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Housing Authority of the Town of Jonesboro Jonesboro, Louisiana

Financial Statements and Supplemental Financial Information
Year Ended September 30, 1999
with
Reports of Certified Public Accountants
on Financial and Compliance Examination

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAY 10 2000

VanRheenen & Miller, Ltd.
Certified Public Accountants
1309 East Race Avenue
Searcy, Arkansas 72143

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Financial Section

Independent Auditors' Report

Board of Commissioners
Housing Authority of the Town of Jonesboro
839 Harvey Place
Jonesboro, LA 71268-2907

We have audited the accompanying general purpose financial statements of Housing Authority of the Town of Jonesboro as of September 30, 1999, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the authority's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

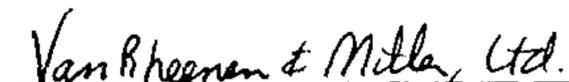
In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Housing Authority of the Town of Jonesboro as of September 30, 1999, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 6, in 1999 the (Housing Authority of the Town of Jonesboro) changed its method of presentation of its financial statements from a governmental funds presentation to an enterprise presentation.

In accordance with Government Auditing Standards, we have also issued our report dated April 19, 2000 on our consideration of Housing Authority of the Town of Jonesboro's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as supplemental financial information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Housing Authority of the Town of Jonesboro. Such supplemental financial information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

April 19, 2000


VanRheenen & Miller, Ltd.
Certified Public Accountant

General Purpose Financial Statements

Housing Authority of the Town of Jonesboro
Balance Sheet - Enterprise Fund
September 30, 1999

Assets

Current Assets		\$ 45,473
Cash		299,724
Investments		120
Other receivables		17,198
Prepaid expenses		<u>362,515</u>
Total current assets		
 Property and Equipment, at cost:		
Land and improvements		680,738
Buildings		2,757,107
Furniture & equipment - dwellings		159,340
Furniture & equipment - administration		<u>95,063</u>
Total property and equipment		3,692,248
Less accumulated depreciation		<u>(2,095,363)</u>
Net property and equipment		<u>1,596,885</u>
 Total Assets		 <u>\$ 1,959,400</u>

Liabilities and Fund Equity

Current Liabilities Payable from Current Assets		\$ 6,910
Accounts payable		14,720
Security deposits		16,296
Accrued compensated absences		756
Deferred revenue		19,812
Due to other governments		<u>58,494</u>
Total current liabilities payable from current assets		
 Fund Equity		
Contributed capital		1,584,008
Retained earnings:		
Unreserved		<u>316,898</u>
Total fund equity		<u>1,900,906</u>
 Total Liabilities and Fund Equity		 <u>\$ 1,959,400</u>

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

Housing Authority of the Town of Jonesboro
Statement of Revenues, Expenses and Changes in Retained Earnings - Enterprise Fund
Year Ended September 30, 1999

Operating Revenues	
Dwelling rentals	\$ 207,369
Other tenant revenue	27,653
Operating subsidy	218,708
Miscellaneous income	373
Total operating revenue	<u>454,103</u>
Operating Expenses	
Administrative	118,316
Utilities	9,317
Maintenance costs	176,167
Protective services	14,334
General expenses	58,843
Extraordinary maintenance	36,820
Depreciation and amortization	<u>80,933</u>
Total other operating expense	<u>494,730</u>
Operating Income (Loss)	(40,627)
Non-Operating Revenues (Expenses)	
Interest income	<u>16,951</u>
Interest expense	-
Loss on disposition of equipment	-
Total non-operating revenue (expenses)	<u>16,951</u>
Net income (loss) before cumulative effect of change in accounting principle	(23,676)
Cumulative effect of change in accounting principle (Note 6)	<u>(31,560)</u>
Net Income (Loss)	(55,236)
Depreciation transferred to contributed capital	<u>80,933</u>
Increase in retained earnings	25,697
Retained Earnings, at Beginning of Year	<u>291,201</u>
Retained Earnings, at End of Year	<u>\$ 316,898</u>

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

Housing Authority of the Town of Jonesboro
Statement of Cash Flows - Enterprise Fund
Year Ended September 30, 1999

