

**HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED SEPTEMBER 30, 2020**

**Mike Estes, P.C.**  
A Professional Accounting Corporation

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ACCOUNTANTS  
and the  
AICPA GOVERNMENTAL  
AUDIT QUALITY CENTER

## Independent Auditor's Report

Board of Commissioners  
Housing Authority of Cotton Valley  
Cotton Valley, Louisiana

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the Housing Authority of the Town of Cotton Valley, Louisiana as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority of Cotton Valley basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design and audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority of the Town of Cotton Valley, Louisiana, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the Town of Cotton Valley, Louisiana's basic financial statements. The statement and certification of actual modernization costs, statement of modernization-uncompleted, financial data schedules, and other information as listed on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, and other information as listed on the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement and certification of actual modernization costs, statement of modernization-uncompleted, financial data schedules, and other information as listed on the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2020 on our consideration of the Housing Authority of the Town of Cotton Valley, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cotton Valley, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the Town of Cotton Valley, Louisiana's internal control over financial reporting and compliance.

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
December 28, 2020

**HOUSING AUTHORITY OF COTTON VALLEY, LA**

**REQUIRED SUPPLEMENTAL INFORMATION**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**

**September 30, 2020**

**The management of Housing Authority of Cotton Valley, LA presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2020. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.**

### **FINANCIAL HIGHLIGHTS**

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$60,714 at the close of the fiscal year ended 2020.
  - ✓ Of this amount \$34,306 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
  - ✓ The remainder of \$26,408 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 19% of the total operating expenses of \$146,441 for the fiscal year 2020, which means the Authority might be able to operate about 2 months using the unrestricted assets alone, compared to 1 months in the prior fiscal year.
- The Housing Authority's total net position increased by \$6,545, a 12% increase from the prior fiscal year 2019.
- The increase in net position of these funds was accompanied by an increase in unrestricted cash by \$18,917 from fiscal year 2019.
- The Authority Spent \$2,409 on capital asset additions.
- These changes led to an increase in total assets by \$9,664 and an increase in total liabilities by \$3,119. As related measure of financial health, there are still over \$3 of current assets covering each dollar of total current liabilities, which compares to \$3 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

### **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, and whether there are inadequacies in the Authority's internal controls.

### **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 2020?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position 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 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 position and changes in net position. One can think of the Housing Authority's net position – 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 position 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 most significant programs:

Public Housing Capital Fund Program	\$ 25,779
Low Rent Public Housing	77,366
Cares LR	<u>7,437</u>
Total funding received this current fiscal year	<u>\$ 110,582</u>

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, 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 the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach 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 position, is an important financial indicator.

### **FINANCIAL ANALYSIS**

The Housing Authority's net position was \$60,714 as of September 30, 2020. Of this amount, \$34,306 was invested in capital assets and \$26,408 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general net position.



**CONDENSED FINANCIAL STATEMENTS**

**Condensed Statement of Net Position  
As of September 30, 2020**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Current assets	\$ 38,804	\$ 25,607
Capital assets, net of depreciation	<u>34,306</u>	<u>37,839</u>
Total assets	<u>73,110</u>	<u>63,446</u>
<b>LIABILITIES</b>		
Current liabilities	<u>12,396</u>	<u>9,277</u>
Total liabilities	<u>12,396</u>	<u>9,277</u>
<b>NET POSITION</b>		
Invested in capital assets, net of depreciation	34,306	37,839
Unrestricted net position	<u>26,408</u>	<u>16,330</u>
Total net position	<u>\$ 60,714</u>	<u>\$ 54,169</u>

The net position of these funds increased by \$6,545, or by 12%, from those of fiscal year 2019, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

**CONDENSED FINANCIAL STATEMENTS (Continued)**

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position  
 Fiscal Year Ended September 30, 2020**

