

**Housing Authority of the
City of St. Martinville
St. Martinville, Louisiana**

**General-Purpose Financial Statements and
Independent Auditor's Reports
As of and for the Year Ended March 31, 2004
With Supplemental Information Schedules**

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

**5150 Highway 22, Suite G-14
MANDEVILLE, LOUISIANA 70471**

Under provisions of state law, this report is a public account. 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 10-16-04

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana

General-Purpose Financial Statements

As of and for the Fiscal Year Ended March 31, 2004

With Supplemental Information Schedules

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of St. Martinville
St. Martinville, Louisiana

I have audited the accompanying general-purpose financial statements of the Housing Authority of the City of St. Martinville as of and for the year ended March 31, 2004, 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 St. Martinville as of March 31, 2004, and the results of its operations and the cash flows of its property fund types for the year ended in conformity with U.S. generally accepted accounting principles.

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana
Independent Auditor's Report, 2004
Page Two

In accordance with Government Auditing Standards, I have also issued a report dated September 10, 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 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,
APAC



Deposits a quantity of 100 copies of this report
to the following:
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William Daniel McCaskill, CPA
A Professional Accounting Corporation

September 10, 2004

Exhibit A

ISSUING AUTHORITY OF THE CITY OF ST. BARTHWILLE
33. Metairie, Louisiana
Proprietary Fund Type - Enterprise Fund - Balance Sheet
As of March 31, 2014

Assets

Current Assets:	
Cash and Cash Equivalents	\$ 281,748
Accounts Receivable - HLD-Other Projects	4,827
Accrued Interest Receivable	809
Investments	18,800
Prepaid Expenses	38,737
Intentional	1,811
Interprogram Due From	8,587
Total Current Assets	<u>354,519</u>
Restricted Assets:	
Cash and cash equivalents - Tenant Security Deposits	<u>38,435</u>
Fixed Assets, Net of Accumulated Depreciation:	
Land	76,830
Buildings	2,493,100
Furniture, Equipment & Machinery - Buildings	116,418
Furniture, Equipment & Machinery - Administration	73,086
Leasehold Improvements	517,337
Accumulated Depreciation	(2,349,090)
Construction in Progress	<u>789,732</u>
Total Fixed Assets, Net of Accumulated Depreciation	<u>1,558,303</u>
Total Assets	<u>\$ 1,992,822</u>
Current Liabilities (payable from current assets):	
Accounts Payable - Vendors	\$ 7,418
Accounts Payable - Other Governments	16,118
Accrued Wages and Payroll Taxes Payable	541
Accrued Compensated Absence - Current	4,277
Deferred Revenue	5,018
Interprogram Due To	<u>8,587</u>
Total Current Liabilities (payable from current assets)	<u>42,259</u>
Current Liabilities (payable from restricted assets):	
Tenant Security Deposits	<u>38,435</u>
Long-term Liabilities:	
Accrued Compensated Absence - non-current	<u>8,894</u>
Total Liabilities	<u>89,438</u>
Equity:	
Contributed Capital	783,361
Retained Earnings	<u>785,017</u>
Total Equity	<u>1,578,378</u>
Total Liabilities and Equity	<u>\$ 1,992,822</u>

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

Exhibit B

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE
 (St. Martinville, Louisiana)
Proprietary Fund Type - Enterprise Fund -
Statement of Revenues, Expenses, and Changes in Retained Earnings
For Fiscal Year Ended March 31, 2009

Operating Revenues:	
Net Tenant Rental Revenue	\$ 220,220
Tenant Revenue - Other	50,711
Federal Grants	<u>180,790</u>
Total Operating Revenues	<u>451,721</u>
Operating Expenses:	
Administrative Expenses	122,860
Utilities	95,670
Ordinary Maintenance & Operation	128,800
General Expenses	50,341
Depreciation Expense	<u>180,667</u>
Total Operating Expenses	<u>578,338</u>
Operating Loss	<u>(126,617)</u>
Non-operating Revenues:	
Federal Grants	65,810
Interest Income	<u>3,120</u>
Total Non-operating Revenues	<u>71,930</u>
Net Loss	(54,687)
Add depreciation on fixed assets acquired by grants, settlements, and shared revenues externally restricted for capital acquisitions and construction that reduces contributed capital.	<u>101,441</u>
Increase/Decrease in Retained Earnings	46,754
Retained Earnings at Beginning of Year	680,870
Prior Period Adjustments and Corrections of Errors	<u>(74,337)</u>
Retained Earnings at End of Year	<u>\$ 752,987</u>

