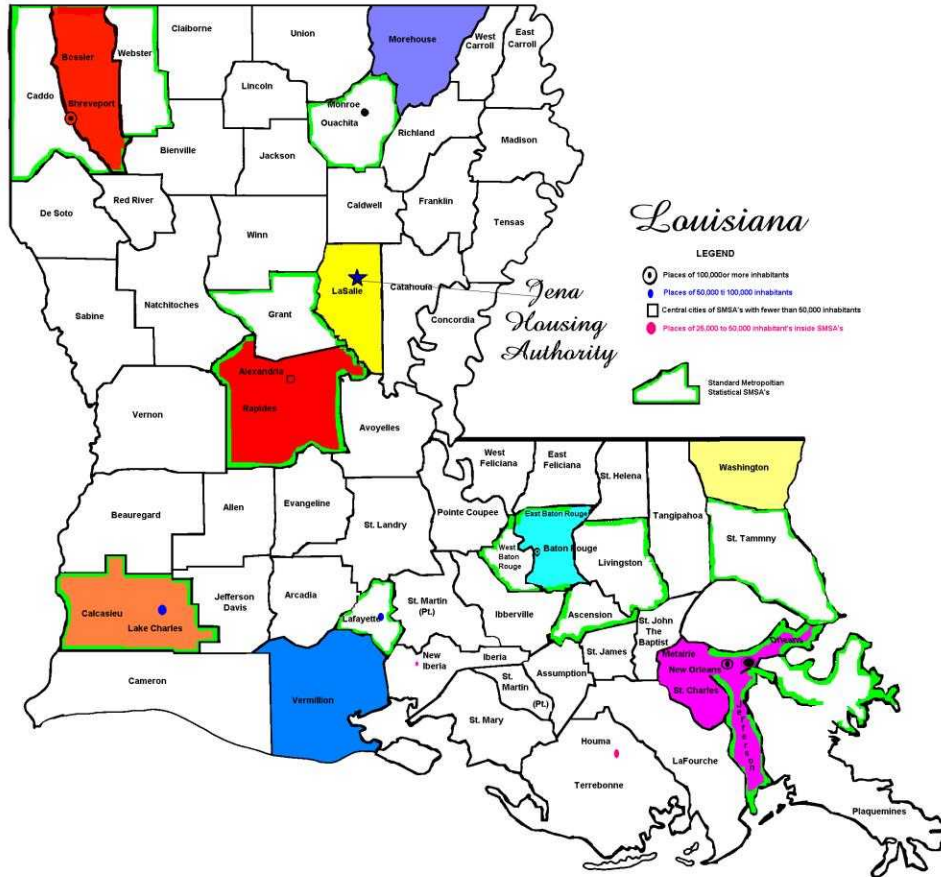


**HOUSING AUTHORITY  
OF  
TOWN OF JENA, LOUISIANA**

**Financial Statements and  
Supplemental Financial Information**

**June 30, 2019**

# HOUSING AUTHORITY OF THE TOWN OF JENA JENA, LOUISIANA



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

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

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June 30, 2019**

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## **INDEPENDENT AUDITOR'S REPORT**

Housing Authority of the Town of Jena  
Jena, Louisiana

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

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Jena, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority's 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 the financial statements. The procedures selected depend on the auditor's judgment, including the 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 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.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the Town of Jena, as of June 30, 2019, and the respective changes in financial position and 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 management's discussion and analysis 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 generally 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 Jena's basic financial statements. The accompanying Financial Data Schedule, required by HUD, and supplementary schedules and statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Financial Data Schedule and supplementary schedules and statements are the responsibility of management and were derived from and relate 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 Financial Data Schedule and supplementary schedules and statements 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 August 7, 2020, on our consideration of the Housing Authority of the Town of Jena'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the Town of Jena's internal control over financial reporting and compliance.

### *The Vercher Group*

August 7, 2020  
Jena, Louisiana

**Housing Authority of the Town of Jena  
Management's Discussion and Analysis  
June 30, 2019**

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As management of the Jena Housing Authority, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities to consider the information presented here in conjunction with the Authority's financial statements.

**FINANCIAL HIGHLIGHTS**

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$503,804 (net position), which is a \$57,149 decrease from last year.
- As of the close of the current fiscal year, the Authority's ending unrestricted net position was \$188,659, which is a \$22,789, decrease from last year.
- The Authority's cash and investment balance at June 30, 2019, was \$4,048, all of which was restricted.
- The Authority had total operating revenues of \$217,184, and total non-operating revenues of \$5,278.
- The Authority had total operating expenses of \$279,611, and no non-operating expenses.
- The Authority had capital contributions in the amount of \$-0- for the year.
- The Authority had a total change in net position of \$(57,149) for the year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis is intended to serve as an introduction of the Authority's basic financial statements. The Authority's basic financial statements consist of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and the Notes to the Financial Statements.

The Authority has only one fund type, namely a proprietary fund. The Statement of Net Position includes all of the Authority's assets and liabilities. This fund type is used for activities which are financial and operated in a manner similar to those in the private sector.