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operations	
Receipts from tenants	\$ 234,928
Receipts from governmental subsidies	218,708
Payments to suppliers	(200,807)
Payments for employee services	(215,089)
Net cash provided by operating activities	<u>37,740</u>
 Cash Flows Used by Capital and Related Financing Activities	
Additions to property, plant, and equipment	<u>(22,820)</u>
 Cash Flows from Investing Activities	
Purchase of investments	(12,273)
Investment income	16,951
Net cash flows provided by investing activities	<u>4,678</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	19,598
 Cash and Cash Equivalents at Beginning of Year	<u>25,875</u>
 Cash and Cash Equivalents at End of Year	<u>\$ 45,473</u>
 Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities	
Operating income (loss)	<u>\$ (40,627)</u>
 Adjustments Not Affecting Cash	
Depreciation and amortization	80,933
Change in Assets and Liabilities	
(Increase) Decrease in prepaid expenses	225
Increase (Decrease) in accounts payable	2,340
Increase (Decrease) in compensated absences	(5,321)
Increase (Decrease) in security deposits	(160)
Increase (Decrease) in due to other payables	350
Total adjustments	<u>78,367</u>
 Net Cash Provided by (Used In) Operating Activities	<u>\$ 37,740</u>

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

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

**Notes to the Financial Statements
September 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction.

The financial statements of the Housing Authority of the Town of Jonesboro have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary activities apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low income housing programs in the United States. Accordingly, HUD has contracted with the entity to administer certain HUD funds.

The following is a summary of significant accounting policies:

A. Reporting Entity.

The entity is a public corporation, legally separate, fiscally independent and governed by Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the financial position and results of operations of Housing Authority of the Town of Jonesboro, a primary government. There are no component units to be included herewith, but this report does include all funds, account groups, and programs which are controlled by the entity's governing body.

B. Basis of Presentation.

Funds and Account Groups. The accounts of the entity are organized on the basis of funds or account groups, each of which is considered to be a separate accounting unit. The operations of each fund are reported as a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Resources are allocated to and for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various accounts are grouped, in the financial statements in this report, into the following categories:

Proprietary Fund Type

Enterprise Fund - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs and expenses (including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges; or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Basis of Accounting.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

The Housing Authority of the Town of Jonesboro does not utilize encumbrance accounting.

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

**Notes to the Financial Statements
September 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budget.

Enterprise Fund service delivery levels are determined by the extent of consumer demand. Because Enterprise Fund revenues and expenses fluctuate with changing service delivery levels, generally accepted accounting principles do not require the financial statements to include budgetary comparisons and, accordingly, these comparisons have not been included.

E. Assets, Liabilities and Equity.

1. Cash and Cash Equivalents. The Housing Authority of the Town of Jonesboro defines cash to include certificates of deposit, money market funds, savings accounts, demand deposits, and other short-term securities with maturities of three months or less, consequently, the cost, carrying value, and market value are equivalent. Restricted cash is excluded from cash and cash equivalents.
2. Investments. The authority defines investments to include certificates of deposit with maturities of greater than three months, consequently, the cost, carrying value, and market value are equivalent.
3. Accounts Receivable. Accounts receivable consists of amounts due from tenants for rental, excess utilities and repair charges. There were no amounts due from tenants at September 30, 1999.
4. Fixed Assets. Property and equipment purchased or acquired is carried at historical cost in enterprise funds. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 Years
Furniture and equipment - dwelling	7 Years
Furniture and equipment - administrative	5-10 Years
Buildings - refurbishing and improvements	10 Years

5. Security Deposit. Security deposits consists of amounts held in trust with the Housing Authority of the Town of Jonesboro in order for tenants to secure apartment leases.
6. Accrued Compensated Absences. Accrued compensated absences consists of estimated amounts of future benefits for services rendered.
7. Contributed Capital. An allocable portion of the annual depreciation is charged against contributed capital from grants received to finance construction of the utility system (as per NCGA Statement #2). Consequently, over the useful life of the system, equity initially arising from grants is effectively reclassified prorata-annually into equity arising from retained earnings.

F. Revenues, Expenditures, and Expenses

1. Revenues. All authority revenues are accrued. These revenues consist of user charges for rents, utilities, repairs and other miscellaneous charges. Monies received from customers for security deposits are recorded as a liability upon receipt.
2. Grant Revenue. Grant revenues are recorded when (1) the earnings process is complete or (2) an exchange has taken place and (3) no qualifying restrictions are imposed by the grant.

