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*Housing Authority
Of
Town of Delcambre, Louisiana*

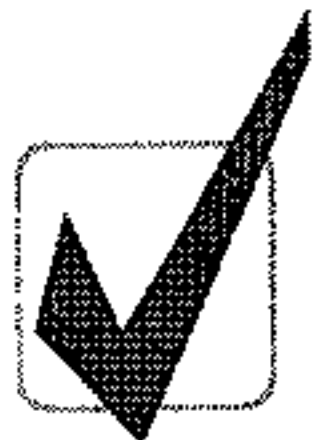
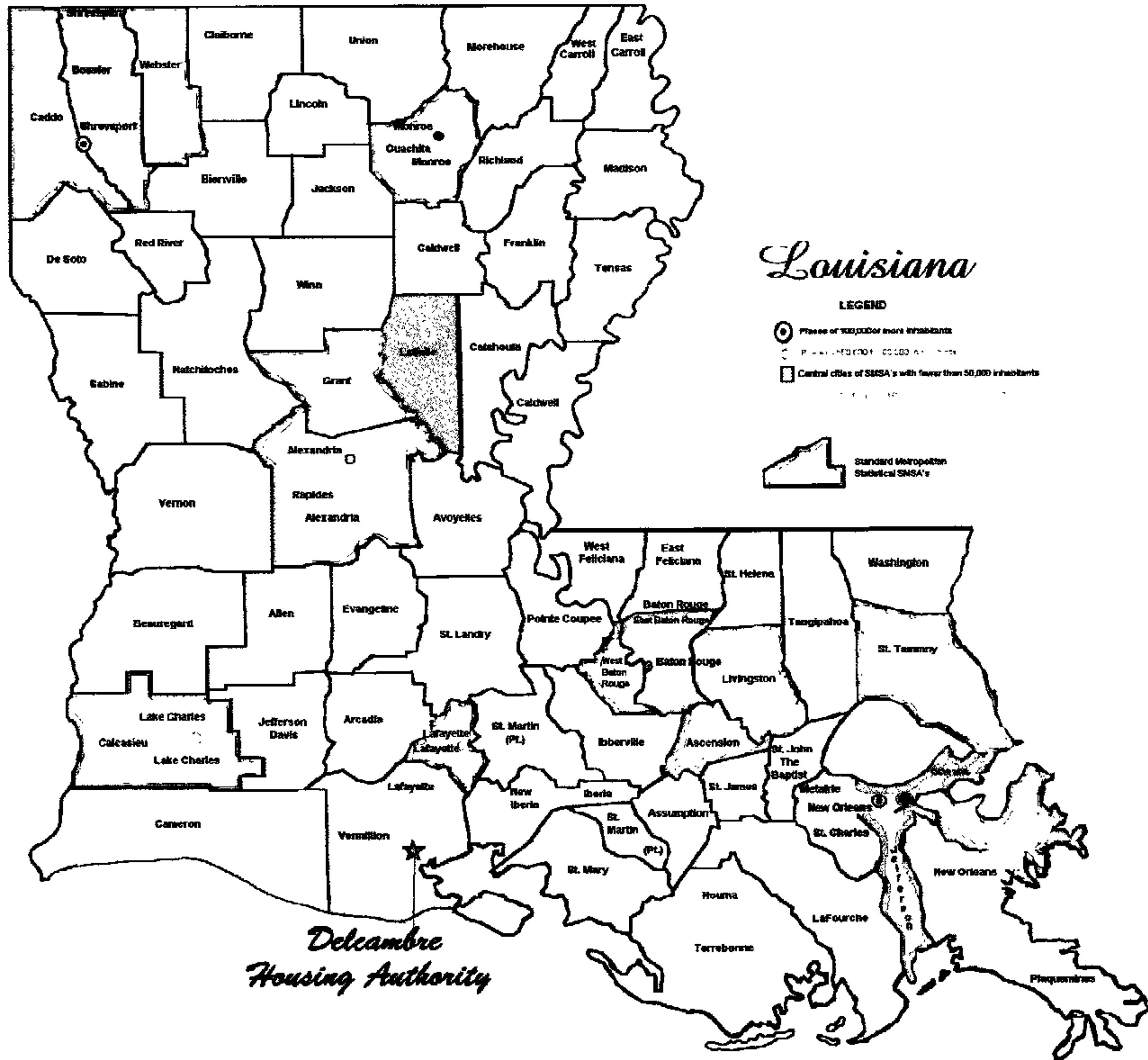
*Financial Statements and
Supplemental Financial Information*

MARCH 31, 2004

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 9-29-04

**HOUSING AUTHORITY OF TOWN OF DELCAMBRE
DELCAMBRE, LOUISIANA**



Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low income housing programs in the United States. Accordingly, HUD has contracted with the entity to administer certain HUD funds. The entity is a public corporation, legally separate, fiscally independent and governed by Board of Commissioners.