	<u>2020</u>	<u>2019</u>
<b>OPERATING REVENUES</b>		
Tenant Revenue	\$ 37,775	\$ 31,948
HUD grants for operations	110,582	97,211
Other non-tenant revenue	4,626	2,531
Total operating revenues	<u>152,983</u>	<u>131,690</u>
<b>OPERATING EXPENSES</b>		
General	16,635	15,230
Ordinary maintenance and repairs	45,028	35,061
Administrative expenses and management fees	55,905	55,821
Utilities	12,220	10,531
Tenant services	10,710	3,660
Depreciation	5,943	7,367
Total operating expenses	<u>146,441</u>	<u>127,670</u>
Income (losses) from operations	<u>6,542</u>	<u>4,020</u>
<b>NON-OPERATING REVENUES</b>		
Interest income	3	3
Total non-operating revenues	<u>3</u>	<u>3</u>
Income (losses) before capital contributions	6,545	4,023
<b>CAPITAL CONTRIBUTIONS</b>	-	3,741
<b>CHANGES IN NET POSITION</b>	<u>6,545</u>	<u>7,764</u>
<b>NET POSITION - BEGINNING</b>	54,169	46,405
<b>NET POSITION - END</b>	<u>\$ 60,714</u>	<u>\$ 54,169</u>

## EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating, non-operating, and capital contributions increased \$17,552 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$5,827 from that of the prior fiscal year because the amount of rent each tenant pays is based on a sliding scale of their personal income. Included in this total is other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) which decreased by \$275.
- Federal revenues from HUD for operations increased by \$13,371 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- Federal Capital Funds from HUD decreased by \$3,741 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2018 through 2019, and submitted a new grant during fiscal year 2020.
- Total other operating revenue increased by \$2,095 and interest income decreased by \$1 from the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$18,771, or by 14%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense decreased by \$1,424 from that of the prior fiscal year.
- Maintenance and repairs increased by \$9,967 from that of the prior fiscal year due to changes in the following: Repair staff wages increased by \$2,205 and related employee benefit contributions increased by \$723. Materials used increased by \$370 and contract labor costs increased by \$6,669.
- General Expenses increased by \$1,405 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) increased by \$441. PILOT is calculated as a percentage of rent minus utilities and therefore changed proportionately to the changes in each of these. Insurance premiums increased by \$126 and other general expenses increased by \$58. Lastly, compensated absences increased by \$780.
- Administrative Expenses increased by \$84 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries decreased by \$226 and related employee benefit contributions decreased by \$321; therefore, total staff salaries and benefit costs decreased. In addition, office expenses decreased by \$1,930 and sundry expenses increased by \$2,561.
- Utilities Expense increased by \$1,689 from that of the prior fiscal year because water cost increased by \$387, electricity cost increased by \$378, gas cost increased by \$72, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) increased by \$852.
- Total Tenant Services increased by \$7,050 from that of the prior fiscal year due to the following combination of factors: staff salaries increased by \$5,124 and related employee benefit contributions increased by \$1,680, relocation costs increased by \$43 and other tenant services increased by \$203.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At September 30, 2020, the Housing Authority had a total cost of \$1,096,114 invested in a broad range of assets and construction in progress from projects funded in 2018 through 2019, listed below. This amount, not including depreciation, represents increases of \$2,409 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Statement of Capital Assets**  
**As of September 30, 2020**

	<u>2020</u>	<u>2019</u>
Land	\$ 1,825	\$ 1,827
Buildings	1,030,975	927,917
Leasehold improvements	-	103,058
Furniture and equipment	63,314	60,906
Accumulated Depreciation	<u>(1,061,808)</u>	<u>(1,055,869)</u>
Total	<u>\$ 34,306</u>	<u>\$ 37,839</u>

As of the end of the 2020 fiscal year, the Authority is still in the process of completing HUD grants of \$68,671 obtained during the 2019 and 2020 fiscal years. A total remainder of \$52,036 will be received and spent for completing these projects during fiscal year 2021.