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

**Notes to the Financial Statements
September 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Operating Subsidies. Operating subsidies are accrued. The subsidies are calculated by use of current charges to users.
4. Expenditures. Expenditures are recognized when the liability is incurred.
5. Depreciation. Depreciation expense of \$80,933 has been recognized during the year ended September 30, 1999.
6. Compensated Absences. The authority accrues accumulated unpaid vacation and sick leave when earned by the employee.
7. Income taxes. The authority is not subject to federal or state income taxes.
8. Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles as applied to governmental units require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Deposits

It is the entity's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at September 30, 1999. The categories are described as follows:

- Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 - Uncollateralized. (This includes bank balances that are collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name.)

Cash Deposits, categorized by level of risk, are:

Total Bank Balances	Category		
	1	2	3
\$ 61,478	\$ 61,478	\$ 0	\$ 0

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

**Notes to the Financial Statements
September 30, 1999**

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

B. Investments

Investing is performed in accordance with HUD regulations and State Statues. Funds may be invested in the following type of investments:

1. Direct obligations of the United States pledged by its full faith and credit
2. Obligations of Federal government agencies and government sponsored agencies
3. Demand, savings, money-market, certificates of deposit, and Super NOW deposits at commercial banks, mutual savings banks, savings and loan associations and credit unions provided that the entire deposit be insured by the FDIC or the National Credit Union Share Insurance Fund (NCUSIF) and any deposits in excess of insured amounts are adequately collateralized.
4. Certain municipal depository funds and local government investment pools provided that all investments made by these funds or pools are on the HUD-approved list of investment securities. The entity must limit its investments in this category to no more than 30 percent of the entity's available investment funds.
5. Repurchase agreements for a term of 30 days or less entered into with Federally insured depository institutions for purchase and sale of securities identified in 1 and 2 above.
6. Certain no-load, open-end mutual funds investing in only HUD-approved investment securities. The entity must limit its investment in this category to no more than 20 percent of the entity's available investment funds.

The entity's investments are categorized to give an indication of the level of risk assumed by the entity at September 30, 1999. The categories are:

- Category 1 - Insured or registered, with securities held by the entity or its agent in the entity's name
- Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the entity's name
- Category 3 - Uninsured and Unregistered, with securities held by the counterparty, or its trust department or agent but not in the entity's name

Investments, categorized by level of risk, are:

Types of Investments	Category			Fair Value/ Carrying Value	Cost
	1	2	3		
Deposits at federally insured depositories	\$ 225,974	\$ 0	\$ 0	\$ 225,974	\$ 225,974
U.S. government securities	71,343	0	0	71,343	71,000
Mutual funds	2,407	0	0	2,407	2,407
Total investments	\$ 299,724	\$ 0	\$ 0	\$ 299,724	\$ 299,381

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

**Notes to the Financial Statements
September 30, 1999**

NOTE 3 - PROPERTY AND EQUIPMENT

Changes in property and equipment are as follows:

	<u>Beg. of Period</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Period</u>
Land, land impvts.	\$ 680,738	\$ 0	\$ 0	\$ 680,738
Building	2,757,107	0	0	2,757,107
Equipment	240,553	24,305	(10,455)	254,403
Total	3,678,398	24,305	(10,455)	3,692,248
Accumulated depreciation	(2,014,430)	(80,933)	0	(2,095,363)
Net	\$ 1,663,968	\$ (56,628)	\$ (10,455)	\$ 1,596,885

All land and buildings are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the federal government and to protect other interests of the federal government.

NOTE 4 - CONDUIT DEBT OBLIGATIONS

To provide for the development and modernization of low rent housing units, the authority issued New Housing Authority Bonds and Permanent Notes - F.F.B. These bonds and notes are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the authority and accordingly have not been reported in the accompanying financial statements.

As of September 30, 1999, there were two series of New Housing Authority Bonds outstanding. The aggregate principal amount payable for the Bond series was \$572,362. As of September 30, 1999, Permanent Notes - F.F.B. outstanding totaled \$572,247.