The authority has two main funding sources in its financial operation. These are the Low Rent Public Housing and Capital Fund Programs. Following is a brief description of each.

**Low Rent Public Housing** – Under the Conventional Public Housing Program, the housing authority rents units it owns to low-income families. The Conventional Public Housing Program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides an Operating Subsidy to enable the authority to provide housing at a rent that is based upon 30% of adjusted gross household income.

**Housing Authority of the Town of Jena  
Management's Discussion and Analysis - Continued  
June 30, 2019**

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**Capital Fund Program** – The Conventional Public Housing Program also includes the Capital Fund Program, the primary funding source for the authority's physical and management improvements. The formula funding methodology is based on size and age of the authority's units.

The Authority's overall financial position and operations for the year is summarized below based on the information in the current and prior year financial statements. The table below lists the Comparative Statement of Net Position as of June 30, 2019.

**Statement of Net Position**

<b>Assets</b>	<b>FYE 2018</b>	<b>FYE 2019</b>	<b>% Change</b>
Current Assets & Other Assets	\$ 230,822	\$ 221,092	-4.2
Capital Assets, Net	349,505	315,145	-9.8
<b>Total Assets</b>	<u>580,327</u>	<u>536,237</u>	-7.6
<b>Liabilities</b>			
Current Liabilities	17,855	27,144	52.0
Non-Current Liabilities	1,519	5,289	248.2
<b>Total Liabilities</b>	<u>19,374</u>	<u>32,433</u>	67.4
<b>Net Position</b>			
Net Investment in Capital Assets	349,505	315,145	-9.8
Unrestricted	211,448	188,659	-10.8
<b>Total Net Position</b>	<u>\$ 560,953</u>	<u>\$ 503,804</u>	-10.2

- Total assets decreased by \$44,090 or 7.6% from last year. The primary reason for this decrease is due to a decrease in capital assets, net of depreciation in the amount of \$34,360.
- Total non-current liabilities increased by \$3,770 or 248.2%. The primary reason for this change is due to an increase in non-current compensated absences by \$3,770.
- Unrestricted assets decreased by \$22,789 or 10.8%. The decrease in current assets is the main contributory for this decrease.



**Housing Authority of the Town of Jena  
Management's Discussion and Analysis - Continued  
June 30, 2019**

The table below lists the Comparative Statement of Revenues, Expenses, and Changes in Net Position as of June 30, 2019.

**Statement of Revenues, Expenses, & Changes in Net Position**

	<u>FYE 2018</u>	<u>FYE 2019</u>	<u>% Change</u>
<b>Operating Revenues</b>			
Tenant Revenue	\$ 75,164	\$ 72,132	-4.0
HUD Operating Grants	<u>130,617</u>	<u>145,052</u>	11.1
<b>Total Operating Revenues</b>	<u>205,781</u>	<u>217,184</u>	5.6
<b>Operating Expenses</b>			
Administration	94,516	98,925	4.7
Utilities	4,245	5,047	18.9
Operation & Maintenance	79,869	84,713	6.1
Taxes & Insurance	26,809	22,704	-15.3
Other	8,280	31,497	280.4
Depreciation	<u>53,929</u>	<u>36,725</u>	-31.9
<b>Total Operating Expenses</b>	<u>267,648</u>	<u>279,611</u>	4.5
<b>Operating Income (Loss)</b>	(61,867)	(62,427)	0.9
<b>Non-Operating Revenues (Expenses)</b>			
Interest	1,772	3,027	70.8
Other Revenue	<u>2,096</u>	<u>2,251</u>	7.4
<b>Total Non-Operating Revenues (Expenses)</b>	<u>3,868</u>	<u>5,278</u>	36.5
Capital Contributions	<u>-0-</u>	<u>-0-</u>	0.0
<b>Changes in Net Position</b>	(57,999)	(57,149)	-1.5
<b>Beginning Net Position</b>	<u>618,952</u>	<u>560,953</u>	-9.4
<b>Ending Net Position</b>	<u>\$ 560,953</u>	<u>\$ 503,804</u>	-10.2

- Total operating revenues increased by \$11,403 or 5.6%. The primary reason for this increase is because of an increase in HUD operating grants in the amount of \$14,435.
- Total operating expenses increased by \$11,963 or 4.5%. The primary reason for this increase is due to an increase in other expenses in the amount of \$23,217.
- Total non-operating revenues/expenses increased by \$1,410 or 36.5%.

**Housing Authority of the Town of Jena  
Management's Discussion and Analysis - Continued  
June 30, 2019**

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**Capital Asset & Debt Administration**

**Capital Assets**

As of June 30, 2019, the Authority's investment in capital assets was \$315,145 (net of accumulated depreciation).

This investment includes land, building improvements, dwelling equipment and maintenance equipment.

	<u>2018</u>	<u>2019</u>
Capital Assets *	\$ 2,738,394	\$ 2,740,759
Less Accumulated Depreciation	<u>(2,388,889)</u>	<u>(2,425,614)</u>
<b>Capital Assets, Net</b>	<u>\$ 349,505</u>	<u>\$ 315,145</u>

\* Land in the amount of \$26,000 is not being depreciated.

