

**HOUSING AUTHORITY OF
THE TOWN OF HOMER
Homer, Louisiana**

**Basic Financial Statements
With Independent Auditors' Reports
As of and for the Year Ended
June 30, 2004
With Supplemental Information Schedules**

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 2-23-05

HOUSING AUTHORITY OF THE TOWN OF HOMER
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Basic Financial Statements
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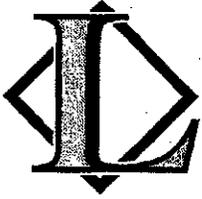
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Homer, Louisiana
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LITTLE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

Independent Auditors' Report

To the Board of Commissioner
Housing Authority of the Town of Homer
Homer, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the Town of Homer as of and for the year ended June 30, 2004, as listed in the Table of Contents. These basic financial statements are the responsibility of the Housing Authority of the Town of Homer. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the Town of Homer as of June 30, 2004, results of its operations, and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

As described in Note 1 to the basic financial statements, the Housing Authority of the Town of Homer adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis—for State and Local Governments* and Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, as of July 1, 2003. This results in a change in the form and content of the basic financial statements.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 16, 2004, on our consideration of the Housing Authority of the Town of Homer's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit

The Board of Commissioners
Housing Authority of the Town of Homer
Homer, Louisiana
June 30, 2004

performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3 through 7 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consist primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The financial data schedule and the other supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Housing Authority of the Town of Homer, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Little & Associates, Lc

Monroe, Louisiana
December 16, 2004

Housing Authority of Homer, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2004

The management of the Housing Authority of Homer, Louisiana presents the following discussion and analysis of the Housing Authority's financial activities for the fiscal year ending June 30, 2004. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's audited financial statements, which follows.

FINANCIAL HIGHLIGHTS

- The Housing Authority's assets exceeded its liabilities by \$1,861,500 at the close of the fiscal year ended June 30, 2004.
 - ✓ Of this amount, \$298,772 of unrestricted assets may be used to meet the Housing Authority's ongoing obligations to citizens and creditors.
 - ✓ The remainder of \$1,861,500 represents a restriction equal to the net amount invested in land, building, furnishings, leasehold improvements, equipment, and construction in progress.
- The Housing Authority's total net assets increased by \$155,706, or by just over 9%, from the prior fiscal year 2003. This increase is attributable primarily to increases in Federal grants which were nearly offset by increases in various categories of expenses, described in more detail below.
- The Authority spent \$293,346 on capital asset additions and construction in progress.
- The Housing Authority continues to operate without the need for debt borrowing during the current fiscal year. The primary source of funding for these activities continues to be the Department of Housing and Urban Development (HUD).

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year June 30, 2004?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis* of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

All of the funds of the Housing Authority are reported as proprietary funds. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities

Housing Authority of Homer, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2004

or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net assets and changes in them. One can think of the Housing Authority's net assets – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's four most significant funds, the Low Rent Housing Program, the Public and Indian Housing Drug Elimination Program, the Public Housing Comprehensive Improvement Assistance Program, and the Public Housing Capital Fund Program.

The Housing Authority's auditors provided assurance in their independent auditors' report, located immediately following the MD&A, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

Reporting the Housing Authority's Most Significant Funds

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by HUD. However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net assets, is an important financial indicator.

FINANCIAL ANALYSIS OF CONDENSED FINANCIAL STATEMENTS

BALANCE SHEET

The Housing Authority's net assets were \$1,861,500 as of June 30, 2004. Of this amount, \$1,562,728 was invested in capital assets, and the remaining \$298,772 was unrestricted. No other assets are currently restricted.

Housing Authority of Homer, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2004

Condensed Balance Sheet
As of June 30, 2004

ASSETS	
Current Assets	\$ 583,028
Capital Assets, Net of Depreciation	<u>1,560,782</u>
Total Assets	<u><u>\$2,143,810</u></u>
LIABILITIES	
Current Liabilities	\$ 269,845
Non-Current Liabilities	<u>3,542</u>
Total Liabilities	<u>282,310</u>
NET ASSETS	
Invested in Capital Assets	1,562,728
Unrestricted	<u>298,772</u>
Total Net Assets	<u>1,861,500</u>
Total Liabilities and Net Assets	<u><u>\$2,143,810</u></u>

For the Housing Authority, there are nearly \$2 of Current Assets covering each dollar of its Total Liabilities. This is one measure of the financial health of a Housing Authority related to the ability of the Authority to pay off its debts.