NOTE 5 - RETIREMENT PLAN

The entity provides pension benefits for all of its full-time employees through the Housing Authority of the Town of Jonesboro Profit Sharing Plan (the "Plan"). The Plan is a single-employer defined contribution plan and is administered by the Housing Authority of the Town of Jonesboro. The Plan was established January 1, 1995 and is authorized and may be amended by the entity's Board of Commissioners.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate after a one year exclusionary period. The employee contributes 5% and the entity contributes 7% of the employee's base salary each month. The entity's contributions for each employee (and interest allocated to the employee's account) are vested 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

The entity's total payroll in fiscal year ended September 30, 1999 was \$179,784. The entity's contributions were calculated using the base salary amount of \$126,120. Contributions to the plan were \$6,306 and \$8,828 by the employee and the entity, respectively.

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

**Notes to the Financial Statements
September 30, 1999**

NOTE 6 - CHANGE IN PRESENTATION OF FINANCIAL STATEMENTS

The authority has changed the presentation of its financial statements from a "governmental fund type" presentation to an "enterprise fund" presentation. Management has determined that the "enterprise fund" presentation more clearly represents the operating characteristics of the authority. The U.S. Department of Housing and Urban Development (HUD) has published regulations requiring presentation of the authority financial statements in conformity with generally accepted accounting principles. HUD further expounded on these regulations by indicating that their preferred method of reporting would be the enterprise fund accounting. With all the facts considered above, the authority has determined that the change in presentation is justifiable.

The difference between the "governmental fund type" and enterprise fund accounting would include the following:

1. Enterprise fund accounting utilizes a classified balance sheet.
2. Enterprise fund accounting presentation includes a statement of cash flows.
3. Governmental fund accounting presentation includes a budget versus actual comparison.
4. Enterprise fund accounting utilizes full accrual accounting versus the previous use of the modified accrual accounting under governmental fund accounting.
5. Enterprise fund accounting requires that all depreciable property must be depreciated. Under the authority previous governmental fund accounting, no depreciation was recorded.

As a result of the change in presentation, the authority has included the cumulative effect of the change in presentation as a separate caption in the Statement of Revenues, Expense and changes in Retained Earnings - Enterprise Fund before net income (loss).

NOTE 7 - COMMITMENTS

Commitments arise primarily from construction in progress. Commitments at September 30, 1999 are composed of the following:

	<u>Project Authorization</u>	<u>Expended to September 30, 1999</u>	<u>Commitment</u>
CIAP 901-99	\$ 354,671	\$ 0	\$ 354,671

All project funds are provided by grant from HUD, therefore no additional funding is required to satisfy outstanding commitments at September 30, 1999.

NOTE 8 - CONTINGENCIES

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

Supplemental Financial Information

Housing Authority of the Town of Jonesboro
Financial Data Schedule
Balance Sheet
September 30, 1999

Line Item #	Account Description	Low Rent 14.850
ASSETS:		
CURRENT ASSETS:		
Cash:		
111	Cash - unrestricted	45,473
112	Cash - restricted - modernization and development	
113	Cash - other restricted	
0	Cash - tenant security deposits	
0	Total cash	45,473
Accounts and notes receivables:		
121	Accounts receivable - PHA projects	
122	Accounts receivable - HUD other projects	
0	Accounts receivable - other government	
125	Accounts receivable - miscellaneous	120
126	Accounts receivable- tenants - dwelling rents	
126.1	Allowance for doubtful accounts - dwelling rents	
126.2	Allowance for doubtful accounts - other	
127	Notes and 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	120
Current investments		
131	Investments - unrestricted	299,724
132	Investments - restricted	
142	Prepaid expenses and other assets	17,198
143	Inventories	
143.1	Allowance for obsolete inventories	
144	Interprogram - due from	
146	Amounts to be provided	
150	TOTAL CURRENT ASSETS	362,515
NONCURRENT ASSETS:		
Fixed assets:		
161	Land	680,738
162	Buildings	2,757,107
163	Furniture, equipment & machinery - dwellings	159,340
164	Furniture, equipment & machinery - administration	95,063
165	Leasehold improvements	
166	Accumulated depreciation	(2,095,363)
	Total fixed assets, net of accumulated depreciation	1,596,885

Housing Authority of the Town of Jonesboro
Financial Data Schedule
Balance Sheet
September 30, 1999