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

EXHIBIT C

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE
St. Martinville, Louisiana
Proprietary Fund Type - Enterprise Fund - Statement of Cash Flows
For Fiscal Year Ended March 31, 2009

Cash flows from operating activities:	
Operating Loss	\$ (188,009)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	182,000
Decrease in Accounts Receivable - PWS Projects	200
Increase in Accounts Receivable - Miscellaneous	1,000
Decrease in Accounts Receivable - Tenant/Building Plants	1,434
Increase in Allowance for Doubtful Accounts - Building Plants	(1,000)
Increase in Prepaid Expenses	(1,240)
Increase in Inventories	(154)
Decrease in Accounts Payable - Vendors	(400)
Decrease in Accounts Payable - Other Governments	(1,000)
Increase in Accrued Wages and Payroll Taxes Payable	81
Increase in Accrued Compensated Absences	400
Increase in Deferred Revenue	1,000
Increase in Tenant Security Deposits	1,000
Net cash provided by operating activities	<u>47,730</u>
Cash flows from noncapital financing activities:	
Other receipts	<u>211</u>
Cash flows from capital and related financing activities:	
Payments to acquire, construct, or improve capital assets - CFF	(88,004)
Proceeds from federal capital grants	57,000
Payments to acquire, construct, or improve capital assets - LSC Fund	(800)
Net cash provided by capital and related financing activities	<u>(31,804)</u>
Cash flow from investing activities:	
Investment income (Interest Income)	3,000
Net cash provided by investing activities	<u>3,000</u>
Net increase in cash and cash equivalents	18,926
Cash and cash equivalents at beginning of year	221,800
Cash and cash equivalents at end of year	\$ 240,726

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 ST. MARTINVILLE
St. Martinville, Louisiana
Notes to the Financial Statements
For Fiscal Year Ended March 31, 2004

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 St. Martinville, 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 St. Martinville 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.

During the year ended March 31, 2004, the authority managed 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 ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2004 – 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 St. Martinville, 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 benefit 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 ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2004 – Continued

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.

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.

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2004 - Continued

Under state law, the 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 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 \$500. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	33 Years
Building Improvements	15 Years
Leasehold Improvements	15 Years
Equipment	3-7 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

Depending on length of service, employees earn from 60 to 177 hours per year in annual leave and sick leave. 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

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2004 – Continued

the current rate of pay. Employees are not compensated for unused sick leave. The cost of current leave privileges, computed in accordance with GASB Codification Section C68 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 March 31, 2004, the authority has cash and cash equivalents (book balances) totaling \$291,774 as follows:

Interest-bearing demand deposits	\$ 99,307
Time deposits	182,397
Other	130
Total	<u>\$ 281,774</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 March 31, 2004, the authority has \$333,489 in deposits (bank balances), categorized below to reflect the amount of risk assumed by the authority.

GASB Category 1	\$230,479
GASB Category 2	-
GASB Category 3	<u>103,010</u>
	<u>\$333,489</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 38:1229 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.

It should be noted that \$41,003 of the authority's bank balances were not secured by federal pledged securities, as required by HUD regulations, but local securities.

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2004 - Continued

NOTE C - INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the authority or its agent in the authority's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the 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 authority's name.

At fiscal year-end, the authority's investment balances consisted of \$10,000 of Series HH Savings Bonds included in GASB Category 2. The bonds are reported at face value which approximates market value.

Investment activity during the year included only those types of investments that existed at year-end as presented above.

Also see Note A for discussion of significant policies.

NOTE D - FIXED ASSETS

The following is a summary of fixed assets:

Land	\$79,570
Buildings	3,695,150
Furniture and Equipment:	
Dwellings	110,430
Administration	72,500
Leasehold Improvements	517,531
Construction in progress	199,710
Total	<u>4,844,971</u>
Accumulated depreciation	<u>(3,338,289)</u>
Net fixed assets	<u>\$1,329,832</u>

NOTE E - RETIREMENT PLAN

The authority participates in the Louisiana Housing Council Group Retirement Plan, administered by Broadhead, Bash 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

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2004 - Continued

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 6 percent of each participant's basic (excludes overtime) compensation. Employees are required to contribute up to 5.5 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 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 March 31, 2004, was \$118,675. The authority's contributions were calculated using the base salary amount of \$108,798. The authority made the required contributions of \$8,070 for the year ended March 31, 2004.

NOTE F - COMPENSATED ABSENCES

At March 31, 2004, employees of the authority have accumulated and vested \$14,381 of employee leave benefits, which was computed in accordance with GASB Codification Section C85. The leave payable is recorded in the accompanying financial statements.