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

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March 31, 2004*

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Housing Authority of Delcambre

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Delcambre Housing Authority's annual financial report presents our discussion and analysis of the Authority's financial performance during the fiscal year ended March, 31, 2004. Please read it in conjunction with the Independent Auditor's Report on page 3-4 and the Authority's financial statements on page 6,7,8,17,18, and 19.

FINANCIAL HIGHLIGHTS:

- The Authority's total combined capital assets (net of accumulated depreciation of \$1,091,383) were \$969,184 while the total net assets were \$1,229,962 at March 31, 2004. Bonds and notes of the Authority are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the Authority and accordingly, have not been reported in the accompanying financial statements. The amount of the debt that has been reclassified to HUD equity is \$142,500.00.
- During the year, the Authority has a combined loss before capital contributions and prior period adjustments of \$68,523. After capital contributions and prior period adjustments there was a net change in assets of (\$49,289).
- In the Authority's business- type activities, expenses increased \$17,711. This rise in expenses was due in part by an increase in depreciation expense of \$11,977 or 15.03%. The Authority's had a loss of \$68,523 after operating revenues of \$81,778 and other revenues of \$150,284 in comparison to a \$6,469 income in the prior year. This was due in part to a decrease in capital grants of \$56,766 and a decrease in HUD operating grants of \$16,730. The Authority had total expenses of \$300,585, of this amount \$208,926 was operating expenses while \$91,659 was depreciation expense which is a non-cash transaction.
- The total cash flow of the Authority's programs had an increase in cash of \$13,489 in comparison to a \$56,436 loss for the year-end March 31, 2003.

OVERVIEW OF THE FINANCIAL STATEMENTS:

This annual report consists of three parts - management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include one kind of statement listed below.

- Proprietary fund statements offer short and long-term financial information about the activities the government manages like a business. These services for which the authority charges tenants a fee are reported in this section.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The Authority has the following type of fund:

- Proprietary Funds

CONTACTING THE AUTHORITY'S FINANCIAL MANGEMENT:

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional information, contact Debbie Comeaux, executive director of the Housing Authority of Delcambre, 218 S. Pelloat St., Delcambre, LA 70528, at (337) 685-4455.

JOHN R. VERCHER PC

Certified Public Accountant

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Tel: (318) 992-6348

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INDEPENDENT AUDITOR'S REPORT ON BASIC FINANCIAL STATEMENTS

Housing Authority of the
Town of Delcambre
Delcambre, Louisiana

I have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the Housing Authority of Delcambre, Louisiana as of and for the year ended March 31, 2004, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of Delcambre, Louisiana's, management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Housing Authority of Delcambre, Louisiana, as of March 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 30, 2004 on my consideration of the Housing Authority of Delcambre, Louisiana internal control over financial reporting and my 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 my audit.

The Authority has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as of March 31, 2004.

The management's discussion and analysis is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I 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, I did not audit the information and express no opinion on it.

MEMBER
—AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS—
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of Delcambre, Louisiana, basic financial statements. The introductory section, combining financial statements, financial data schedule (FDS) and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements, financial data schedule (FDS) and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I express no opinion on it.

Jena, Louisiana

June 30, 2004

John R. Vercher

Basic Financial Statements

*Housing Authority of the Town of Delcambre
Delcambre, Louisiana
Combined Statement of Net Assets
March 31, 2004
FW - 438*

	<u>Enterprise Funds</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 23,045
Investments	214,536
Receivables (net of allowances for uncollectables)	-0-
Inventory	4,366
Prepaid items	18,431
Other assets	400
Total Current Assets	<u>\$ 260,778</u>
Non-Current Assets:	
Capital assets (net of accumulated depreciation)	\$ 969,184
Total Non-Current Assets	<u>\$ 969,184</u>
TOTAL ASSETS	<u>\$ 1,229,962</u>
LIABILITIES	
Current Liabilities	
Compensated absences	\$ 3,033
Accrued pilot	7,354
Prepaid rents	214
Total Current Liabilities	<u>\$ 10,601</u>
Non-Current Liabilities	
Compensated Absences	\$ 6,155
Tenant security deposits	8,629
Total Non-Current Liabilities	<u>\$ 14,784</u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 969,184
Unrestricted	235,393
TOTAL NET ASSETS	<u>\$ 1,204,577</u>

The accompanying notes are an integral part of this statement.