**Long Term Debt**

The Authority does not have any long-term liabilities at this time.

**Future events that will impact the Authority**

The Authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the FYE 2020. Therefore, any results of budget shortfalls cannot be determined.

**Contacting the Authority's Finance Management**

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following address:

Housing Authority of the Town of Jena  
P O Box 36  
Jena, LA 71342

## **Basic Financial Statements**

**Housing Authority of the Town of Jena  
Jena, Louisiana  
Statement of Net Position  
June 30, 2019**

<b>ASSETS</b>	<b>ENTERPRISE FUND</b>
<b>CURRENT ASSETS</b>	
Cash & Cash Equivalents	\$ -0-
Investments	149,327
Accounts Receivable	66,399
Inventory	774
Prepaid Items	544
<b>RESTRICTED ASSETS</b>	
Tenants' Security Deposits	4,048
<b>TOTAL CURRENT ASSETS</b>	<u>221,092</u>
<b>NON-CURRENT ASSETS</b>	
Capital Assets (Net of Accumulated Depreciation)	315,145
<b>TOTAL NON-CURRENT ASSETS</b>	<u>315,145</u>
<b>TOTAL ASSETS</b>	<u>536,237</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts Payable	735
Accrued Wage/Payroll Taxes Payable	9,265
Accrued Pilot	6,709
Accrued Compensated Absences	1,240
Tenants' Security Deposits	4,048
Prepaid Rents	477
Bank Overdraft	4,670
<b>TOTAL CURRENT LIABILITIES</b>	<u>27,144</u>
<b>NON-CURRENT LIABILITIES</b>	
Accrued Compensated Absences	5,289
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>5,289</u>
<b>TOTAL LIABILITIES</b>	<u>32,433</u>
<b>NET ASSETS</b>	
Net Investment in Capital Assets	315,145
Unrestricted	188,659
<b>TOTAL NET POSITION</b>	<u>\$ 503,804</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Jena  
Jena, Louisiana  
Statement of Revenues, Expenses, & Changes in Net Position  
Year Ended June 30, 2019**

	<b>ENTERPRISE FUND</b>
<b>OPERATING REVENUES</b>	
Tenant Rental Revenue	\$ 72,132
HUD PHA Operating Grant	145,052
<b>TOTAL OPERATING REVENUES</b>	<b>217,184</b>
 <b>OPERATING EXPENSES</b>	
<i>Administration:</i>	
Administrative Salaries	49,520
EBC Administrative	26,779
Other Operating - Administrative	22,626
<i>Cost of Sales &amp; Service:</i>	
Water	124
Electricity	4,594
Sewer	329
Ordinary Maintenance – Labor	35,890
Materials	23,138
Contract Cost	11,785
EBC Maintenance	13,900
Insurance	15,995
Payment in Lieu of Taxes	6,709
Bad Debt	13,958
Compensated Absences	5,104
Other General Expense	12,435
<i>Depreciation</i>	36,725
<b>TOTAL OPERATING EXPENSES</b>	<b>279,611</b>
 <b>OPERATING INCOME (LOSS)</b>	<b>(62,427)</b>
 <b>NON-OPERATING REVENUES (EXPENSES)</b>	
Interest Earnings	3,027
Other Revenue	2,251
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>5,278</b>
 Capital Contributions	<b>-0-</b>
 <b>CHANGE IN NET POSITION</b>	<b>(57,149)</b>
 <b>TOTAL NET POSITION - BEGINNING</b>	<b>560,953</b>
<b>TOTAL NET POSITION - ENDING</b>	<b>\$ 503,804</b>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Jena  
Jena, Louisiana  
Statement of Cash Flows  
Year Ended June 30, 2019**

	<b>ENTERPRISE FUND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers & Users	\$ 23,298
Receipts from HUD	145,052
Payments to Suppliers	(145,296)
Payments to Employees	(77,652)
Payments for PILOT	473
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(54,125)</u>
 <b>CASH FLOWS FROM NON-CAPITAL ACTIVITIES</b>	
Other Revenue	<u>2,251</u>
<b>NET CASH PROVIDED (USED) BY NON-CAPITAL ACTIVITIES</b>	<u>2,251</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Capital Grants	-0-
Acquisition & Construction of Capital Assets	<u>(2,366)</u>
<b>NET CASH PROVIDED (USED) BY CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	<u>(2,366)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investments	34,262
Interest & Dividends Received	<u>3,021</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>37,283</u>
 <b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(16,957)
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>21,005</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>4,048</u>
 <b>RECONCILIATION TO BALANCE SHEET</b>	
Cash and Cash Equivalents	-0-
Tenants' Security Deposits	<u>4,048</u>
<b>TOTAL CASH &amp; CASH EQUIVALENTS</b>	<u>\$ 4,048</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Jena  
Jena, Louisiana  
Statement of Cash Flows  
Reconciliation  
For The Year Ended June 30, 2019**