Also, the Unrestricted Net Assets equal 50% of the total operating expenses for the fiscal year June 30, 2004, which is equivalent to about 6 months of these expenses. This measure is an estimate of how long the Housing Authority might be expected to run on its current resources, without having to sell off any of its Capital Assets, should its usual sources of income fail.

Fiscal year 2004 is the first year the Housing Authority has implemented Governmental Accounting Board (GASB) Statement No. 34; accordingly, a comparative analysis of current and prior year balances is not included. However, such an analysis will exist in subsequent years.

By far the largest portion of the Housing Authority's net assets (84%) reflect its investments in capital assets (e.g., building, machinery, and equipment). The Housing Authority uses these capital assets to provide housing services to residents; consequently, these assets are not available for future spending. The unrestricted net assets of the Housing Authority are available for future use to provide program services.

Housing Authority of Homer, Louisiana

Management's Discussion and Analysis (MD&A)

June 30, 2004

STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET ASSETS

The net assets of the Housing Authority increased by \$155,706, or by just over 9%, from those of fiscal year 2003. As a measure of financial health, the larger items generally represent the revenues and expenses that had the greater impact on the Housing Authority, as detailed below:

**Condensed Statement of Revenues, Expenses,
and Changes in Fund Net Assets
Fiscal Year Ended June 30, 2004**

OPERATING REVENUES

Rental Revenue	\$ 118,956
Federal Grants - Operating	400,739
Federal Grants - Capital	95,705
Other	49,514
Total Operating Revenues	664,914

OPERATING EXPENSES

Administration	152,822
Tenant Services	1,545
Utilities	40,355
Ordinary maintenance and operations	148,394
Protective Services	20,767
General and Other	66,871
Depreciation	166,913
Total Operating Expenses	597,667

NONOPERATING REVENUES (EXPENSES)

HUD forgiveness of Debt	166,913
Total Nonoperating (Revenues) Expenses	166,913

NET CHANGE IN ASSETS

NET ASSETS, Beginning of Year 1,705,794

NET ASSETS, End of Year 1,856,034

The Housing Authority's revenues are derived primarily from dwelling rental income and various HUD programs. The Housing Authority's revenues were sufficient to cover all expenses incurred during the year (excluding depreciation expense).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2004, the Housing Authority had \$3,902,433 invested in a broad range of assets, listed below, and construction in progress from projects funded in 2000 through 2003. This amount, not

Housing Authority of Homer, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2004

including depreciation, represents increases of \$293,346 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Capital Assets,
Net of Accumulated Depreciation
As of June 30, 2004**

Land	\$ 41,564
Buildings	3,192,444
Furniture and Equipment	221,197
Leasehold Improvements	445,609
Construction in Progress	<u>1,621</u>
 Total	 <u>3,902,435</u>

As of the end of the June 30, 2004 fiscal year, the Authority is still in the process of completing HUD grants of \$574,497 obtained during 2000 through 2003 fiscal years. The remaining amount to be spent for completing these projects total \$217,255.

Additional major capital projects of \$174,330, which have been approved by HUD, are planned for the 2005 fiscal year from a HUD grant submitted during fiscal year June 30, 2004.

Debt

Long-term debt includes accrued annual vacation and sick leave. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The budgets for 2005 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Rosie Nell Smith-Kelly, Executive Director, at the Housing Authority of Homer, Louisiana telephone number (318) 927-3579.

Basic Financial Statements

HOUSING AUTHORITY OF THE TOWN OF HOMER

**BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 2004**

ASSETS	<u>GENERAL</u>
Current Assets:	
Cash and cash equivalents	\$ 366,870
Investments	10,050
Receivables (net of allowances for uncollectible accounts)	83,341
Inventory	11,632
Interprogram due from	91,771
Prepaid expenses	10,441
	<hr/>
Total Current Assets	574,105
	<hr/>
Restricted Assets:	
Cash and cash equivalents	8,923
	<hr/>
Total Restricted Assets	8,923
	<hr/>
Noncurrent Assets:	
Due from component unit (loan)	-
Capital assets:	
Land	41,564
Buildings and equipment (net of	1,393,800
Construction/Development-in-progress	125,418
	<hr/>
Total Non-Current Assets	1,560,782
	<hr/>
TOTAL ASSETS	\$ 2,143,810
	<hr/> <hr/>

(CONTINUED)

HOUSING AUTHORITY OF THE TOWN OF HOMER

BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 2004

	<u>GENERAL</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	\$ 89,515
Accrued wages and payroll taxes	2,922
Contracts payable	39,193
Deferred revenues	42,786
Interprogram - Due to	91,771
Accrued compensated absences - current portion	3,658
Total Current Liabilities	269,845
Current Liabilities Payable from restricted assets - tenant security deposits	8,923
Non Current Liabilities:	
Accrued compensated absences - net of current portion	3,542
Total Non-Current Liabilities	3,542
Total Liabilities	282,310
NET ASSETS	
Invested in capital assets, net of related debt	1,562,728
Unrestricted	298,772
Total Net Assets	1,861,500
TOTAL LIABILITIES AND NET ASSETS	\$ 2,143,810

(CONCLUDED)

The accompanying notes are an integral part of this statement.