### Debt

## 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 capital budgets for the 2021 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 Kristi Pilkinton, at Housing Authority of Cotton Valley, LA; PO Box 266, Cotton Valley, LA 71018.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

**ASSETS**

## Current assets

Cash and cash equivalents	\$	26,477
Accounts receivable net		1,453
Prepaid items and other assets		8,387
Inventory		987
Restricted assets - cash and cash equivalents		1,500

Total Current Assets		38,804
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## Capital Assets, net

Land and other non-depreciated assets		1,825
Other capital assets - net of depreciation		32,481

Total Capital Assets, net		34,306
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Total Assets	\$	73,110
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**LIABILITIES**

## Current Liabilities

Accounts payable	\$	3,724
Accrued compensated absences		1,872
Accrued PILOT		4,724
Unearned income		576
Deposits due others		1,500

Total Current Liabilities		12,396
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## Noncurrent Liabilities

Total Liabilities		0
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Total Liabilities		12,396
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**NET POSITION**

Net investment in capital assets		34,306
Unrestricted		26,408

Net Position	\$	60,714
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2020

**OPERATING REVENUES**

Dwelling rental	\$	37,510
Governmental operating grants		110,582
Other- dwelling		265
Other		4,626
		152,983
Total Operating Revenues		152,983

**OPERATING EXPENSES**

Administration		55,905
Tenant services		10,710
Utilities		12,220
Ordinary maintenance & operations		45,028
General expenses		16,635
Depreciation		5,943
		146,441
Total Operating Expenses		146,441

Income (Loss) from Operations		6,542
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Non Operating Revenues (Expenses)

Interest earnings		3
		3
Total Non-Operating Revenues (Expenses)		3

Income (Loss) before contribution		6,545
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Capital Contribution		0
		0

Change in net position		6,545
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Total net position - beginning		54,169
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Total net position - ending	\$	60,714
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

<b>CASH FLOWS FROM</b>	
<b>OPERATING ACTIVITIES</b>	
Rental receipts	\$ 37,455
Other receipts	7,587
Federal grants	122,496
Payments to vendors	(95,011)
Payments to employees – net	(48,794)
	<hr/>
Net cash provided (used) by operating activities	23,733
	<hr/>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(4,816)
	<hr/>
Net cash provided (used) by capital and related financing activities	(4,816)
	<hr/>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	18,917
 <b>CASH AND CASH EQUIVALENTS</b>	
Beginning of Fiscal Year	9,060
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<b>CASH AND CASH EQUIVALENTS</b>	
End of Fiscal Year	\$ 27,977
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Continued

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

**RECONCILIATION OF OPERATING  
INCOME (LOSS) TO NET CASH  
PROVIDED (USED) BY OPERATING  
ACTIVITIES**

Operating income (loss)	\$	6,542
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation Expense		5,943
Provision of uncollectible accounts		52
Prior period adjustments		2,409
Change in assets and liabilities:		
Accounts receivable		10,741
Inventories		(1,039)
Prepaid items		(2,848)
Account payables		(621)
Deposits due others		25
Accrued PILOT		2,529
Net cash provided (used) by operations	\$	<u>23,733</u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.



HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

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HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

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

**A. REPORTING ENTITY** Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the State of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the Town of Cotton Valley, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW 2051	20
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GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of the Town of Cotton Valley since the Town of Cotton Valley appoints a voting majority of the Housing Authority’s governing board. The Town of Cotton Valley 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 Cotton Valley. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Cotton Valley.

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

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

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

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

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

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program.

### **C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**PROPRIETARY FUNDS** Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position sheet.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

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

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$27,977. This is comprised of cash and cash equivalents of \$26,477 and restricted assets – cash of \$1,500, on the statement of net position.

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

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

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

Definitions:

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

**F. REVENUE RECOGNITION** Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.

**G. INVENTORY** All purchased 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.

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

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

**J. UNEARNED INCOME** The Housing Authority reports prepaid revenues on its statement of net position. Prepaid revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for prepaid revenue is removed from the statement of net position and the revenue is recognized.