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

Operating Income (Loss)	\$ <u>(62,427)</u>
Depreciation Expense	36,725
(Increase) Decrease in Receivables	(53,797)
(Increase) Decrease in Inventories	-0-
(Increase) Decrease in Prepaid Items	12,315
Increase (Decrease) in Accrued PILOT	473
Increase (Decrease) in Compensated Absences	3,572
Increase (Decrease) in Accrued Wage/Payroll Taxes Payable	4,186
Increase (Decrease) in Prepaid Rents	(62)
Increase (Decrease) in Accounts Payable	(135)
Increase (Decrease) in Tenant Security Deposits	355
Increase (Decrease) in Bank Overdraft	<u>4,670</u>
<b>TOTAL ADJUSTMENTS</b>	<u>8,302</u>
 <b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	 <u><u>(54,125)</u></u>

**LISTING OF NONCASH INVESTING, CAPITAL, & FINANCIAL ACTIVITIES**

Contributions of Capital Assets from Government	\$ <u><u>-0-</u></u>
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The accompanying notes are an integral part of this statement.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**INTRODUCTION**

The Housing Authority of Jena is a 50 unit apartment complex for persons of low income located in Jena, Louisiana. The Authority is chartered as a public corporation for the purpose of administering decent, safe, and sanitary dwelling for persons of low-income.

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

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

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Housing Authority is legally separated and fiscally independent, the Housing Authority is a separate governmental reporting entity. The Housing Authority includes all funds, account groups, activities, etc., that are within the oversight responsibility of the Housing Authority.

The Housing Authority is a related organization of the Town of Jena because the Town of Jena appoints a voting majority of the Housing Authority's governing board. The Town of Jena is not financially responsible for the Housing Authority, as it cannot impose its will on the Housing Authority and there is no possibility for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Jena. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Jena.

**BASIS OF PRESENTATION**

As required by Louisiana State Reporting Law (LSA-R.S. 24:514) and HUD regulations, financial statements are presented in accordance with accounting principles generally accepted in the United States of America.

The accounts of the PHA are accounted for under the proprietary fund. Accordingly, the accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applied to governmental units.



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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)  
JUNE 30, 2019**

**Proprietary Fund Type** – Proprietary fund is accounted for on the flow of economic resources measurements focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The PHA applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. The PHA’s funds include the following type:

**Enterprise Fund** – Enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

**1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIC FINANCIAL STATEMENTS**

The basic financial statements (i.e., the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position) report information on all of the activities of the authority.

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION**

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

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

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

When both restricted and unrestricted resources are available for use, it is the Housing Authority’s policy to use restricted resources first, then unrestricted resources as they are needed.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)  
JUNE 30, 2019**

**C. EQUITY CLASSIFICATIONS**

In the government-wide financial statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. The decision is typically made by management at the incurrence of the expense.

**D. DEPOSITS & INVESTMENTS**

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

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

***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)  
JUNE 30, 2019**

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

**E. RECEIVABLES & PAYABLES**

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

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

**F. INVENTORIES & PREPAID ITEMS**

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

**G. CAPITAL ASSETS**

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

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

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

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

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20 years
Buildings	20 years
Building improvements	10 years
Furniture and fixtures	5 years
Vehicles	5 years
Equipment	5 years

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)  
JUNE 30, 2019**

**H. LONG-TERM OBLIGATIONS**

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

**I. EXTRAORDINARY & SPECIAL ITEMS**

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

**J. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

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

At June 30, 2019, the housing authority has cash and investments (bank balances) totaling \$159,911 as follows:

Demand deposits	\$	6,535
Time deposits		153,376
<b>Total</b>	<b>\$</b>	<b><u>159,911</u></b>

These deposits are stated at cost, which approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

***Deposits***

It is the housing authority's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The housing authority's deposits are categorized to give an indication of the level of risk assumed by the housing authority at year end. The categories are described as follows:

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)  
JUNE 30, 2019**

- *Category 1* – Insured or collateralized with securities held by the housing authority or by its agent in the housing authority’s name.
- *Category 2* – Collateralized with securities held by the pledging financial institution’s trust department or agent in the housing authority’s name.
- *Category 3* – Uncollateralized.

Amounts on deposit are secured by the following pledges:

<b>Description</b>	<b>Market Value</b>
FDIC (Category 1)	\$ 159,911
Securities (Category 2)	-0-
<b>Total</b>	\$ 159,911

Deposits were fully secured as of June 30, 2019.

**3. ACCOUNTS RECEIVABLE**

The authority had receivables as of June 30, 2019 as follows:

Accounts Receivable HUD	\$ 53,662
Tenant Rents Receivable	29,650
Accrued Interest Receivable	613
Allowance for Doubtful Accounts	(17,526)
<b>Total</b>	\$ 66,399

**4. CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2019, was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Land *	\$ 26,000	\$ -0-	\$ -0-	\$ 26,000
Buildings & Leasehold Improvements	2,691,297	2,365	-0-	2,693,662
Furniture & Equipment, Etc.	21,097	-0-	-0-	21,097
<b>Total</b>	2,738,394	2,365	-0-	2,740,759
Less Accumulated Depreciation	(2,388,889)	(36,725)	-0-	(2,425,614)
<b>Net Capital Assets</b>	\$ 349,505	\$ (34,360)	\$ -0-	\$ 315,145