STATEMENT B

HOUSING AUTHORITY OF THE TOWN OF HOMER

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2004**

	GENERAL
OPERATING REVENUES	
Dwelling rental	\$ 118,956
Other	49,514
Total Operating Revenues	168,470
OPERATING EXPENSES	
Administration	152,822
Tenant services	1,545
Utilities	40,355
Ordinary maintenance and operations	148,394
Protective services	20,767
General expenses	66,871
Depreciation	166,913
Total Operating Expenses	597,667
OPERATING INCOME (LOSS)	(429,197)
NONOPERATING REVENUES (EXPENSES)	
HUD forgiveness of Debt	90,144
Federal grants	496,444
Total Nonoperating Revenues (Expenses)	586,588
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	157,391
Capital contributions	-
Transfers	-
CHANGE IN NET ASSETS	157,391
TOTAL NET ASSETS - BEGINNING	1,704,109
TOTAL NET ASSETS - ENDING	\$ 1,861,500

The accompanying notes are an integral part of this statement.

STATEMENT C

HOUSING AUTHORITY OF THE TOWN OF HOMER

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

	<u>GENERAL</u>
Cash Flows From Operating Activities	
Dwelling rent receipts	\$ 119,609
Other receipts	15,451
Payments to suppliers	(203,639)
Payments to employees	(124,060)
Other payments	<u>(39,249)</u>
Net Cash Provided (Used) by Operating Activities	<u>(231,888)</u>
Cash Flows From NonCapital Financing Activities	
Federal grants	<u>305,786</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>305,786</u>
Cash Flows From Capital and Related Financing Activities	
Purchases of capital assets	(253,153)
Contributed capital	<u>190,658</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(62,495)</u>
Cash Flows From Investing Activities	
Interest and dividends received	<u>2,355</u>
Net Cash Provided (Used) by Investing Activities	<u>2,355</u>
Net Increase in Cash and Cash Equivalents	13,758
Cash and Cash Equivalents, Beginning of Year	<u>362,035</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 375,793</u></u>

(CONTINUED)

STATEMENT C

HOUSING AUTHORITY OF THE TOWN OF HOMER

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

	<u>GENERAL</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating income (loss)	\$ (436,348)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation expense	165,323
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable, net	(33,528)
(Increase) decrease in due from other funds	(6,199)
(Increase) decrease in inventories	9,958
(Increase) decrease in prepaid items	5,738
Increase (decrease) in accounts payable	48,178
Increase (decrease) in compensated absences	6,852
Increase (decrease) in deferred revenues	8,138
Total Adjustments	<u>204,460</u>
Net Cash Provided by Operating Activities	<u>\$ (231,888)</u>
Listing of Noncash Investing, Capital, and Financial Activities	
Acquisition of capital assets through the incurrence of liabilities	<u>\$ 39,193</u>
	(CONCLUDED)

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Housing Authority of the Town of Homer, Louisiana (the "Housing Authority") was chartered as a public corporation for the purpose of providing safe and sanitary housing, as authorized by Louisiana Revised Statute 40:391. The Housing Authority is governed by a five-member board of commissioners, who are appointed by the Honorable Mayor of the Town of Homer, Louisiana (the "City"). The members of the board of commissioners serve staggered five-year terms without benefit of compensation.

The Housing Authority has the following units:

	<u>Number of Units</u>
PHA Owned Housing	100

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority of the Town of Homer, Louisiana is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As defined by GASB Statement No. 14, fiscally independent means that the Housing Authority may, without approval or consent of another governmental entity, determine or modify its own budget, set rates or charges, and issue bonded debt.

GASB Statement No. 14 defines a related organization as an organization for which a primary government is accountable because that government appoints a voting majority of the board, but is not financially accountable. According to this definition, the Housing Authority is a related organization of the Town of Homer, Louisiana since the City appoints a voting majority of the Housing Authority's governing board. The City is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Homer, Louisiana. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Homer, Louisiana.