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

*Combined Statement of Revenues, Expenses, and Changes In
Net Assets – Proprietary Funds
Year Ended March 31, 2004*

FW – 2265

	Enterprise Fund
Operating Revenues:	
Tenant Revenue	\$ 75,897
Other Revenue	5,881
Total Operating Revenue	\$ 81,778
Operating Expenses	
<i>Administration:</i>	
Administrative Salaries	\$ 47,994
EBC Administrative	17,888
Audit Fees	3,180
Other Operating - Administrative	14,220
<i>Cost of Sales & Service:</i>	
Tenant Services – Other	329
Water	433
Electricity	1,856
Other Utilities	73
Ordinary Maintenance – Labor	28,181
Materials	17,080
Contract Cost	25,037
EBC Maintenance	9,029
Insurance	35,659
Payment in Lieu of Taxes	7,354
Collection Losses	613
<i>Depreciation</i>	91,659
Total Operating Expenses	\$ 300,585
Operating Income (Loss)	\$ (218,807)
Nonoperating Revenue (Expense)	
HUD PHA Operating Grant	\$ 113,954
Federal Grants	33,869
Interest Earnings	2,461
Total Nonoperating Revenue (Expenses)	\$ 150,284
Income (Loss) Before Contributions, Transfers and Prior Period Adjustments	\$ (68,523)
Capital Contributions	\$ -0-
Prior Period Adjustments	19,234
Change in Net Assets	\$ (49,289)
Total Net Assets – Beginning	1,253,866
Total Net Assets - Ending	\$ 1,204,577

The accompanying notes are an integral part of this statement.

*Housing Authority of the Town of Delcambre
Delcambre, Louisiana
Combining Statement of Cash Flows
Year Ended March 31, 2004
FW - 438*

	Enterprise Fund
Cash Flows From Operating Activities	
Receipts from customers and users	\$ 76,725
Receipts from Interfund services provided	8,251
Payments to suppliers	(123,756)
Payments to employees	(76,175)
Payment in lieu of taxes	(7,354)
Net Cash Provided by Operating Activities	\$ (122,309)
Cash Flows From NonCapital Financing Activities	
Subsidy from federal grants	\$ 147,823
Net Cash Provided (used) by NonCapital Financing Activities	\$ 147,823
Cash Flows From Capital and Related Financing Activities	
Other	\$ 19,234
Acquisition and construction of capital assets	(33,720)
Net Cash Provided (used) by Capital and Related Financing Activities	\$ (14,486)
Cash Flows From Investing Activities	
Investments	\$ (1,112)
Interest and dividends received	2,461
Net Cash Provided (used) by Investing Activities	\$ 1,349
Net Increase in Cash and Cash Equivalents	\$ 12,377
Cash, Beginning of Year	10,668
Cash, End of Year	\$ 23,045
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income	\$ (218,807)
Depreciation Expense	\$ 91,659
(Increase) decrease in accounts receivable	845
(Increase) decrease in other receivables	2,370
Increase (decrease) in allowance for uncollectable accounts	(17)
(Increase) decrease in inventories	353
(Increase) decrease in prepaid items	1,356
(Increase) decrease in fixed assets	(1,186)
Increase (decrease) in customer deposits	1,450
Increase (decrease) in accounts payable	588
Increase (decrease) in compensated absences	(920)
Total Adjustments	\$ 96,498
Net Cash Provided by Operating Activities	\$ (122,309)
Listing of Noncash Investing, Capital, and Financial Activities	
Contributions of capital assets from government	\$ 143,187

The accompanying notes are an integral part of this statement

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

Notes to the Financial Statements

INTRODUCTION

The Housing Authority of Delcambre is a 56 unit apartment complex for persons of low income located in Delcambre, Louisiana. The Authority is chartered as a public corporation for the purpose of administering decent, safe and sanitary dwelling for persons of low-income.

Legal title to the Authority is held by the Housing Authority of the Town of Delcambre, Louisiana, a non-profit corporation. The Authority is engaged in the acquisition, modernization, and administration of low-rent housing. The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of Delcambre, Louisiana. Each member serves a four-year term and receives no compensation for their services. Substantially all of the Authority's revenue is derived from subsidy contracts with the U. S. Department of Housing and Urban Development (HUD). The annual contributions contracts entered into by the Authority and HUD provide operating subsidies for Authority-owned public housing facilities for eligible individuals.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the entity to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

1. SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the activities of the primary government and its component units. For the most part, the effect of the Interfund activity has been removed from these statements. The housing authority uses enterprise funds to account for its activities.

Separate financial statements are provided for the proprietary funds.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The housing authority reports the following major proprietary funds:

The Low Rent Fund is the housing authority's primary operating fund. It accounts for all financial resources of the housing authority, except those required to be accounted for in another fund.

The CFP Fund is the housing authority's grant operating fund. It accounts for all financial resources of the capital fund projects.

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

Notes to the Financial Statements - (Continued)

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to their same limitation. The housing authority has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of Interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The primary operating revenue of the housing authority is derived from tenant revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 they are needed.

C. Deposits and Investments

The housing authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the housing authority's investment policy allow the housing authority to invest in collateralized certificated of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the housing authority are reported at fair value.