\* Land in the amount of \$26,000 is not being depreciated.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)  
JUNE 30, 2019**

**5. ACCOUNTS, SALARIES & OTHER PAYABLES**

The payables of \$17,949 at June 30, 2019, are as follows:

Accounts Payable (Vendors)	\$	735
Accrued Wage/Payroll Taxes Payable		9,265
Accrued Compensated Absences (Current Portion)		1,240
Accrued Pilot		6,709
<b>Total</b>	<b>\$</b>	<b><u>17,949</u></b>

**6. CHANGES IN COMPENSATED ABSENCES PAYABLES**

The following is a summary of changes in compensated absences payable at June 30, 2019:

	<u>Current</u>	<u>Noncurrent</u>	<u>Total</u>
Beginning of year	\$ 5,079	\$ 1,519	\$ 6,598
Additions/Retirements	<u>(3,839)</u>	<u>3,770</u>	<u>(69)</u>
End of year	<u>\$ 1,240</u>	<u>\$ 5,289</u>	<u>\$ 6,529</u>

**7. RETIREMENT SYSTEMS**

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

The housing authority's total payroll for the fiscal year ending June 30, 2019, was \$85,410. The housing authority's contributions were calculated using the base salary amount of \$85,410. Contributions to the plan were \$6,833 and \$-0- by the employees and the housing authority, respectively.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)  
JUNE 30, 2019**

**8. CONTINGENT LIABILITIES**

At June 30, 2019, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

**9. ECONOMIC DEPENDENCY**

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$145,052 to the housing authority, which represents approximately 65.2% of the housing authority's revenues for the year.

**Other Supplemental Statements  
& Schedules**



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

**Schedule of Compensation Benefits and Other Payments  
to Agency Head or Chief Executive Officer  
For the Year Ended June 30, 2019**

Casey Hall, Executive Director

Purpose	Amount
Salary	\$ 45,760
Benefits-Insurance	17,133
Benefits-Retirement	3,675
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

\*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

**Housing Authority of the Town of Jena  
Jena, Louisiana  
Schedule of Compensation Paid to Board Members  
Year Ended June 30, 2019**

<u>Board Member</u>	<u>Title</u>	<u>Salary</u>
Mickey Cockerham	Chairman	-0-
Jenny Parker	Commissioner	-0-
Anthony Jackson	Commissioner	-0-
Khristi Sanders	Commissioner	-0-

**Housing Authority of the Town of Jena  
Jena, Louisiana  
Statement and Certification of Actual Modernization Cost  
Annual Contribution Contract**

		<b>In-Complete Project CFP 2015-501</b>		<b>In-Complete Project CFP 2016-501</b>		<b>In-Complete Project CFP 2017-501</b>		<b>In-Complete Project CFP 2018-501</b>	<b>Total</b>
The Actual Modernization Costs Are As Follows:									
1. Funds Approved	\$	57,188	\$	59,936	\$	63,901	\$	99,126	\$ 280,151
Funds Expended		(52,976)		(25,326)		-0-		-0-	(78,302)
Excess of Funds Approved		<u>4,212</u>		<u>34,610</u>		<u>63,901</u>		<u>99,126</u>	<u>201,849</u>
2. Funds Advanced		52,976		25,326		-0-		-0-	78,302
Funds Expended		(52,976)		(25,326)		-0-		-0-	(78,302)
Excess of Funds Advanced	\$	<u>-0-</u>	\$	<u>-0-</u>	\$	<u>-0-</u>	\$	<u>-0-</u>	\$ <u>-0-</u>

The accompanying notes are an integral part of this statement.



**Other Reports**

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### **INDEPENDENT AUDITOR'S 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***

Housing Authority of the Town of Jena  
Jena, Louisiana

We have audited, in accordance with the 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 the business-type activities of the Housing Authority of the Town of Jena, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Jena's basic financial statements, and have issued our report thereon dated August 7, 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 Jena's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the Town of Jena's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Jena's internal control.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

*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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be material weaknesses (**2019-1 Accounts Receivable (Tenant’s Rent) and 2019-6 Timely Deposits of Tenant’s Rent Payments**).

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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies (**2019-3 Small Size of Entity and 2019-5 Bank Overdrafts**).

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Jena’s financial statements are free from 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 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 tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items: **2019-2 Payroll Tax Reporting and 2019-4 Annual Filing of Financial Statements**,

## **The Housing Authority of the Town of Jena’s Response to Findings**

The Housing Authority of the Town of Jena’s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Housing Authority of the Town of Jena’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **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.

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

*The Vercher Group*

August 7, 2020  
Jena, Louisiana



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

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
For the Year Ended June 30, 2019**

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**Section II Financial Statement Findings**

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**2019-1 Accounts Receivable (Tenant's Rent) (Internal Control)**

**Condition:** The Housing Authority had accounts receivable (tenant's rent) of \$4,852 in 2017, \$15,877 in 2018, and \$29,650 in 2019.

**Criteria:** Continued increase in accounts receivable (tenant's rent) will result in loss of revenue and potential financial hardship.