B. BASIS OF PRESENTATION AND FUND ACCOUNTING

The accounts of the Housing Authority are organized and operated on a fund basis whereby a self-balancing set of accounts, which comprise the Housing Authority's assets, liabilities, net assets,

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

revenues, and expenses, is maintained. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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. The general fund accounts for the transactions of the public housing low rent program, the capital funds program, and the drug elimination program.

The Housing Authority's operating revenues include dwelling rentals, charges, and other revenues paid by the tenants of the Housing Authority's projects. Revenues that are not classified as operating revenues are presented as nonoperating revenues.

The accompanying basic financial statements of the Housing Authority have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (the "GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments* (the "Statement"), which was unanimously approved in June 1999 by the Governmental Accounting Standards Board. Certain of the changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Housing Authority's overall financial position and results of operations is required to be presented.
- Fund Equity that had been classified as contributed capital and retained earnings is now reported as Net Assets and classified as either (a) invested in capital assets, net of related debt, (b) restricted net assets, or (c) unrestricted net assets.

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The proprietary funds are reported in the accompanying financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. The Housing Authority

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

D. BUDGET PRACTICES

The Housing authority adopted budgets for all funds. Budgets for the Capital Funds Programs are multiple-year budgets.

HUD approves all budgets for all HUD-funded programs. Such budgets are controlled by fund at the function level. Budgetary amendments require approval of the board of commissioners; however, the Executive Director is authorized to transfer amounts between line items within any fund provided such transfer does not change the total of any function. Monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

Formal budgetary integration is employed as a management control device during the year.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits (including interest-bearing), time deposits having an original maturity of ninety days or less, and cash with the fiscal agent. Under state law, the Housing authority may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Housing Authority may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2004, the Housing authority has cash demand deposits (book balances) totaling \$375,693.

These deposits are stated at cost, which approximates fair value. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. Deposit balances (bank balances) at June 30, 2004, total \$387,006 and are fully secured by federal deposit insurance totaling \$110,050, and pledge securities totaling \$673,909. Because the pledge securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the Housing Authority, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

and sell the pledged securities within 10 days of being notified by the housing authority that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the Housing Authority's name.

F. INVESTMENTS

Financial instruments having original maturities exceeding ninety days are classified as investments; however, if the original maturities are ninety days or less, they are classified as cash equivalents. Investments are reported at either fair value or amortized cost.

G. BAD DEBTS

Uncollectible amounts due from tenants are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate that the amount of the particular receivable is uncollectible.

H. INTERNAL BALANCES

During the course of operations, numerous transactions occur between individual funds and programs for services rendered or for reimbursement of costs paid by one fund or program on behalf of another fund or program. These receivables and payables are classified in internal balances on the balance sheet. The internal balances are eliminated at the primary government level in the balance sheet.

I. INVENTORY

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

J. PREPAID EXPENSES

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

K. TENANTS' REFUNDABLE SECURITY DEPOSITS

The Housing Authority requires tenants to place a deposit before moving into a unit. These deposits are considered restricted and are held until the tenant moves out.

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

L. CAPITAL ASSETS

Capital assets of the Housing Authority are included on the balance sheet of the enterprise fund and are recorded at actual cost. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over estimated useful lives as shown:

Buildings	33 years
Building and site improvements	15 years
Furniture, fixtures, and appliances	5-7 years
Office and maintenance equipment	3-5 years
Vehicles	5 years

M. VACATION AND SICK LEAVE

Employees earn annual leave at the end of each bi-weekly payroll period. The amount of leave earned is based on the employees length of service. The accumulated leave, if unused, may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by the employee's retirement or termination date.

N. RESTRICTED NET ASSETS

Net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

O. RISK MANAGEMENT

The Housing Authority is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the Housing Authority maintains commercial insurance policies covering property, employee liability, and public officials liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2004.

P. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

2. INVESTMENTS

At June 30, 2004, the Housing Authority's investments included an investment in a certificate of deposit in a local financial institution. The certificate of deposit is reported in the financial statements at its amortized cost of \$10,050. Furthermore, the certificate of deposit is categorized in Category 1 in the three risk categories provided by GASB Codification Section I50.125.