**K. COMPENSATED ABSENCES** The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

**L. POST EMPLOYMENT BENEFITS** The Authority does not recognize or pay any post employment benefits. Accordingly, Governmental Accounting Standards Board (GASB) Statement Number 45 does not apply.

**M. NET POSITION AND FLOW ASSUMPTIONS** Net position is reported as restricted when constraints are placed on net position use as either:

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

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

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

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

**NOTE 2 – DEPOSITS AND INVESTMENTS** The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2020. Deposits are stated at cost, which approximates fair value.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$1,500 is restricted in the General Fund for security deposits.

At September 30, 2020, the Housing Authority's carrying amount of deposits was \$27,952 and the bank balance was \$30,232. Petty cash consists of \$25. The entire bank balance was covered by FDIC Insurance.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**NOTE 3 – ACCOUNTS RECEIVABLE** The receivables at September 30, 2020, are as follows:

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 631
Federal sources:	
Grants	822
Total	\$ 1,453

**NOTE 4 – CAPITAL ASSETS** The changes in capital assets are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 1,325	\$ 0	\$ 0	\$ 1,325
Depreciable assets:				
Buildings	1,031,474	0	0	1,031,474
Furniture and equipment	60,906	2,409	0	63,315
Total capital assets	1,093,705	2,409	0	1,096,114
Less: accumulated depreciation				
Buildings	994,961	5,139	0	1,000,100
Furniture and equipment	60,905	803	0	61,708
Total accumulated depreciation	1,055,866	5,942	0	1,061,808
Total capital assets, net	\$ 37,839	\$ (3,533)	\$ 0	\$ 34,306

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**NOTE 5 – ACCOUNTS PAYABLE** The payables at September 30, 2020 are as follows:

Vendors	\$	1,276
Payroll taxes & Retirement withheld		1,290
Utilities		1,158
Total	\$	<u>3,724</u>

**NOTE 6 – RETIREMENT SYSTEM** The Housing Authority participates in the Housing Agency Retirement Trust (HART), which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan after one month of continuous service.

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 13.5% of each participant's effective compensation. The participant does not contribute.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are first used to pay for plan expenses and if there is any residual amount, the amount is refunded to the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the HART may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$4,763 for the year ended September 30, 2020, of which \$4,763 was paid by the Housing Authority. No payments were made out of the forfeiture account.



HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

**Litigation** The Housing Authority is not presently involved in litigation.

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

**Construction Projects** There are certain renovation or construction projects in progress at September 30, 2020. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

**Risk Management** The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

The Housing Authority transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of property, general liability, public liability, and worker's compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council, Inc. Group Self Insurance Risk Management Agency risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

**NOTE 8 – ECONOMIC DEPENDENCE** The Department of Housing and Urban Development provided \$110,582 to the Housing Authority, which represents approximately 73% of the Housing Authority's total revenue and capital contributions for the year.

**NOTE 9 - SUBSEQUENT EVENTS** Management has evaluated events and transactions subsequent to the statement of net position date through, December 28, 2020, of the independent auditor's report for potential recognition or disclosure in the financial statements. The COVID-19 pandemic has impacted the Authority's dealings with tenants and applicants. The Authority has been awarded a CARES Act grant of \$12,408.



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MEMBER OF THE  
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ACCOUNTANTS  
and the  
AICPA GOVERNMENTAL  
AUDIT QUALITY CENTER

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

Independent Auditor's Report

Housing Authority of Cotton Valley  
Cotton Valley, Louisiana

We have audited, 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, the financial statements of each major fund of the Housing Authority of the Town of Cotton Valley, Louisiana, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Cotton Valley, Louisiana's basic financial statements, and have issued our report thereon dated December 28, 2020.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Cotton Valley, Louisiana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the Town of Cotton Valley, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Cotton Valley, Louisiana's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Cotton Valley, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
December 28, 2020

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED YEAR ENDED SEPTEMBER 30, 2020

**Section I – Summary of the Auditor’s Results**

**Financial Statement Audit**

1. Type of Auditor’s Report Issued on Financial Statements – Unmodified.
2. Internal Control Over Financial Reporting:
  - a. Material weakness(es) identified? \_\_\_\_\_ yes ✓ no
  - b. Significant deficiency(ies) identified? \_\_\_\_\_ yes ✓ none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes ✓ no

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2020

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

None

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2020

There were no audit findings.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2020

**The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:**

There were no prior audit findings.