**Cause of Condition:** Not following the accounts receivable policy, including reviewing, and collecting outstanding tenant revenue.

**Potential Effect of Condition:** Financial hardship on the Housing Authority.

**Recommendation:** The Housing Authority should review accounts receivable (tenant's rent) on a monthly basis and review all policies regarding collections going forward.

**Client Response and Corrective Action:** The Housing Authority will review its policies regarding this matter and make efforts to collect rent timely in order to reduce accounts receivable (tenant's rent).

**2019-2 Payroll Tax Reporting (Compliance)**

**Condition:** During the fiscal year, the Housing Authority failed to file quarterly forms 941 in a timely manner. Additionally, the payroll taxes due were not paid by the applicable due date. This finding also applies to the failure to file the required State forms L-1.

**Criteria:** Federal and state payroll laws require all payroll paid to employees be reported on the appropriate reporting form. Civil statutes required that all taxes withheld or due from employees' payroll be paid timely.

**Cause of Condition:** Change in administration and improper oversight of payroll reporting responsibilities.

**Potential Effect of Condition:** Late payment of payroll taxes and possible related penalties.

**Recommendation:** The PHA should have its fee accountant prepare payroll reporting forms at the end of each quarter to ensure that the forms are correct and all taxes due are paid timely.

**Client Response and Corrective Action:** The Executive Director has contacted the fee accountant and arranged to have all the quarterly payroll reports prepared. Additionally, the fee accountant agreed to prepare all late payroll forms to be filed as soon as possible.



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

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
For the Year Ended June 30, 2019**

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**Section II Financial Statement Findings (Continued)**

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**2019-3 Small Size of Entity (Internal Control)**

**Condition:** Because of the small size of the entity and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the entity's cash.

**Criteria:** Important elements of good internal controls often require that the same employee does not handle the functions of accounting, collections, billing, receiving, and check writing.

**Cause of Condition:** Small size of entity and lack of employees.

**Potential Effect of Condition:** Significant deficiency in internal controls.

**Recommendation:** We recommend that management continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

**Client Response and Corrective Action:** Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

**2019-4 Annual Filing of Financial Statements (Compliance)**

**Condition:** The Housing Authority did not timely file their financial statements with the Legislative Auditor.

**Criteria:** LSA-RS 24:514, LSA-RS 33:463, and/or LSA-RS 39:92, as applicable require that governmental units file their financial statements annually with the Legislative Auditor's Office within six months of the Housing Authority's year end closing.

**Cause of Condition:** Not having the financial statements completed on time.

**Potential Effect of Condition:** Compliance finding and a freeze on grant funding.

**Recommendation:** The Housing Authority should have their audit completed in time to file with the Legislative Auditor's Office within six months of the Housing Authority's year end closing.

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

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
For the Year Ended June 30, 2019**

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**Section II Financial Statement Findings (Continued)**

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**Client Response and Corrective Action:** The Housing Authority will have their audit completed in time to file with the Legislative Auditor's Office within six months of the Housing Authority's year end closing.

**2019-5 Bank Overdrafts (Internal Control)**

**Condition:** The Housing Authority had a negative bank balance of \$4,670 as of June 30, 2019.

**Criteria:** Bank overdrafts result in additional bank fees charged to the Housing Authority.

**Cause of Condition:** Not making deposits timely and drawing down and depositing HUD operating subsidy.

**Potential Effect of Condition:** Additional bank fees charged to the Housing Authority with each overdraft.

**Recommendation:** We recommend the Housing Authority start making deposits timely and draw down operating subsidy in a timely manner.

**Client Response and Corrective Action:** The Housing Authority will start making deposits timely and draw down operating subsidy in a timely manner.

**2019-6 Timely Deposits of Tenant's Rent Payments (Internal Control)**

**Condition:** During examination, it was noted that tenant rent payments were not deposited in a timely manner. Examination found that no tenant rent deposits were made in the months September, October, December, January, February, May and July.

**Criteria:** Not making deposits in a timely manner increased the chances for posting errors, banking errors, or other significant internal control deficiencies.

**Cause of Condition:** Not following the tenant rent deposit policy and making deposits in a timely manner.

**Potential Effect of Condition:** Posting errors, banking errors, or other significant internal control deficiencies.

**Recommendation:** The Housing Authority should make tenant rent deposits on a weekly basis or on a more frequent basis.

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

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
For the Year Ended June 30, 2019**

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**Section II Financial Statement Findings (Continued)**

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**Client Response and Corrective Action:** The Housing Authority will review its tenant rent deposit policy and make efforts to increase the tenant rent deposit frequency.

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**Section III Federal Awards Findings and Questioned Costs**

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Not applicable.

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## **MANAGEMENT LETTER COMMENTS**

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

### **CURRENT YEAR MANAGEMENT LETTER COMMENTS**

No items to report.

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

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**MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS**

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

The management of the Housing Authority of the Town of Jena, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2018.

**PRIOR YEAR FINDINGS:**

**2018-1 Accounts Receivable (Tenant's Rent) (Unresolved)**

**Condition:** The Housing Authority had accounts receivable (tenant's rent) of \$4,852 in 2017 and \$15,877 in 2018.

**Criteria:** Continued increase in accounts receivable (tenant's rent) will result in loss of revenue and potential financial hardship.