3. RESTRICTED ASSETS

Restricted assets at June 30, 2004, are as follows:

Cash and cash equivalents - tenants' deposits	\$ <u>8,923</u>
---	-----------------

4. RECEIVABLES

The following is a summary of receivables, net of allowance for doubtful accounts, at June 30, 2004:

	General
Tenants	\$ 1,436
Housing and Urban Development	48,985
Insurance Receivable & Other	34,273
Total	35,709
Less allowance for doubtful accounts	(1,353)
Total	\$ 83,341

5. FIXED ASSETS

The following presents the changes in fixed assets for the year ended June 30, 2004:

	Balance at July 1, 2003	Additions	Deletions	Balance at June 30, 2004
Land	\$ 41,564	\$ -	\$ -	\$ 41,564
Buildings and improvements	2,318,990	873,454	-	3,192,444
Site improvements	355,291	119,506	(29,189)	445,608
Furniture and equipment	150,681	70,516	-	221,197

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

	Balance at July 1, 2003	Additions	Deletions	Balance at June 30, 2004
Construction in progress	844,133	1,622	(844,133)	1,622
Total	<u>\$ 3,710,659</u>	<u>\$1,065,097</u>	<u>\$ (873,322)</u>	<u>\$ 3,902,435</u>
Less accumulated depreciation:				
Buildings and improvements	\$ 1,814,500	\$ 127,549	\$ -	\$ 1,942,049
Site improvements	282,115	10,976	-	293,090
Furniture and equipment	78,126	28,389	-	106,515
Total	<u>2,174,740</u>	<u>166,914</u>	<u>-</u>	<u>2,341,654</u>
Fixed assets, net	<u>\$ 1,535,916</u>	<u>\$ 898,183</u>	<u>\$ (873,322)</u>	<u>\$ 1,560,778</u>

6. COMPENSATED ABSENCES

At June 30, 2004, employees of the Housing Authority had accumulated and vested \$7,200 of employee leave benefits, computed in accordance with GASB Codification C60. These amounts are recorded as liabilities within the fund from which payment will be made.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as a current year expenditure within the various funds when leave is actually taken or when employees are paid for accrued annual leave upon resignation or retirement, while the cost of leave privileges not requiring current resources is considered a long-term obligation.

7. LONG-TERM OBLIGATIONS

Long-term obligations consist of compensated absences in the amount of \$3,542. The following is a summary of long-term obligations for the year ended June 30, 2004:

Balance at July 1, 2003	\$ 4,493
Additions	5,887
Retirements	<u>(3,179)</u>
Balance at June 30, 2004	7,200
Less current portion of long-term obligations	<u>(3,658)</u>
Long-term obligations	<u>\$ 3,542</u>

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

8. LITIGATION AND CLAIMS

At June 30, 2004, the Housing Authority is not involved in any known pending or threatened litigation, nor is it aware of any unasserted claims.

9. COMMITMENTS AND CONTINGENCIES

The Housing Authority operates in accordance with the requirements of two Annual Contribution Contracts. The Housing Authority's noncompliance with such contracts may result in a reduction of funding from HUD.

The Housing Authority has certain major construction projects in progress at June 30, 2004, that are funded by HUD. Funds are requested periodically as the costs are incurred.

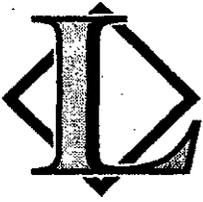
The Housing Authority participates in a number of federal grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant. Housing Authority management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

10. PRIOR PERIOD ADJUSTMENTS

The beginning net assets have been restated to reflect a prior period adjustment. Relocation costs in the amount of \$1,683 were originally reported in capital assets. However, these costs should have been expensed when incurred. Beginning net assets in the amount of \$1,705,794 has been restated to the amount of \$1,704,109.

**Independent Auditors' Report Required
by *Government Auditing Standards***

The following independent Auditors' report on compliance with laws and regulations and internal control are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



LITTLE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

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

To the Board of Commissioners
Housing Authority of the Town of Homer
Town of Homer, Louisiana

We have audited the basic financial statements of the Housing Authority of the Town of Homer, Louisiana as of and for the year ended June 30, 2004, and have issued our report thereon dated December 16, 2004. We conducted our audit in accordance with U.S. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the Town of Homer's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Homer's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our

Housing Authority of the Town of Homer
Bossier City, Louisiana
Independent Auditors' Report on Compliance
And Internal Control Over Financial Reporting, etc.
June 30, 2004

tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Housing Authority of the Town of Homer, its management and oversight agencies, and the Louisiana Legislative Auditor, 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.



Homer, Louisiana
December 16, 2004

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004

A. SUMMARY OF AUDIT RESULTS

Financial Statement Audit

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the Housing Authority of the Town of Homer, Louisiana.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit Performed in Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Housing Authority of the Town of Homer, Louisiana were disclosed during the audit.

Audit of Federal Awards

Not Applicable

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS - MAJOR FEDERAL AWARDS PROGRAM AUDIT

Not Applicable

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2004

Finding 03-F1 - Inadequate Expense Documentation/Allowable Expenses

Condition Found: Original invoices or other documentation could not be provided for several payments for expenses during the year. Also, personal expenses of the former Executive Director for cell phone usage and magazine subscriptions were paid by the Housing Authority.