Line Item #	Account Description	Low Rent 14,850
	Other non-current assets:	
171	Notes and mortgages receivable - non-current	
172	Notes and mortgages receivable-non-current - past due	
174	Other assets	
175	Undistributed debits	
176	Investment in joint ventures	
180	TOTAL NONCURRENT ASSETS	1,596,885
190	TOTAL ASSETS	1,959,400
	LIABILITIES AND EQUITY:	
	Liabilities:	
	Current Liabilities:	
311	Bank overdraft	
312	Accounts payable < 90 days	6,910
313	Accounts payable > 90 days past due	
321	Accrued wage/payroll taxes payable	
322	Accrued compensated absences	16,296
324	Accrued contingency liability	
325	Accrued interest payable	
331	Accounts Payable - HUD PHA Programs	
332	Accounts Payable - PHA projects	
333	Accounts payable - other government	19,812
341	Tenant security deposits	14,720
342	Deferred revenue	756
343	Current portion of L-T debt - capital projects	
344	Current portion of L-T debt - operating borrowings	
345	Other current liabilities	
346	Accrued liabilities - other	
347	Interprogram - due to	
310	TOTAL CURRENT LIABILITIES	58,494
	NONCURRENT LIABILITIES:	
351	Long-term debt, net of current - capital projects	
352	Long-term debt, net of current - operating borrowings	
353	Non-current liabilities- other	
350	TOTAL NONCURRENT LIABILITIES	-
300	TOTAL LIABILITIES	58,494

Housing Authority of the Town of Jonesboro
Financial Data Schedule
Balance Sheet
September 30, 1999

Line Item #	Account Description	Low Rent 14,850
	EQUITY:	
501	Investment in general fixed assets	
	Contributed Capital:	
502	Project notes (HUD)	
503	Long-term debt - HUD guaranteed	
504	Net HUD PHA contributions	1,584,008
505	Other HUD contributions	
507	Other contributions	
508	Total contributed capital	1,584,008
	Reserved fund balance:	
509	Reserved for operating activities	
510	Reserved for capital activities	
511	Total reserved fund balance	-
512	Undesignated fund balance/retained earnings	316,898
513	TOTAL EQUITY	1,900,906
600	TOTAL LIABILITIES AND EQUITY	1,959,400
	Proof of concept	-

Housing Authority of the Town of Jonesboro
Financial Data Schedule
Income Statement
Year Ended September 30, 1999

Line Item #	Account Description	Low Rent 14.850
REVENUE:		
703	Net tenant rental revenue	207,369
704	Tenant revenue - other	27,653
705	Total tenant revenue	235,022
706	HUD PHA grants	218,708
708	Other government grants	
711	Investment income - unrestricted	16,951
712	Mortgage interest income	
714	Fraud recovery	
715	Other revenue	373
716	Gain or loss on sale of fixed assets	
720	Investment income - restricted	
0		
700	TOTAL REVENUE	471,054
EXPENSES:		
Administrative		
911	Administrative salaries	78,175
912	Auditing fees	1,895
913	Outside management fees	
914	Compensated absences	0
915	Employee benefit contributions- administrative	19,261
916	Other operating- administrative	18,985
Tenant services		
921	Tenant services - salaries	
922	Relocation costs	
923	Employee benefit contributions- tenant services	
924	Tenant services - other	
Utilities		
931	Water	694
932	Electricity	6,114
933	Gas	1,696
934	Fuel	
935	Labor	
937	Employee benefit contributions- utilities	
938	Other utilities expense	813
Ordinary maintenance & operation		
941	Ordinary maintenance and operations - labor	96,529
942	Ordinary maintenance and operations - materials & other	47,759
943	Ordinary maintenance and operations - contract costs	10,756
945	Employee benefit contributions- ordinary maintenance	21,123

Housing Authority of the Town of Jonesboro
Financial Data Schedule
Income Statement
Year Ended September 30, 1999