**Cause of Condition:** Not following the accounts receivable policy, including reviewing, and collecting outstanding tenant revenue.

**Potential Effect of Condition:** Financial hardship on the Housing Authority.

**Recommendation:** The Housing Authority should review accounts receivable (tenant's rent) on a monthly basis and review all policies regarding collections going forward.

**Client Response and Corrective Action:** The Housing Authority will review its policies regarding this matter and make efforts to collect rent timely in order to reduce accounts receivable (tenant's rent).

**2018-2 Annual Filing of Financial Statements (Unresolved)**

**Condition:** The Housing Authority did not file their financial statements with the Legislative Auditor on a timely basis.

**Criteria:** LSA-RA 24:514, LSA-RA 33:463, and/ or LSA-RS 39-92, as applicable, require that governmental units file their financial statements annually with the Legislative Auditor's Office within six months of the entity's year end.

**Cause of Condition:** Not having the financial statements completed in time.

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

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**MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS**

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**PRIOR YEAR FINDINGS (Continued):**

**Effect of Condition:** Compliance finding and a freeze on grant funding.

**Recommendation:** The Housing Authority should have their audit completed in time to file with the Legislative Auditor's Office within six months of the Housing Authority's year end closing.

**Client Response and Corrective Action:** The Housing Authority will have their audit completed in time to file with the Legislative Auditor's Office within six months of the Housing Authority's year end closing.



**Financial Data Schedule**

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

	Project Total	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$0	\$0	\$0	\$0
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$0	\$0	\$0
114 Cash - Tenant Security Deposits	\$4,048	\$4,048	\$0	\$4,048
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0
100 Total Cash	\$4,048	\$4,048	\$0	\$4,048
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$53,662	\$53,662	\$0	\$53,662
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$29,650	\$29,650	\$0	\$29,650
126.1 Allowance for Doubtful Accounts - Tenants	-\$17,526	-\$17,526	\$0	-\$17,526
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0
129 Accrued Interest Receivable	\$613	\$613	\$0	\$613
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$66,399	\$66,399	\$0	\$66,399



Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

131 Investments - Unrestricted	\$149,327	\$149,327	\$0	\$149,327
132 Investments - Restricted	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$544	\$544	\$0	\$544
143 Inventories	\$860	\$860	\$0	\$860

	Project Total	Subtotal	ELIM	Total
143.1 Allowance for Obsolete Inventories	-\$86	-\$86	\$0	-\$86
144 Inter Program Due From	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0
150 Total Current Assets	\$221,092	\$221,092	\$0	\$221,092
161 Land	\$26,000	\$26,000	\$0	\$26,000
162 Buildings	\$2,693,662	\$2,693,662	\$0	\$2,693,662
163 Furniture, Equipment & Machinery - Dwellings	\$11,798	\$11,798	\$0	\$11,798
164 Furniture, Equipment & Machinery - Administration	\$9,299	\$9,299	\$0	\$9,299
165 Leasehold Improvements	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$2,425,614	-\$2,425,614	\$0	-\$2,425,614
167 Construction in Progress	\$0	\$0	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0

**Housing Authority of Jena (LA142)**  
**Jena, LA**  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

160 Total Capital Assets, Net of Accumulated Depreciation	\$315,145	\$315,145	\$0	\$315,145
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$315,145	\$315,145	\$0	\$315,145
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$536,237	\$536,237	\$0	\$536,237

	Project Total	Subtotal	ELIM	Total
311 Bank Overdraft	\$4,670	\$4,670	\$0	\$4,670
312 Accounts Payable <= 90 Days	\$735	\$735	\$0	\$735
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$9,265	\$9,265	\$0	\$9,265
322 Accrued Compensated Absences - Current Portion	\$1,240	\$1,240	\$0	\$1,240
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

325 Accrued Interest Payable	\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$6,709	\$6,709	\$0	\$6,709
341 Tenant Security Deposits	\$4,048	\$4,048	\$0	\$4,048
342 Unearned Revenue	\$477	\$477	\$0	\$477
343 Current Portion of Long-term Debt - Capital	\$0	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0	\$0	\$0
346 Accrued Liabilities - Other	\$0	\$0	\$0	\$0
347 Inter Program - Due To	\$0	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$27,144	\$27,144	\$0	\$27,144
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$0	\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$5,289	\$5,289	\$0	\$5,289
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

	Project Total	Subtotal	ELIM	Total
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$5,289	\$5,289	\$0	\$5,289
300 Total Liabilities	\$32,433	\$32,433	\$0	\$32,433
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets	\$315,145	\$315,145		\$315,145
511.4 Restricted Net Position				
512.4 Unrestricted Net Position	\$188,659	\$188,659		\$188,659
513 Total Equity - Net Assets / Position	\$503,804	\$503,804	\$0	\$503,804
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$536,237	\$536,237	\$0	\$536,237