Status: Resolved. The Housing Authority is maintaining original documentation at its office. The Housing Authority has implemented procedures to prevent the payment of personal expenses.

Finding 03-F2 - Safeguarding Fixed Assets

Condition Found: Assets purchased by the Housing Authority could not be located, and the fixed asset listing maintained by the Housing Authority was not updated properly.

Status: Resolved. The Housing Authority has taken a physical inventory and has updated its fixed asset listing, accordingly.

Finding 03-F3 - Noncompliance with Bid Law

Condition Found: The Housing Authority did not purchase a truck under state contract nor did it advertise for bids for the purchase of the truck.

Status: Resolved. The Housing Authority is complying with the Bid Law.

Finding 03-F4 - Record Retention

Condition Found: Original invoices and original bank statements could not be located.

Status: Resolved. The Housing Authority is maintaining original documentation at its office.

Finding 03-F5 - Failure to Timely Obligate Funds

Condition Found: The Housing Authority failed to obligate 90% of its 2000 Capital Fund Program funds by September 30, 2002, the prescribed deadline.

Status: Resolved. The Housing Authority is meeting the prescribed fund obligation deadlines on its programs.

Supplemental Information Schedules

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2004

The members of the Board of Commissioners serve a staggered five-year term without compensation. The Board consists of the following members at June 30, 2004:

James Ridley \$480.00

Bobby Burns \$400.00

Terry Willis \$400.00

Rev. Ray Jiles \$480.00

Mary Sawyers \$400.00

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Statement of Comprehensive Grant Cost Certificate
For the Year Ended June 30, 2004

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

	Grant LA-48-PO89- 906-98
Funds Approved	\$1,118,929
Funds Expended	1,096,580
Excess of Funds Approved	\$ 22,349
Funds Advanced	\$1,118,929
Funds Expended	1,096,580
Excess of Funds Advanced	\$ 22,349

2. The distribution of costs as shown on the Actual Comprehensive Grant Certificate dated October 22, 2002, for the above project is not in agreement with the Housing Authority's records.
3. All modernization costs have been paid and all related liabilities have been charged through payment.

Schedule 6 (Continued)

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Statement of Comprehensive Grant Cost Certificate
For the Year Ended June 30, 2004

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

	Grant LA-48-PO89- 501-00
Funds Approved	\$198,144
Funds Expended	<u>198,144</u>
Excess of Funds Approved	<u>NONE</u>
Funds Advanced	\$198,144
Funds Expended	<u>198,144</u>
Excess of Funds Advanced	<u>NONE</u>

2. The distribution of costs as shown on the Actual Comprehensive Grant Certificate dated October 22, 2002, for the above project is in agreement with the Housing Authority's records.

3. All modernization costs have been paid and all related liabilities have been charged through payment.

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Financial Data Schedule
For the Year Ended June 30, 2004

Line Item #	Account Description	Low Rent Public Housing	Public Housing Capital Fund Programs	Public Housing Comprehensive Grant Programs	Public & Indian Housing Drug Elimination Programs	Totals
ASSETS:						
CURRENT ASSETS:						
Cash:						
111	Cash - unrestricted	\$ 366,870	\$ -	\$ -	\$ -	366,870
114	Cash - tenant security deposits	8,923	-	-	-	8,923
100	Total Cash	<u>375,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>375,793</u>
Accounts and notes receivable:						
122	Accounts receivable - HUD other projects	-	48,985	-	-	48,985
124	Accounts receivable - other government	-	-	-	-	-
125	Accounts receivable - miscellaneous	34,245	-	-	-	34,245
126	Accounts receivable - tenants - dwelling rents	1,436	-	-	-	1,436
126	Allowance for doubtful accounts - dwelling rents	(1,353)	-	-	-	(1,353)
128	Fraud recovery	-	-	-	-	-
	Allowance for doubtful accounts - fraud	28	-	-	-	28
128.1	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances for doubtful accounts	<u>34,356</u>	<u>48,985</u>	<u>-</u>	<u>-</u>	<u>83,341</u>
Current investments:						
131	Investments - unrestricted	10,050	-	-	-	10,050
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	10,441	-	-	-	10,441
143	Inventories	11,632	-	-	-	11,632
144	Inter-program - due from	48,985	(6,199)	-	-	42,786
150	TOTAL CURRENT ASSETS	<u>491,257</u>	<u>42,786</u>	<u>-</u>	<u>-</u>	<u>534,043</u>

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Financial Data Schedule
For the Year Ended June 30, 2004