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year referred to as either "due to/from other funds" (i.e., the current portion of Interfund loans) or "advances to/from other funds" (i.e., the non-current portion of Interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the accompanying financial statements, are offset by a restriction on net assets. All trade and other receivables are shown net of an allowance for uncollectives.

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

Notes to the Financial Statements - (Continued)

E. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first out method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Capital Assets

Capital Assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable columns in the government-wide financial statements. Capital assets are capitalized at historical cost. The housing maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense included during the current fiscal year was \$-0-. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with construction projects.

All Capital Assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>	
Land improvements	20	years
Buildings and building improvements	20	years
Furniture and fixtures	5	years
Vehicles	5	years
Equipment	5	years

G. Compensated Absences

The housing authority has the following policy relating to vacation and sick leave:

The Authority follows the civil service guidelines for vacation and sick leave. Employee's time is accumulated in accordance to hours worked per month. At year-end, time not used is accumulated.

At March 31, 2004, employees of the PHA have accumulated and vested \$9,188 of employee leave benefits, computed in accordance with GASB Codification Section C60. The balance of accrued compensated absences at March 31, 2004 was \$6,155 recorded as current obligation and \$3,033 recorded as non-current obligation.

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

Notes to the Financial Statements - (Continued)

H. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

I. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the housing authority, which are either unusual in nature or infrequent in occurrence.

J. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

At March 31, 2004, the housing authority has cash and investments (book balances) totaling \$237,581 as follows:

Demand deposits	\$ 23,005
Time deposits	214,536
Other	<u>40</u>
Total	<u>\$ 237,581</u>

These deposits are stated at cost, which approximated 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 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 March 31, 2004, the housing authority has \$243,180 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$303,352 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

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

Notes to the Financial Statements - (Continued)

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the housing authority or its agent in the housing authority's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the housing authority's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the housing authority's name.

At fiscal year-end, the housing authority's investment balances were as follows:

Certificate of Deposit	\$	114,536
Certificate of Deposit		20,000
Certificate of Deposit		20,000
Certificate of Deposit		30,000
Certificate of Deposit		30,000
		30,000
Total	\$	214,536

Type of Investment	Category			Fair Market Value
	1	2	3	
FDIC	\$ 100,000	\$ -0-	\$ -0-	\$ 100,000
FHLMC Note	-0-	101,688	-0-	101,688
FHLMC Note	-0-	201,664	-0-	201,664
	\$ 100,000	\$ 303,352	\$ -0-	\$ 403,352

3. RECEIVABLES

The receivables of \$-0- at March 31, 2004 are as follows:

Class of Receivables	Low Rent	2003 CFP	2002 CFP	Total
Accounts	\$ 46	\$ -0-	\$ -0-	\$ 46
Allowance for doubtful accounts	(46)	-0-	-0-	(46)
Total	\$ -0-	\$ -0-	\$ -0-	\$ -0-

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

Notes to the Financial Statements - (Continued)

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended March 31, 2004, for the primary government is as follows:

<u>Low Rent</u>	<u>Beginning of Period</u>	<u>Additions</u>	<u>Deletions Transfers</u>	<u>End of Period</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 96,610	\$ -0-	\$ -0-	\$ 96,610
Total capital assets, not being depreciated	\$ 96,610	\$ -0-	\$ -0-	\$ 96,610
Capital assets being depreciated				
Leasehold Improvements	312,505	-0-	-0-	312,505
Buildings	1,481,604	113,467	-0-	1,595,071
Furniture & equipment, etc.	13,483	-0-	-0-	13,483
Total capital assets being depreciated	\$ 1,807,592	\$ 113,467	\$ -0-	\$ 1,921,059
Less accumulated depreciation:	999,724	91,659	-0-	\$ 1,091,383
Total business-type assets being depreciated, net	\$ 807,868	\$ 21,808	\$ -0-	\$ 829,676
CFP				
Buildings	\$ 113,995	\$ 12,850	\$ (113,467)	\$ 13,378
Leasehold improvements	8,650	20,870	-0-	29,520
Total	\$ 122,645	\$ 33,720	\$ (113,467)	\$ 42,898

Depreciation expense of \$91,659 for the year ended March 31, 2004 was charged to the following functions:

Buildings	\$ 84,770
Leasehold Improvements	4,430
Furniture & Equipment	2,459
Total Depreciation Expense	\$ 91,659

5. CONSTRUCTION COMMITMENTS

The housing authority has active construction projects as of March 31, 2004. At year end the commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
CFP 2002	\$ 30,223	\$ 86,003

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

Notes to the Financial Statements - (Continued)

6. ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$16,757 at March 31, 2004 are as follows:

Accrued Pilot	\$ 7,354
Prepaid Rents	214
Accrued Absences	<u>9,188</u>
Total	<u>\$ 16,756</u>

7. LONG-TERM OBLIGATIONS

To provide for the development and modernization of low-rent housing units, the PHA issued New Housing Authority Bonds and Permanent Notes-FFB. These bonds and notes are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the Authority, and accordingly, have not been reported in the accompanying financial statements. The amount of this debt that has been reclassified to HUD equity is \$142,500.