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

	Project Total	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$72,132	\$72,132	\$0	\$72,132
70400 Tenant Revenue - Other	\$0	\$0	\$0	\$0
70500 Total Tenant Revenue	\$72,132	\$72,132	\$0	\$72,132
70600 HUD PHA Operating Grants	\$145,052	\$145,052	\$0	\$145,052
70610 Capital Grants	\$0	\$0	\$0	\$0
70710 Management Fee		\$0	\$0	\$0
70720 Asset Management Fee		\$0	\$0	\$0
70730 Book Keeping Fee		\$0	\$0	\$0
70740 Front Line Service Fee		\$0	\$0	\$0
70750 Other Fees		\$0	\$0	\$0
70700 Total Fee Revenue		\$0	\$0	\$0
70800 Other Government Grants	\$0	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$3,027	\$3,027	\$0	\$3,027
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$0

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

71500 Other Revenue	\$2,251	\$2,251	\$0	\$2,251
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0
70000 Total Revenue	\$222,462	\$222,462	\$0	\$222,462
91100 Administrative Salaries	\$49,520	\$49,520	\$0	\$49,520

	Project Total	Subtotal	ELIM	Total
91200 Auditing Fees	\$6,700	\$6,700	\$0	\$6,700
91300 Management Fee	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$26,779	\$26,779	\$0	\$26,779
91600 Office Expenses	\$8,938	\$8,938	\$0	\$8,938
91700 Legal Expense	\$0	\$0	\$0	\$0
91800 Travel	\$494	\$494	\$0	\$494
91810 Allocated Overhead	\$0	\$0	\$0	\$0
91900 Other	\$6,494	\$6,494	\$0	\$6,494
91000 Total Operating - Administrative	\$98,925	\$98,925	\$0	\$98,925
92000 Asset Management Fee	\$0	\$0	\$0	\$0

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

92100 Tenant Services - Salaries	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$0	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0	\$0	\$0
93100 Water	\$124	\$124	\$0	\$124
93200 Electricity	\$4,594	\$4,594	\$0	\$4,594
93300 Gas	\$0	\$0	\$0	\$0
93400 Fuel	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0
93600 Sewer	\$329	\$329	\$0	\$329
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0

	Project Total	Subtotal	ELIM	Total
93800 Other Utilities Expense	\$0	\$0	\$0	\$0
93000 Total Utilities	\$5,047	\$5,047	\$0	\$5,047
94100 Ordinary Maintenance and Operations - Labor	\$35,890	\$35,890	\$0	\$35,890
94200 Ordinary Maintenance and Operations - Materials and	\$23,138	\$23,138	\$0	\$23,138
94300 Ordinary Maintenance and Operations Contracts	\$11,785	\$11,785	\$0	\$11,785

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

94500 Employee Benefit Contributions - Ordinary Maintenance	\$13,900	\$13,900	\$0	\$13,900
94000 Total Maintenance	\$84,713	\$84,713	\$0	\$84,713
95100 Protective Services - Labor	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$10,814	\$10,814	\$0	\$10,814
96120 Liability Insurance	\$1,562	\$1,562	\$0	\$1,562
96130 Workmen's Compensation	\$895	\$895	\$0	\$895
96140 All Other Insurance	\$2,724	\$2,724	\$0	\$2,724
96100 Total insurance Premiums	\$15,995	\$15,995	\$0	\$15,995
96200 Other General Expenses	\$12,435	\$12,435	\$0	\$12,435
96210 Compensated Absences	\$5,104	\$5,104	\$0	\$5,104
96300 Payments in Lieu of Taxes	\$6,709	\$6,709	\$0	\$6,709
96400 Bad debt - Tenant Rents	\$13,958	\$13,958	\$0	\$13,958
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0



Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

	Project Total	Subtotal	ELIM	Total
96600 Bad debt - Other	\$0	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$38,206	\$38,206	\$0	\$38,206
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$242,886	\$242,886	\$0	\$242,886
97000 Excess of Operating Revenue over Operating Expenses	-\$20,424	-\$20,424	\$0	-\$20,424
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0	\$0
97400 Depreciation Expense	\$36,725	\$36,725	\$0	\$36,725
97500 Fraud Losses	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds				

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0
90000 Total Expenses	\$279,611	\$279,611	\$0	\$279,611
10010 Operating Transfer In	\$2,895	\$2,895	-\$2,895	\$0
10020 Operating transfer Out	-\$2,895	-\$2,895	\$2,895	\$0

	Project Total	Subtotal	ELIM	Total
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$57,149	-\$57,149		-\$57,149

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

11020 Required Annual Debt Principal Payments	\$0	\$0		\$0
11030 Beginning Equity	\$560,953	\$560,953	\$0	\$560,953
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0	\$0
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				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				

	Project Total	Subtotal	ELIM	Total
11190 Unit Months Available	600	600	0	600
11210 Number of Unit Months Leased	596	596	0	596
11270 Excess Cash	\$173,389	\$173,389		\$173,389
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$2,366	\$2,366		\$2,366
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0

Housing Authority of Jena (LA142)  
 Jena, LA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2019

11640 Furniture & Equipment - Administrative Purchases	\$0	\$0		\$0
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