Line Item #	Account Description	Low Rent Public Housing	Public Housing Capital Fund Programs	Public Housing Comprehensive Grant Programs	Public & Indian Housing Drug Elimination Programs	Totals
NONCURRENT ASSETS:						
Fixed assets:						
161	Land	41,564	-	-	-	41,564
162	Buildings	2,255,416	-	842,450	-	3,097,866
163	Furniture, equipment & machinery - dwellings	98,844	2,490	20,165	-	121,499
164	Furniture, equipment & machinery - administration	78,520	17,034	-	-	95,554
165	Leasehold improvements	355,292	11,095	5,045	49,100	420,532
166	Accumulated depreciation	(2,258,357)	(8,264)	(71,756)	(3,274)	(2,341,651)
167	Construction in progress	-	125,418	-	-	125,418
160	Total fixed assets, net of accumulated depreciation	571,279	147,773	795,904	45,826	1,560,782
Other noncurrent assets:						
171	Notes, loans, & mortgages receivable - noncurrent	-	-	-	-	-
180	TOTAL NONCURRENT ASSETS	571,279	147,773	795,904	45,826	1,560,782
190	TOTAL ASSETS	\$ 1,062,536	\$ 190,559	\$ 795,904	\$ 45,826	\$ 2,094,825

Schedule 5 (Continued)

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Financial Data Schedule
For the Year Ended June 30, 2004

Line Item #	Account Description	Low Rent Public Housing	Public Housing Capital Fund Programs	Public Housing Comprehensive Grant Programs	Public & Indian Housing Drug Elimination Programs	Totals
LIABILITIES AND NET ASSETS:						
LIABILITIES:						
Current liabilities:						
312	Accounts payable <=90 days	\$ 48,688	\$ -	\$ -	-	48,688
321	Accrued wages/payroll taxes payable	2,922	-	-	-	2,922
322	Accrued compensated absences - current portion	3,658	-	-	-	3,658
325	Accrued interest payable	-	-	-	-	-
331	Accounts payable - HUD PIA programs	-	-	-	-	-
333	Accounts payable - other government	40,827	-	-	-	40,827
341	Tenant security deposits	8,923	-	-	-	8,923
342	Deferred revenues	39,193	42,786	-	-	81,979
343	Current portion of long-term debt - capital projects/ mortgage revenue bonds	-	-	-	-	-
345	Other current liabilities	42,786	-	-	-	42,786
347	Inter-program due to	-	-	-	-	-
310	TOTAL CURRENT LIABILITIES	<u>186,997</u>	<u>42,786</u>	<u>-</u>	<u>-</u>	<u>229,783</u>
Noncurrent liabilities:						
351	Long-term debt, net of current - capital projects/ mortgage revenue bonds	-	-	-	-	-
354	Accrued compensated absences - non-current	3,542	-	-	-	3,542
350	TOTAL NONCURRENT LIABILITIES	<u>3,542</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,542</u>
300	TOTAL LIABILITIES	<u>190,539</u>	<u>42,786</u>	<u>-</u>	<u>-</u>	<u>233,325</u>
NET ASSETS:						
508.1	Invested in capital assets, net of related debt	573,225	147,773	795,904	45,826	1,562,728
511.1	Restricted net assets	-	-	-	-	-
512.1	Unrestricted net assets	298,772	-	-	-	298,772
513	TOTAL NET ASSETS	<u>871,997</u>	<u>147,773</u>	<u>795,904</u>	<u>45,826</u>	<u>1,861,500</u>
600	TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,062,536</u>	<u>\$ 190,559</u>	<u>\$ 795,904</u>	<u>\$ 45,826</u>	<u>\$ 2,094,825</u>

Schedule 5 (Continued)

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Financial Data Schedule
For the Year Ended June 30, 2004