NOTE G - PRIOR PERIOD ADJUSTMENTS AND CORRECTIONS OF ERRORS

The Low Rent Public Housing Program reported \$(1,201) in adjustments affecting contributed capital. A \$(1,427) audit adjustment to fixed assets and a \$226 equity correction.

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2004 - Continued

The Capital Fund Program expensed previously capitalized physical improvements in the amount of \$(1,433).

NOTE H - 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.

NOTE I - 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 1

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana

Schedule of Compensation Paid Board Members

For Fiscal Year Ended March 31, 2004

Board members serve without compensation.

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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 St. Martinville
St. Martinville, Louisiana

I have audited the financial statements of the Housing Authority of the City of St. Martinville (the authority), as of and for the year ended March 31, 2004 and have issued my report thereon dated September 10, 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 one instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 2004-1.

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. However, I noted a

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE

St. Martinville, Louisiana
Independent Auditor's Report
on Compliance with Government
Auditing Standards, 2004
Page Two

certain matter involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the authority's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. One reportable condition is described in the accompanying schedule of findings and questioned costs as item 2004-1.

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. My consideration of the internal control over financial reporting 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 considered to be material weaknesses. However, I do not believe the reportable condition described above to be a material weakness.

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.


Signature text

William Daniel McCaskill,
CPA, APAC



Digitally signed by William
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DN: cn=William Daniel
McCaskill, c=LA, ou=Louisiana,
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o=LA

William Daniel McCaskill, CPA
A Professional Accounting Corporation

September 10, 2004

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE
St. Martinville, Louisiana
Schedule of Expenditures of Federal Awards
For Fiscal Year Ended March 31, 2004

<i>Federal Direct/Pass-through Grants/ Program or Cluster Title</i>	<i>CFDA #</i>	<i>Federal Expenditures</i>
U.S. Department of Housing and Urban Development:		
Direct Programs:		
Low Rent Public Housing	14.800a	182,799
Public Housing Capital Fund Program	14.802	68,510
Total Federal Expenditures		<u>251,309</u>

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, *Audits of States, Local Governments, and Non-Profit Organizations*.

**HOUSING AUTHORITY OF THE CITY OF ST.
MARTINVILLE**

St. Martinville, Louisiana

Schedule of Prior Year Audit Findings
Fiscal Year Ended March 31, 2004

There were no findings in the prior audit.

**HOUSING AUTHORITY OF THE CITY OF ST.
MARTINVILLE**
St. Martinville, Louisiana

Schedule of Current Audit Findings and Questioned Costs
Fiscal Year Ended March 31, 2004

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. One reportable condition disclosed during the audit of the financial statements is 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. This condition is not considered a material weakness.
3. One instance of noncompliance material to the financial statements of authority, which is required to be reported in accordance with Government Auditing Standards, was disclosed during the audit.

FINDINGS

Finding 2004-1

Program: Low Rent Public Housing

Condition: Funds on deposit at one bank were secured by pledged local securities.

Criteria: Per HUD regulations, all bank deposits in excess of FDIC coverage must be secured by pledged securities of a Federal nature.

Cause: The condition was caused by oversight on management's part.

**HOUSING AUTHORITY OF THE CITY OF ST.
MARTINVILLE**
St. Martinville, Louisiana

Schedule of Current Audit Findings and Questioned Costs (continued)
Fiscal Year Ended March 31, 2004

Effect: As of year-end, \$41,153 of the authority's bank deposits were not secured by Federal securities, as required by HUD regulations.

Questioned Costs: None

Recommendation: Management should compare monthly bank balances to FDIC and pledged securities, request that the bank pledge additional securities when deposits are found to be under secured and request that the bank change pledged securities if they are found not to meet HUD requirements.

**HOUSING AUTHORITY OF THE CITY OF ST.
MARTINVILLE**

St. Martinville, Louisiana
Corrective Action Plan for Current Year Findings
For Fiscal Year Ended March 31, 2004

FINDING—FINANCIAL STATEMENTS AUDIT

2004-1

Person Responsible: Larry Pratt, Executive Director

Anticipated Completion Date: September 15, 2004

Action Planned: We will monitor this on a monthly basis in the future.

