reported \$438,192 in adjustments to fixed assets and accumulated depreciation. The total Low Rent adjustment of \$438,192 had an overall effect on contributed capital and retained earnings of \$345,110 and \$93,082 respectively.

NOTE G - RISK MANAGEMENT

The authority is exposed to all common perils associated with the ownership and rental of real estate properties. To minimize loss occurrence and to transfer risk, the authority carries various commercial insurance policies including property, casualty, employee dishonesty, public official's liability, business auto and other miscellaneous policies. These policies are reviewed for adequacy by management annually.

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
Donaldsonville, Louisiana
Notes to the Financial Statements, 2003 – Continued

NOTE H – FEDERAL COMPLIANCE CONTINGENCIES

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

SCHEDULE I

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
 Donaldsonville, Louisiana
 Schedule of Compensation Paid Board Members
 For Fiscal Year Ended December 31, 2003

Myrto Madson	\$	300
Paul Lindsey III		300
Catherine Proust		400
Lloyd Capello		300
Reginald Johnson, Sr.		400
		<hr/>
Total	\$	<u>1,600</u>

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**INDEPENDENT AUDITOR'S 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 Donaldsonville
Donaldsonville, Louisiana

I have audited the financial statements of the Housing Authority of the City of Donaldsonville (the authority), as of and for the year ended December 31, 2003 and have issued my report thereon dated June 11, 2004. I conducted my 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.

Compliance

As part of obtaining reasonable assurance about whether the authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the authority's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana
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the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in the amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the board of commissioners and management, others within the organization, the Louisiana Legislative Auditor and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

William Daniel McCaskill, CPA
A Professional Accounting Corporation

June 11, 2004

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

I have audited the compliance of the Housing Authority of the City of Donaldsonville (the authority) 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 its major federal program for the year ended December 31, 2003. The authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the authority's management. My responsibility is to express an opinion on the authority's compliance based on my audit.

I conducted my 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; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the authority's compliance with those requirements.

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE

Donaldsonville, Louisiana
Independent Auditor's Report
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In my opinion, the authority complied, in all material respects with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003.

Internal Control Over Compliance

The management of the 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 my audit, I considered the 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 my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with GMS Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the board of commissioners, management, and for HUD. However, this report is a matter of public record and its distribution is not limited.

William Daniel McCaskill, CPA
A Professional Accounting Corporation

June 11, 2004

SCHEDULE 2

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
 Donaldsonville, Louisiana
 Schedule of Expenditures of Federal Awards
 For Fiscal Year Ended December 31, 2003

<i>Federal Grant/Pass-through Grants/ Program or Cluster Title</i>	<i>CFDA #</i>	<i>Federal Expenditures</i>
U.S. Department of Housing and Urban Development:		
<i>Direct Programs:</i>		
Low Rent Public Housing	14.850a	288,864
Public Housing Capital Fund Program	14.852	288,181
Total Federal Expenditures		<u>\$ 443,895</u>

See accompanying notes to schedule of expenditures of federal awards.

**HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE**

Donaldsonville, Louisiana

Notes to the Schedule of Expenditures of Federal Awards
Fiscal Year Ended December 31, 2003

NOTE A—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the housing authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Avails of States, Local Governments, and Non-Profit Organizations*.

NOTE B—OTHER AWARDS

\$1,154,758 of Long-term Debt guaranteed by HUD not included in the above schedule is included in the equity section of the balance sheet.

**HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE**
Donaldsonville, Louisiana

Schedule of Prior Year Audit Findings
Fiscal Year Ended December 31, 2003

There were no findings in the prior audit.

**HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE**
Donaldsonville, Louisiana

Schedule of Current Audit Findings and Questioned Costs
Fiscal Year Ended December 31, 2003

Summary Schedule of Auditor's Results:

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the authority.
2. No reportable conditions required to be reported in the Independent Auditor's Report on Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards were disclosed during the audit.
3. No instances of noncompliance material to the financial statements of the authority, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. No reportable conditions were disclosed during the audit of internal control over major federal award programs, reported in the Independent Auditor's Report On Compliance With Requirements Applicable To Each Major Program And Internal Control Over Compliance In Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the authority expresses an unqualified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with Section 515(a) of OMB Circular A-133 are reported in this Schedule.
7. The program listed as major program was:
 1. 64,872 Capital Fund Program
8. The threshold used for distinguishing between Type A and B programs was \$200,000.
9. The authority qualified as a low-risk auditee.