8. RETIREMENT SYSTEMS

The housing authority provides benefits for all full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate after a six-month exclusionary period. The employee contributes 5% and the entity contributes 8% of the employee's base monthly salary. The housing authority's contributions for each employee (and interest allocated to the employee account) vest at 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

The housing authority's total payroll for the fiscal year ending March 31, 2004 was \$76,175. The housing authority's contributions were calculated using the base salary amount of \$76,175. Contributions to the plan were \$3,809 and \$6,094 by the employees and the housing authority, respectively.

9. CONTINGENT LIABILITIES

At March 31, 2004, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

10. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

The housing authority provides health insurance for its employees. At March 31, 2004 the housing authority's contribution to health insurance was \$11,171.

11. PRIOR PERIOD ADJUSTMENTS

Prior period adjustments were made to adjust retained earnings and other income.

*Other Supplemental Statements
and Schedules*

*Housing Authority of the Town of Delcambre
Delcambre, Louisiana
Combining Statement of Net Assets
March 31, 2004
FW - 438*

	Enterprise Funds			Total
	Low Rent	Major Enterprise Funds		
		2003 CFP	2002 CFP	
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 23,045	\$ -0-	\$ -0-	\$ 23,045
Investments	214,536	-0-	-0-	214,536
Receivables (net of allowances for uncollectable)	-0-	-0-	-0-	-0-
Inventory	4,366	-0-	-0-	4,366
Prepaid items	18,431	-0-	-0-	18,431
Other assets	400	-0-	-0-	400
Total Current Assets	\$ 260,778	\$ -0-	\$ -0-	\$ 260,778
Non-Current Assets:				
Capital assets (net of accumulated depreciation)	\$ 926,286	\$ 17,375	\$ 25,523	\$ 969,184
Total Non-Current Assets	\$ 926,286	\$ 17,375	\$ 25,523	\$ 969,184
TOTAL ASSETS	\$ 1,187,064	\$ 17,375	\$ 25,523	\$ 1,229,962
LIABILITIES				
Current Liabilities				
Compensated absences	\$ 3,033	\$ -0-	\$ -0-	\$ 3,033
Accrued pilot	7,354	-0-	-0-	7,354
Prepaid rents	214	-0-	-0-	214
Total Current Liabilities	\$ 10,601	\$ -0-	\$ -0-	\$ 10,601
Non-Current Liabilities				
Compensated Absences	\$ 6,155	\$ -0-	\$ -0-	\$ 6,155
Tenant security deposits	8,629	-0-	-0-	8,629
Total Non-Current Liabilities	\$ 14,784	\$ -0-	\$ -0-	\$ 14,784
NET ASSETS				
Invested in capital assets, net of related debt	\$ 926,286	\$ 17,375	\$ 25,523	\$ 969,184
Unrestricted	235,393	-0-	-0-	235,393
TOTAL NET ASSETS	\$ 1,161,679	\$ 17,375	\$ 25,523	\$ 1,204,577

The accompanying notes are an integral part of this statement.

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

*Combining Statement of Revenues, Expenses, and Changes In
Net Assets – Proprietary Funds
Year Ended March 31, 2004*