**SUPPLEMENTARY INFORMATION**



HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS  
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED SEPTEMBER 30, 2020

		2018 Capital Fund
Funds approved	\$	31,970
Funds expended		31,970
Excess of funds approved	\$	0
Funds advanced	\$	31,970
Funds expended		31,970
Excess (Deficiency) of funds advanced	\$	0

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statement of Modernization Costs dated August 19, 2020 accompanying the Actual Modernization Costs Certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2020

CASH BASIS

	2019		2020	
	Capital Fund		Capital Fund	
	<u>          </u>		<u>          </u>	
Funds approved	\$ 33,206	\$	35,465	
Funds expended	16,635		0	
Excess of funds approved	<u>\$ 16,571</u>	\$	<u>35,465</u>	
Funds advanced	\$ 16,635	\$	0	
Funds expended	16,635		0	
Excess (Deficiency) of funds	<u>\$ 0</u>	\$	<u>0</u>	

See accountants' report

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD  
 OR CHIEF EXECUTIVE DIRECTOR

YEAR ENDED SEPTEMBER 30, 2020

**Agency Head Name:** Kristi Pilkinton, Executive Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 40,560
Benefits-insurance	
Benefits-retirement	4,763
Benefits-<list any other here>	
Car allowance	
Vehicle provided by government	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	
<b>Total</b>	<b>\$ 45,323</b>

See accountants' report

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2020

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 77,366
COVID-19-Low-Income Housing Operating Subsidy	14.850	\$ 7,437
Capital Fund Program	14.872	25,779
Total United States Department of Housing and Urban Development		\$ 110,582
Total Expenditures of Federal Awards		\$ 110,582

The accompanying notes are an integral part of this schedule.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2020

**NOTE 1 – BASIS OF PRESENTATION** The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the Town of Cotton Valley, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended September 30, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

	Federal Sources
Enterprise Funds	
Governmental operating grants	\$ 110,582
Total	\$ 110,582

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

**NOTE 5 – DE MINIMIS INDIRECT COST RATE** The Housing Authority did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

Entity Wide Balance Sheet Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$26,477		\$26,477		\$26,477
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	\$1,500		\$1,500		\$1,500
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$27,977	\$0	\$27,977	\$0	\$27,977
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$70	\$752	\$822		\$822
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants	\$631		\$631		\$631
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0		\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$701	\$752	\$1,453	\$0	\$1,453
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$8,387		\$8,387		\$8,387
143 Inventories	\$1,039		\$1,039		\$1,039
143.1 Allowance for Obsolete Inventories	-\$52		-\$52		-\$52
144 Inter Program Due From	\$752		\$752	-\$752	\$0
145 Assets Held for Sale					
150 Total Current Assets	\$38,804	\$752	\$39,556	-\$752	\$38,804
161 Land	\$1,825		\$1,825		\$1,825
162 Buildings	\$1,030,975		\$1,030,975		\$1,030,975
163 Furniture, Equipment & Machinery - Dwellings	\$22,295		\$22,295		\$22,295
164 Furniture, Equipment & Machinery - Administration	\$41,019		\$41,019		\$41,019
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$1,061,808		-\$1,061,808		-\$1,061,808
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$34,306	\$0	\$34,306	\$0	\$34,306
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$34,306	\$0	\$34,306	\$0	\$34,306
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$73,110	\$752	\$73,862	-\$752	\$73,110