**HOUSING AUTHORITY OF THE CITY OF
DONALDSONVILLE**
Donaldsonville, Louisiana

Schedule of Current Audit Findings and Questioned Costs (Continued)
Fiscal Year Ended December 31, 2003

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS
PROGRAMS AUDIT**

None

HOUSING AUTHORITY OF THE CITY OF DONALDSONVILLE
 Donaldsonville, Louisiana
 Financial Data Schedule
 For Fiscal Year (ended December 31, 2003)

Line Item Number	Account Description	Less than Public Money	GAAP	Capital	Total
111	Cash—unrestricted	100,788	-	-	100,788
114	Cash—grant activity (00000)	14,000	-	-	14,000
100	Total Cash	114,788	-	-	114,788
122	Accounts receivable - HUD other projects	-	-	87,826	87,826
123	Accounts receivable - maintenance	444	-	-	444
124	Accounts receivable - grants - pending rent	128	-	-	128
125.1	Allowance for doubtful accounts—pending rent	-	-	-	-
126	Total Receivables, net of allowance for doubtful accounts	572	-	87,826	88,398
142	Prepaid expenses and other assets	12,360	-	-	12,360
143	Inventory	2,487	-	-	2,487
143.1	Allowance for obsolete inventories	(208)	-	-	(208)
144	Intergovernmental - due from	78,024	-	-	78,024
145	Total Current Assets	193,951	-	87,826	281,777
151	Land	186,400	-	-	186,400
152	Buildings	2,094,881	-	-	2,094,881
153	Furniture, equipment, and machinery - dwelling	82,898	-	27,284	110,182
154	Furniture, equipment, and machinery - administration	78,848	-	-	78,848
155	Leasehold improvements	778,272	-	-	778,272
156	Accumulated depreciation	(2,047,837)	-	(7,000)	(2,054,837)
157	Construction in progress	-	-	223,200	223,200
158	Total Real Estate, plant, equipment, and construction	1,078,581	-	216,204	1,294,785
160	Total Assets	1,272,532	-	304,030	1,576,562
212	Accounts payable - 90 days	2,899	-	14,267	17,166
213	Accounts payable - 90 days past due	-	-	-	-
221	Accrued unpaid payroll (00000)	5,128	-	-	5,128
222	Accrued compensated absences	12,283	-	-	12,283
223	Accounts payable - HUD PMA Programs	1,895	-	-	1,895
241	Tenant security deposits	14,000	-	-	14,000
247	Intergovernmental - due to	-	-	78,024	78,024
250	Total Current Liabilities	36,205	-	92,291	128,496
304	Net HUD Title Contingent	1,232,786	-	-	1,232,786
308	Total Contingent Liabilities	1,232,786	-	-	1,232,786
41.1	Unassigned fund transferred earnings	894,976	-	268,278	1,163,254
41.2	Total Liabilities	1,269,967	-	360,569	1,630,536
500	Total Liabilities	1,269,967	-	360,569	1,630,536

HOUSING AUTHORITY OF THE CITY OF BRIMMINGHAM
 Accountability Reporting
 Financial Data Schedule
 For Fiscal Year Ended December 31, 2013

SCHEDULE E

Line Item Number	Account Description	Line Item			Total
		Public Housing	GHF	Capital	
700	Net leased infrastructure	27,627	-	-	27,627
704	Leased services - other	8,520	-	-	8,520
706	Line charge program	88,000	-	-	88,000
708	Costs from grants	23,000	-	44,121	67,121
800	Travel costs	-	-	24,100	24,100
711	Investment income - management	1,000	-	-	1,000
712	Investment income - other	1,000	-	-	1,000
714	Investment income	2,000	-	-	2,000
Administrative					
811	Administrative salaries	27,626	-	-	27,626
812	Auditing fees	821	-	-	821
813	Compensated services	22,440	-	-	22,440
815	Employee health contributions - administrative	26,171	-	-	26,171
816	Other operating - administrative	24,288	-	44,121	70,409
Travel services					
820	Travel services - salaries	1,000	-	-	1,000
825	Employee health contributions - travel services	821	-	-	821
828	Travel services - other	1,000	-	-	1,000
Utilities					
830	Water	26,120	-	-	26,120
832	Electricity	8,000	-	-	8,000
835	Gas	483	-	-	483
Utility maintenance and operation					
841	Utility maintenance and operation - water	32,140	-	-	32,140
842	Utility maintenance and operation - electrical and other	30,911	-	-	30,911
843	Utility maintenance and operation - limited utility	8,000	-	-	8,000
845	Employee health contributions - utility maintenance	17,821	-	-	17,821
Insurance services					
850	Professional services - other contract work	17,400	-	-	17,400
General Equipment					
861	Insurance expenses	48,113	-	-	48,113
863	Repairs & less of lease	25,222	-	-	25,222
864	Repairs - repair parts	1,421	-	-	1,421
865	Other General Equipment	84,100	-	-	84,100
716	Special Village Program Staff Consulting Services	15,000	-	-	15,000
Other					
871	Insurance expenses	34,300	-	-	34,300
874	Compensation expense	183,200	-	1,000	187,200
876	Other expenses	287,194	-	46,821	334,015
Other Capital Expenditures and Other Construction					
OTHER ACCOUNT INFORMATION					
101	Required entry	1,001,021	179,021	341,204	1,521,246
104	From asset adjustments, early transfers, and transfer of assets	(84,785)	(1,799,818)	(233,899)	(2,078,502)
105	Capitalization "net loss"	142,200	-	-	142,200
106	Net assets available	1,158,436	-	-	1,158,436
107	Number of units/units vacant	1,714	-	-	1,714