FW – 2265

Business-Type Activities – Enterprise Funds

	Other Enterprise Funds	Major Enterprise Funds			Total
	Low Rent	2003 CFP	2002 CFP	2001 CFP	
Operating Revenues:					
Tenant Revenue	\$ 75,897	\$ -0-	\$ -0-	\$ -0-	\$ 75,897
Other Revenue	5,881	-0-	-0-	-0-	5,881
Total Operating Revenue	\$ 81,778	\$ -0-	\$ -0-	\$ -0-	\$ 81,778
Operating Expenses					
<i>Administration:</i>					
Administrative Salaries	\$ 47,994	\$ -0-	\$ -0-	\$ -0-	\$ 47,994
EBC Administrative	17,888	-0-	-0-	-0-	17,888
Audit Fees	3,180	-0-	-0-	-0-	3,180
Other Operating - Administrative	14,071	-0-	149	-0-	14,220
<i>Cost of Sales & Service</i>					
Tenant Services – Other	329	-0-	-0-	-0-	329
Water	433	-0-	-0-	-0-	433
Electricity	1,856	-0-	-0-	-0-	1,856
Other Utilities	73	-0-	-0-	-0-	73
Ordinary Maintenance – Labor	28,181	-0-	-0-	-0-	28,181
Materials	17,080	-0-	-0-	-0-	17,080
Contract Cost	25,037	-0-	-0-	-0-	25,037
EBC Maintenance	9,029	-0-	-0-	-0-	9,029
Insurance	35,659	-0-	-0-	-0-	35,659
Payment in Lieu of Taxes	7,354	-0-	-0-	-0-	7,354
Collection Losses	613	-0-	-0-	-0-	613
<i>Depreciation</i>	91,659	-0-	-0-	-0-	91,659
Total Operating Expenses	\$ 300,436	\$ -0-	\$ 149	\$ -0-	\$ 300,585
Operating Income (Loss)	\$ (218,658)	\$ -0-	\$ (149)	\$ -0-	\$ (218,807)
Nonoperating Revenue (Expense)					
HUD PHA Operating Grant	\$ 113,954	\$ -0-	\$ -0-	\$ -0-	\$ 113,954
Federal Grants	-0-	17,375	16,494	-0-	33,869
Interest Earnings	2,461	-0-	-0-	-0-	2,461
Total Nonoperating Revenue (Expenses)	\$ 116,415	\$ 17,375	\$ 16,494	\$ -0-	\$ 150,284
Income (Loss) Before Contributions, Transfers and Prior Period Adjustments	\$ (102,243)	\$ 17,375	\$ 16,345	\$ -0-	\$ (68,523)
Capital Contributions	113,467	-0-	-0-	(113,467)	-0-
Prior Period Adjustment	19,234	-0-	-0-	-0-	19,234
Change in Net Assets	\$ 30,458	\$ 17,375	\$ 16,345	\$ (113,467)	\$ (49,289)
Total Net Assets – Beginning	1,131,221	-0-	9,178	113,467	1,253,866
Total Net Assets - Ending	\$ 1,161,679	\$ 17,375	\$ 25,523	\$ -0-	\$ 1,204,577

The accompanying notes are an integral part of this statement.

*Housing Authority of the Town of Delcambre
Delcambre, Louisiana
Combining Statement of Cash Flows
Year Ended March 31, 2004
FW – 438*

	Enterprise Funds			Total
	Low Rent	Major Enterprise Funds		
		2003 CFP	2002 CFP	
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 76,725	\$ -0-	\$ -0-	\$ 76,725
Receipts from Interfund services provided	8,251	-0-	-0-	8,251
Payments to suppliers	(123,607)	-0-	(149)	(123,756)
Payments to employees	(76,175)	-0-	-0-	(76,175)
Payment in lieu of taxes	(7,354)	-0-	-0-	(7,354)
Net Cash Provided by Operating Activities	\$ (122,160)	\$ -0-	\$ (149)	\$ (122,309)
Cash Flows From NonCapital Financing Activities				
Subsidy from federal grants	\$ 113,954	\$ 17,375	\$ 16,494	\$ 147,823
Net Cash Provided (used) by NonCapital Financing Activities	\$ 113,954	\$ 17,375	\$ 16,494	\$ 147,823
Cash Flows From Capital and Related Financing Activities				
Other	\$ 19,234	\$ -0-	\$ -0-	\$ 19,234
Acquisition and construction of capital assets	-0-	(17,375)	(16,345)	(33,720)
Net Cash Provided (used) by Capital and Related Financing Activities	\$ 19,234	\$ (17,375)	\$ (16,345)	\$ (14,486)
Cash Flows From Investing Activities				
Investments	\$ (1,112)	\$ -0-	\$ -0-	\$ (1,112)
Interest and dividends received	2,461	-0-	-0-	2,461
Net Cash Provided (used) by Investing Activities	\$ 1,349	\$ -0-	\$ -0-	\$ 1,349
Net Increase in Cash	\$ 12,377	\$ -0-	\$ -0-	\$ 12,377
Cash, Beginning of Year	10,668	-0-	-0-	10,668
Cash, End of Year	\$ 23,045	\$ -0-	\$ -0-	\$ 23,045
Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities				
Operating Income	\$ (218,658)	\$ -0-	\$ (149)	\$ (218,807)
Depreciation Expense	\$ 91,659	\$ -0-	\$ -0-	\$ 91,659
(Increase) decrease in accounts receivable	845	-0-	-0-	845
(Increase) decrease in other receivables	2,370	-0-	-0-	2,370
Increase (decrease) in allowance for uncollectable accounts	(17)	-0-	-0-	(17)
(Increase) decrease in inventories	353	-0-	-0-	353
(Increase) decrease in prepaid items	1,356	-0-	-0-	1,356
(Increase) decrease in fixed assets	(1,186)	-0-	-0-	(1,186)
Increase (decrease) in customer deposits	1,450	-0-	-0-	1,450
Increase (decrease) in accounts payable	588	-0-	-0-	588
Increase (decrease) in compensated absences	(920)	-0-	-0-	(920)
Total Adjustments	\$ 96,498	\$ -0-	\$ -0-	\$ 96,498
Net Cash Provided by Operating Activities	\$ (122,160)	\$ -0-	\$ (149)	\$ (122,309)
Listing of Noncash Investing, Capital, and Financial Activities				
Contributions of capital assets from government	\$ 113,467	\$ 13,375	\$ 16,345	\$ 143,187