Line Item #	Account Description	Low Rent Public Housing	Public Housing Capital Fund Programs	Public Housing Comprehensive Grant Programs	Indian Housing	Public & Drug Elimination Programs	Totals
REVENUE:							
703	Net tenant rental revenue	\$ 118,956	\$ -	\$ -	\$ -	\$ -	\$ 118,956
704	Tenant revenue - other	49,514	-	-	-	-	49,514
705	Total tenant revenue	168,470	-	-	-	-	168,470
706	HUD PHA operating grants	196,631	204,108	-	-	-	400,739
706.1	Capital grants	-	41,560	5,045	-	49,100	95,705
708	Other government grants	-	-	-	-	-	-
711	Investment income-unrestricted	-	-	-	-	-	-
714	Fraud recovery	-	-	-	-	-	-
715	Other revenue	-	-	-	-	-	-
716	Gain/loss on sale of fixed assets	-	-	-	-	-	-
720	Investment income - restricted	-	-	-	-	-	-
700	TOTAL REVENUE	365,101	245,668	5,045	49,100	-	664,914
EXPENSES:							
Administrative							
911	Administrative salaries	42,847	-	-	-	-	42,847
912	Auditing fees	13,807	-	-	-	-	13,807
914	Compensated absences	(1,114)	-	-	-	-	(1,114)
915	Employee benefit contributions - administrative	14,493	-	-	-	-	14,493
916	Other operating - administrative	43,067	39,782	-	-	-	82,789
	Subtotal	113,040	39,782	-	-	-	152,822
Tenant services							
922	Relocation costs	1,545	-	-	-	-	1,545
924	Tenant services - other	1,545	-	-	-	-	1,545
	Subtotal	3,090	-	-	-	-	3,090
Utilities							
931	Water	15,987	-	-	-	-	15,987
932	Electricity	12,642	-	-	-	-	12,642
933	Gas	1,444	-	-	-	-	1,444
938	Other utilities expense	10,282	-	-	-	-	10,282
	Subtotal	40,355	-	-	-	-	40,355
Ordinary maintenance & operation							
941	Ordinary maintenance and operations - labor	49,585	-	-	-	-	49,585
942	Ordinary maintenance and operations - materials & other	20,899	403	-	-	-	21,302
943	Ordinary maintenance and operations - contract costs	60,343	-	-	-	-	60,343

Schedule 5 (Continued)

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Financial Data Schedule
For the Year Ended June 30, 2004

Line Item #	Account Description	Low Rent Public Housing	Public Housing Capital Fund Programs	Public Housing Comprehensive Grant Programs	Indian Housing Drug Elimination Programs	Totals
945	Employee benefit contributions - ordinary maintenance	17,164	-	-	-	17,164
	Subtotal	147,991	403	-	-	148,394
952	Protective services - other contract costs	20,767	-	-	-	20,767
	Subtotal	20,767	-	-	-	20,767
961	General expenses	33,457	-	-	-	33,457
962	Insurance premiums	-	23,969	-	-	23,969
963	Other general expenses	8,138	-	-	-	8,138
964	Payments in lieu of taxes	1,307	-	-	-	1,307
	Bad debts - tenant rents	42,902	23,969	-	-	66,871
	Subtotal	366,600	64,154	-	-	430,754
969	TOTAL OPERATING EXPENSES					
970		(1,499)	181,514	5,045	49,100	234,160
	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES					
972	Casualty losses - non-capitalized	-	-	-	-	-
973	Housing assistance payments	-	-	-	-	-
974	Depreciation expense	100,112	4,146	59,381	3,274	166,913
975	Fraud losses	-	-	-	-	-
900	TOTAL EXPENSES	466,712	68,300	59,381	3,274	597,667
	OTHER FINANCING SOURCES (USES)					
1001	Operating transfers in	45,000	-	-	-	45,000
1002	Operating transfers out	-	(45,000)	-	-	(45,000)
1008	Special items, net gain/loss	90,144	-	-	-	90,144
1010	TOTAL OTHER FINANCING SOURCES (USES)	135,144	(45,000)	-	-	90,144
1000	EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES	\$ 33,533	\$ 132,568	\$ (54,336)	\$ 45,826	\$ 157,391

Schedule 5 (Continued)

HOUSING AUTHORITY OF THE TOWN OF HOMER
Homer, Louisiana

Financial Data Schedule
For the Year Ended June 30, 2004

Line Item #	Account Description	Low Rent Public Housing	Public Housing Capital Fund Programs	Public Housing Comprehensive Grant Programs	Public & Indian Housing Drug Elimination Programs	Totals
1101	Capital contributions	\$ -	\$ -	\$ -	\$ -	\$ -
1103	Beginning equity	\$ 811,710	\$ 15,405	\$ 878,679	\$ -	\$ 1,705,794
1104	Prior period adjustments, equity transfers, and correction of errors	\$ 26,757	\$ -	\$ (28,440)	\$ -	\$ (1,683)
1114	Maximum Annual Contributions Commitment (Per Acc)	\$ -	\$ -	\$ -	\$ -	\$ -
1115	Contingency reserve, ACC program reserve	\$ -	\$ -	\$ -	\$ -	\$ -
1116	Total annual contributions available	\$ -	\$ -	\$ -	\$ -	\$ -
1120	Unit months available	1,068	-	-	-	1,068
1121	Number of unit months leased	1,016	-	-	-	1,016