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE
In Martinsville, Louisiana
Financial Data Schedule
For Fiscal Year Ended March 31, 2004

SCHEDULE B

City Item Number	Account Description	Low Rent Public Housing	Capital Fund	Total
111	Cash - unrestricted	241,719	-	241,719
114	Cash - annual annuity deposits	50,508	-	50,508
110	Total Cash	292,227	-	292,227
122	Accounts receivable - HUD other projects	-	4,607	4,607
124	Accounts receivable	608	-	608
120	Total Accounts Receivable	608	4,607	5,215
131	Investments - unrestricted	18,898	-	18,898
142	Prepaid expenses and other assets	26,737	-	26,737
143	Intestatives	1,871	-	1,871
144	Interprogram - due from	4,607	3,680	8,287
140	Total Current Assets	249,448	8,287	257,735
154	Land	79,876	-	79,876
152	Buildings	5,548,893	178,893	5,727,786
153	Furniture, equipment, and machinery - buildings	89,888	44,112	134,000
154	Furniture, equipment, and machinery - administration	50,108	33,888	83,996
155	Leasehold improvements	498,881	48,894	547,775
156	Accumulated depreciation	(2,293,787)	(18,183)	(2,311,970)
157	Construction in progress	-	188,710	188,710
160	Total fixed assets, net of accumulated depreciation	3,872,785	416,222	4,289,007
170	Total Assets	1,241,676	424,509	1,666,185
202	Accounts payable - HO-HOME	7,478	-	7,478
201	Accounts payable/physical asset payables	841	-	841
203	Accounts payable - other government	4,877	-	4,877
204	Accounts payable - other government	18,176	-	18,176
205	Accounts payable - other government	30,034	-	30,034
241	Tenant security deposits	-	-	-
242	Tenant security deposits	1,090	3,060	4,150
247	Interprogram - due to	3,900	4,657	8,557
210	Total Current Liabilities	55,346	7,717	63,063
304	Accrued Compensated Absences - non-current	6,904	-	6,904
305	Total Non-Current Liabilities	6,904	-	6,904
300	Total Liabilities	62,250	7,717	70,000
604	Net HUD-PH-C contributions	767,172	8,128	775,300
600	Total Contributed Capital	767,172	8,128	775,300
812	Undesignated fund balances/retained earnings	178,704	405,620	584,324
810	Total Equity	1,165,658	416,792	1,582,450
900	Total Liabilities and Equity	1,241,676	424,509	1,666,185

HOUSING AUTHORITY OF THE CITY OF ST. MARTINVILLE
St. Martinville, Louisiana
Financial Data Schedule
For Fiscal Year Ending March 31, 2024

Line Item Number	Amount Description	Last Fiscal Period		Total
		Monthly	Quarter	
100	Total Income Total Revenue	243,228	-	243,228
101	Special Revenue - Other	63,774	-	63,774
102	Total Special Revenue	63,774	-	63,774
103	1030 PWA grants	663,798	20,875	684,673
104	Capital Grants	-	48,004	48,004
111	Investment Income - unencumbered	2,708	-	2,708
112	Total Other Revenues	669,280	68,879	738,159
Administrative				
201	Administrative salaries	65,736	-	65,736
202	Auditing fees	7,545	-	7,545
203	Compensated absences	492	-	492
204	Employee benefit contributions - administrative	29,875	-	29,875
205	Other operating - administrative	16,894	2,424	19,318
Utilities				
301	Water	6,962	-	6,962
302	Electricity	43,281	-	43,281
303	Gas	623	-	623
304	Other utilities expense	6,713	-	6,713
Ordinary Maintenance and Operations				
401	Ordinary maintenance and operations - labor	65,128	-	65,128
402	Ordinary maintenance and operations - materials and other	18,096	3,820	21,916
403	Ordinary maintenance and operations - contract costs	32,535	2,792	35,327
404	Employee benefit contributions - ordinary maintenance	19,500	-	19,500
General Expenses				
501	Insurance premiums	39,650	-	39,650
502	Payments in lieu of taxes	18,176	-	18,176
503	Post-Operating Expense	369,898	2,488	372,386
504	Excess Operating Revenue Over Operating Expenses	87,275	40,083	127,358
505	Depreciation expense	121,447	20,680	142,127
506	Interest expense	267,053	29,716	296,769
507	Operating transfers in	12,048	-	12,048
508	Operating transfers out	-	(12,048)	(12,048)
509	Total other financing activities (net)	12,048	(12,048)	-
510	Other (payments) of (from) revenue over (under) other expenses	61,228	27,365	88,593
MEMO ACCOUNT INFORMATION				
1103	Beginning equity	1,295,795	566,600	1,862,395
1104	Net period adjustments, equity transfers, and correction of errors	(1,000)	(7,405)	(8,405)
1105	Depreciation "add-back"	121,447	-	121,447
1106	Net Month Available	1,416	-	1,416
1107	Balance of fund month closed	1,313	-	1,313