The accompanying notes are an integral part of this statement

*Housing Authority of the Town of Delcambre
Delcambre, Louisiana
Schedule of Compensation Paid to Board Members
Year Ended March 31, 2004
FW - 438*

<u>Board Member</u>	<u>Title</u>	<u>Salary</u>
Maerine Broussard	Chairman	\$ -0-
Pam Blakely	Vice-Chairman	-0-
Gernice Marshall	Commissioner	-0-
Ina Ray Simmons	Commissioner	-0-
Aramise Martin, Jr.	Commissioner	-0-

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

*Statement and Certification of Actual Modernization Cost
Annual Contribution Contract
FW - 438*

	<u>Project 2003</u>	<u>Project 2002</u>	<u>Total</u>
1. The Actual Modernization Costs are as follows:			
Funds Approved	\$ 17,375	\$ 116,226	\$ 133,601
Funds Expended	<u>(17,375)</u>	<u>(30,223)</u>	<u>(47,598)</u>
Excess of Funds Approved	<u>\$ -0-</u>	<u>\$ 86,003</u>	<u>\$ 86,003</u>
2. Funds Advanced	\$ 17,375	\$ 30,223	\$ 47,598
Funds Expended	<u>(17,375)</u>	<u>(30,223)</u>	<u>(47,598)</u>
Excess of Funds Advanced	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement.

Other Reports

JOHN R. VERCHER PC

Certified Public Accountant

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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

Housing Authority of the
Town of Delcambre
Delcambre, Louisiana

I have audited the financial statements of the business-type activities and the aggregate remaining fund information of the Housing Authority of the Town of Delcambre, Louisiana, as of and for the year ended March 31, 2004, which collectively comprise the Housing Authority of the Town of Delcambre's basic financial statements and have issued my report thereon dated June 30, 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 Housing Authority of the Town of Delcambre, Louisiana'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 Housing Authority of the Town of Delcambre, Louisiana'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 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 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

MEMBER
-----AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS-----
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

This report is intended solely for the information and use of management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

John R. Vercher

June 30, 2004
Jena, Louisiana

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

*Schedule of Audit Adjusting Entries
For the Year Ended March 31, 2004*

LOW RENT

AJE1	1400.5	Accumulated Depreciation	207,212.00	
	1400.5	Accumulated Depreciation	198,312.51	
	2806	Retained Earnings	4,479.95	
	2802	HUD Contributions		221,997.00
	1400.7	Buildings		34,431.00
	2806	Retained Earnings		147,911.51
	2802	HUD Contributions		5,664.95
		To adjust HUD Contributions to last year.		
AJE2	2806	Retained Earnings	21,807.51	
	2802	HUD Contributions		21,807.51
		To adjust retained earnings and HUD Contributions		
AJE3	2806	Retained Earnings	14,875	
	2806	Retained Earnings		14,875
		To adjust for 2003 CFP expenses paid in 2002		

**HOUSING AUTHORITY OF THE TOWN OF DELCAMBRE
DELCAMBRE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended March 31, 2004**

I have audited the basic financial statements which collectively comprise the Housing Authority of the Town of Delcambre, Louisiana, as of and for the year ended March 31, 2004 and have issued my report thereon dated June 30, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of March 31, 2004 resulted in a unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards - (Not Applicable)

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Type of Opinion On Compliance Unqualified Qualified
For Major Programs Disclaimer Adverse

Are the findings required to be reported in accordance with Circular A-133, Section .510(a)?

Yes No

c. Identification Of Major Programs:

CFDA Number (s)

Name Of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs:

\$

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133?

Yes No

**HOUSING AUTHORITY OF THE TOWN OF DELCAMBRE
DELCAMBRE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
*For the Year Ended March 31, 2004***

Section II Financial Statement Findings Required To Be Reported In Accordance With GAGAS

No items to report.

**HOUSING AUTHORITY OF THE TOWN OF DELCAMBRE
DELCAMBRE, LOUISIANA**

Status of Prior Year Findings

For the Year Ended March 31, 2004

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Housing Authority of the Town of Delcambre, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended March 31, 2003.

There were no prior year findings.

JOHN R. VERCHER PC

Certified Public Accountant

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Fax: (318) 992-4374

MANAGEMENT LETTER COMMENTS

During the course of my audit, I observed conditions and circumstances that may be improved. Below are findings noted for improvement, my recommendation for improvement and the Housing Authority's plan for corrective action.