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

Entity Wide Balance Sheet Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$1,276		\$1,276		\$1,276
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$1,290		\$1,290		\$1,290
322 Accrued Compensated Absences - Current Portion	\$1,872		\$1,872		\$1,872
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$4,724		\$4,724		\$4,724
341 Tenant Security Deposits	\$1,500		\$1,500		\$1,500
342 Unearned Revenue	\$576		\$576		\$576
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other	\$1,158		\$1,158		\$1,158
347 Inter Program - Due To		\$752	\$752	-\$752	\$0
348 Loan Liability - Current					
310 Total Current Liabilities	\$12,396	\$752	\$13,148	-\$752	\$12,396
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0
300 Total Liabilities	\$12,396	\$752	\$13,148	-\$752	\$12,396
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$34,306		\$34,306		\$34,306
511.4 Restricted Net Position					
512.4 Unrestricted Net Position	\$26,408	\$0	\$26,408		\$26,408
513 Total Equity - Net Assets / Position	\$60,714	\$0	\$60,714	\$0	\$60,714
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$73,110	\$752	\$73,862	-\$752	\$73,110

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$37,510		\$37,510
70400 Tenant Revenue - Other	\$265		\$265
70500 Total Tenant Revenue	\$37,775	\$0	\$37,775
70600 HUD PHA Operating Grants	\$77,366	\$25,779	\$103,145
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$2		\$2
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	\$4,626		\$4,626
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$119,769	\$25,779	\$145,548
91100 Administrative Salaries	\$29,088		\$29,088
91200 Auditing Fees	\$7,000		\$7,000
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$3,459		\$3,459
91600 Office Expenses	\$7,088		\$7,088
91700 Legal Expense			
91800 Travel			
91810 Allocated Overhead			
91900 Other	\$9,270		\$9,270
91000 Total Operating - Administrative	\$55,905	\$0	\$55,905
92000 Asset Management Fee			
92100 Tenant Services - Salaries	\$8,784		\$8,784
92200 Relocation Costs	\$43		\$43
92300 Employee Benefit Contributions - Tenant Services	\$1,680		\$1,680
92400 Tenant Services - Other	\$203		\$203
92500 Total Tenant Services	\$10,710	\$0	\$10,710
93100 Water	\$4,364		\$4,364
93200 Electricity	\$3,497		\$3,497
93300 Gas	\$293		\$293
93400 Fuel			
93500 Labor			
93600 Sewer	\$3,551		\$3,551



HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense	\$515		\$515
93000 Total Utilities	\$12,220	\$0	\$12,220
94100 Ordinary Maintenance and Operations - Labor	\$3,780		\$3,780
94200 Ordinary Maintenance and Operations - Materials and Other	\$8,254		\$8,254
94300 Ordinary Maintenance and Operations Contracts	\$27,242		\$27,242
94500 Employee Benefit Contributions - Ordinary Maintenance	\$723		\$723
94000 Total Maintenance	\$39,999	\$0	\$39,999
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$7,117		\$7,117
96120 Liability Insurance	\$2,487		\$2,487
96130 Workmen's Compensation	\$1,358		\$1,358
96140 All Other Insurance	\$1,526		\$1,526
96100 Total insurance Premiums	\$12,488	\$0	\$12,488
96200 Other General Expenses	\$58		\$58
96210 Compensated Absences	\$1,560		\$1,560
96300 Payments in Lieu of Taxes	\$2,529		\$2,529
96400 Bad debt - Tenant Rents			
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$4,147	\$0	\$4,147
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$135,469	\$0	\$135,469
97000 Excess of Operating Revenue over Operating Expenses	-\$15,700	\$25,779	\$10,079
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$5,943		\$5,943
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$141,412	\$0	\$141,412

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$25,779		\$25,779
10020 Operating transfer Out		-\$25,779	-\$25,779
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$25,779	-\$25,779	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$4,136	\$0	\$4,136
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$54,169	\$0	\$54,169
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$2,409	\$0	\$2,409
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	240		240
11210 Number of Unit Months Leased	233		233
11270 Excess Cash	\$5,745		\$5,745
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$2,408	\$0	\$2,408
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$37,510		\$37,510		\$37,510
70400 Tenant Revenue - Other	\$265		\$265		\$265
70500 Total Tenant Revenue	\$37,775	\$0	\$37,775	\$0	\$37,775
70600 HUD PHA Operating Grants	\$103,145	\$7,437	\$110,582		\$110,582
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue			\$0	\$0	\$0
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$2		\$2		\$2
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$4,626		\$4,626		\$4,626
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$145,548	\$7,437	\$152,985	\$0	\$152,985
91100 Administrative Salaries	\$29,088		\$29,088		\$29,088
91200 Auditing Fees	\$7,000		\$7,000		\$7,000
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$3,459		\$3,459		\$3,459
91600 Office Expenses	\$7,088		\$7,088		\$7,088
91700 Legal Expense					
91800 Travel					
91810 Allocated Overhead					
91900 Other	\$9,270		\$9,270		\$9,270
91000 Total Operating - Administrative	\$55,905	\$0	\$55,905	\$0	\$55,905
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$8,784		\$8,784		\$8,784
92200 Relocation Costs	\$43		\$43		\$43
92300 Employee Benefit Contributions - Tenant Services	\$1,680		\$1,680		\$1,680
92400 Tenant Services - Other	\$203		\$203		\$203
92500 Total Tenant Services	\$10,710	\$0	\$10,710	\$0	\$10,710
93100 Water	\$4,364		\$4,364		\$4,364
93200 Electricity	\$3,497		\$3,497		\$3,497
93300 Gas	\$293		\$293		\$293
93400 Fuel					
93500 Labor					
93600 Sewer	\$3,551		\$3,551		\$3,551

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense	\$515		\$515		\$515
93000 Total Utilities	\$12,220	\$0	\$12,220	\$0	\$12,220
94100 Ordinary Maintenance and Operations - Labor	\$3,780		\$3,780		\$3,780
94200 Ordinary Maintenance and Operations - Materials and Other	\$8,254	\$2,695	\$10,949		\$10,949
94300 Ordinary Maintenance and Operations Contracts	\$27,242	\$2,334	\$29,576		\$29,576
94500 Employee Benefit Contributions - Ordinary Maintenance	\$723		\$723		\$723
94000 Total Maintenance	\$39,999	\$5,029	\$45,028	\$0	\$45,028
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$7,117		\$7,117		\$7,117
96120 Liability Insurance	\$2,487		\$2,487		\$2,487
96130 Workmen's Compensation	\$1,358		\$1,358		\$1,358
96140 All Other Insurance	\$1,526		\$1,526		\$1,526
96100 Total insurance Premiums	\$12,488	\$0	\$12,488	\$0	\$12,488
96200 Other General Expenses	\$58		\$58		\$58
96210 Compensated Absences	\$1,560		\$1,560		\$1,560
96300 Payments in Lieu of Taxes	\$2,529		\$2,529		\$2,529
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$4,147	\$0	\$4,147	\$0	\$4,147
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$135,469	\$5,029	\$140,498	\$0	\$140,498
97000 Excess of Operating Revenue over Operating Expenses	\$10,079	\$2,408	\$12,487	\$0	\$12,487
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$5,943		\$5,943		\$5,943
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$141,412	\$5,029	\$146,441	\$0	\$146,441

HOUSING AUTHORITY OF COTTON VALLEY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2020

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
10010 Operating Transfer In	\$25,779		\$25,779	-\$25,779	\$0
10020 Operating transfer Out	-\$25,779		-\$25,779	\$25,779	\$0
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$4,136	\$2,408	\$6,544	\$0	\$6,544
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$54,169	\$0	\$54,169		\$54,169
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$2,409	-\$2,408	\$1		\$1
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	240		240		240
11210 Number of Unit Months Leased	233		233		233
11270 Excess Cash	\$5,745		\$5,745		\$5,745
11610 Land Purchases	\$0		\$0		\$0
11620 Building Purchases	\$0		\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$2,408		\$2,408		\$2,408
11650 Leasehold Improvements Purchases	\$0		\$0		\$0
11660 Infrastructure Purchases	\$0		\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0		\$0