There are no current year comments.

PHA: LA065 FYED: 03/31/2004

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
111	Cash - Unrestricted	\$23,045	\$0	\$23,045
100	Total Cash	\$23,045	\$0	\$23,045
120	Total Receivables, net of allowances for doubtful accounts	\$0	\$0	\$0
131	Investments - Unrestricted	\$214,536	\$0	\$214,536
142	Prepaid Expenses and Other Assets	\$18,831	\$0	\$18,831
143	Inventories	\$4,366	\$0	\$4,366
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0
150	Total Current Assets	\$260,778	\$0	\$260,778
161	Land	\$96,610	\$0	\$96,610
162	Buildings	\$1,595,071	\$0	\$1,595,071
164	Furniture, Equipment & Machinery - Administration	\$13,483	\$0	\$13,483
165	Leasehold Improvements	\$312,505	\$0	\$312,505
166	Accumulated Depreciation	\$-1,091,383	\$0	\$-1,091,383
167	Construction In Progress	\$0	\$42,898	\$42,898
160	Total Fixed Assets, Net of Accumulated Depreciation	\$926,286	\$42,898	\$969,184
180	Total Non-Current Assets	\$926,286	\$42,898	\$969,184
190	Total Assets	\$1,187,064	\$42,898	\$1,229,962

PHA: LA065 FYED: 03/31/2004

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
322	Accrued Compensated Absences - Current Portion	\$3,034	\$0	\$3,034
333	Accounts Payable - Other Government	\$7,354	\$0	\$7,354
341	Tenant Security Deposits	\$8,629	\$0	\$8,629
342	Deferred Revenues	\$213	\$0	\$213
310	Total Current Liabilities	\$19,230	\$0	\$19,230
353	Noncurrent Liabilities - Other	\$6,155	\$0	\$6,155
350	Total Noncurrent Liabilities	\$6,155	\$0	\$6,155
300	Total Liabilities	\$25,385	\$0	\$25,385
508	Total Contributed Capital	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$926,286	\$0	\$926,286
511	Total Reserved Fund Balance	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$235,393	\$42,898	\$278,291
513	Total Equity/Net Assets	\$1,161,679	\$42,898	\$1,204,577
600	Total Liabilities and Equity/Net Assets	\$1,187,064	\$42,898	\$1,229,962

PHA: LA065 FYED: 03/31/2004

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
703	Net Tenant Rental Revenue	\$75,897	\$0	\$75,897
705	Total Tenant Revenue	\$75,897	\$0	\$75,897
706	HUD PHA Operating Grants	\$113,954	\$149	\$114,103
706.1	Capital Grants	\$0	\$33,720	\$33,720
711	Investment Income - Unrestricted	\$2,461	\$0	\$2,461
713.1	Cost of Sale of Assets	\$0	\$0	\$0
715	Other Revenue	\$5,881	\$0	\$5,881
720	Investment Income - Restricted	\$0	\$0	\$0
700	Total Revenue	\$198,193	\$33,869	\$232,062

PHA: LA065 FYED: 03/31/2004

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
911	Administrative Salaries	\$47,994	\$0	\$47,994
912	Auditing Fees	\$3,180	\$0	\$3,180
915	Employee Benefit Contributions - Administrative	\$17,888	\$0	\$17,888
916	Other Operating - Administrative	\$14,071	\$149	\$14,220
924	Tenant Services - Other	\$329	\$0	\$329
931	Water	\$433	\$0	\$433
932	Electricity	\$1,856	\$0	\$1,856
933	Gas	\$73	\$0	\$73
941	Ordinary Maintenance and Operations - Labor	\$28,181	\$0	\$28,181
942	Ordinary Maintenance and Operations - Materials and Other	\$17,080	\$0	\$17,080
943	Ordinary Maintenance and Operations - Contract Costs	\$25,037	\$0	\$25,037
945	Employee Benefit Contributions - Ordinary Maintenance	\$9,029	\$0	\$9,029
961	Insurance Premiums	\$35,659	\$0	\$35,659
962	Other General Expenses	\$613	\$0	\$613
963	Payments in Lieu of Taxes	\$7,354	\$0	\$7,354
969	Total Operating Expenses	\$208,777	\$149	\$208,926
970	Excess Operating Revenue over Operating Expenses	\$-10,584	\$33,720	\$23,136
974	Depreciation Expense	\$91,659	\$0	\$91,659
900	Total Expenses	\$300,436	\$149	\$300,585
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$-102,243	\$33,720	\$-68,523

PHA: LA065 FYED: 03/31/2004

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0
1103	Beginning Equity	\$1,131,221	\$122,645	\$1,253,866
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$132,701	\$-113,467	\$19,234
1120	Unit Months Available	672	0	672
1121	Number of Unit Months Leased	630	0	630