Line Item #	Account Description	Low Rent 14,850
	Protective services	
951	Protective services - labor	
952	Protective services- other contract costs	14,334
953	Protective services - other	
955	Employee benefit contributions- protective services	
	General expenses	
961	Insurance premiums	39,031
962	Other general expenses	
963	Payments in lieu of taxes	19,812
964	Bad debt - tenant rents	
965	Bad debt- mortgages	
966	Bad debt - other	
967	Interest expense	
968	Severance expense	
969	TOTAL OPERATING EXPENSES	376,977
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	94,077
971	Extraordinary maintenance	36,820
972	Casualty losses - non capitalized	
973	Housing assistance payments	
974	Depreciation expense	80,933
975	Fraud losses	
976	Capital outlays- governmental funds	
977	Debt principal payment- governmental funds	
978	Dwelling units rent expense	
900	TOTAL EXPENSES	494,730
	OTHER FINANCING SOURCES (USES)	
1001	Operating transfers in	
1002	Operating transfers out	
1003	Operating transfers from/to primary government	
1004	Operating transfers from/to component unit	
1005	Proceeds from notes, loans and bonds	
1006	Proceeds from property sales	
1010	TOTAL OTHER FINANCING SOURCES (USES)	0
1000	EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES	-23,676

Housing Authority of the Town of Jonesboro
Financial Data Schedule
Income Statement
Year Ended September 30, 1999

Line Item #	Account Description	Low Rent 14,850
MEMO ACCOUNT INFORMATION:		
1101	Capital contributions	
1102	Debt principal payments - enterprise funds	0
1103	Beginning equity	2,829,881
1104	Prior period adjustments and equity transfers	-905,299
1105	Changes in compensated absence liability (in the GLTDAG)	
1106	Changes in contingent liability balance (in the GLTDAG)	
1107	Changes in unrecognized pension transition liability in the GLTDAG)	
1108	Changes in special term/severance benefits liability (in the GLTDAG)	
1109	Changes in allowance for doubtful accounts - dwelling rents	0
1110	Changes in allowance for doubtful accounts - other	
1112	Depreciation "add back"	80,933
1113	Maximum annual contributions commitment (per ACC)	
1114	Prorata maximum annual contributions applicable to a period of less than twelve months	
1115	Contingency reserve, ACC program reserve	
1116	Total annual contributions available	
1120	Unit months available	2,304
1121	Number of unit months leased	2,301
	Equity Roll Forward Test	
	Calculation from R/E Statement	1,900,906
	B/S Line 513	1,900,906
		0

**Housing Authority of the Town of Jonesboro
Schedule of Expenditures of Governmental Awards
Year Ended September 30, 1999**

<u>Federal Grantor/Program Title</u>	<u>Grant ID Number</u>	<u>Current Year Program or Award Amount</u>	<u>Balance Beginning of Year - Cash/ Receivable/ (Payable)</u>	<u>Grant Receipts or Revenue Recognized</u>	<u>Grant Disbursements/ Expenditures</u>	<u>Balance End of Year Cash/ Receivable (Payable)</u>
<i>U.S. Department of Housing and Urban Development</i>						
<i>Direct Programs:</i>						
Low - Income Housing						
Operating Subsidies	FW-1213	\$ 218,708	\$ -	\$ 218,708	\$ 218,708	\$ -
CIAP	901-99	<u>354,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total HUD and Grand Total		<u>\$ 354,671</u>	<u>\$ -</u>	<u>\$ 218,708</u>	<u>\$ 218,708</u>	<u>\$ -</u>

See Note 1 to Financial Statements for a discussion of accounting principles applied to this statement.

See Notes to Financial Statements.

Non-Financial Section

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

Board of Commissioners
Housing Authority of the Town of Jonesboro
839 Harvey Place
Jonesboro, LA 71268-2907

We have audited the general purpose financial statements of Housing Authority of the Town of Jonesboro as of and for the year ended September 30, 1999, and have issued our report thereon dated April 19, 2000. Our report on the general purpose financial statements included an explanatory paragraph which described a change in presentation of the financial statements, disclosed in Note 5 to the financial statements, from a "governmental funds" presentation to an "enterprise fund" presentation. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Housing Authority of the Town of Jonesboro's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as items 99-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Housing Authority of the Town of Jonesboro's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Housing Authority of the Town of Jonesboro's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 99-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 99-1 to be a material weakness.

This report is intended for the information of the Board of Commissioners, management and the State of Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these restricted parties.



VanRheenen & Miller, Ltd.
Certified Public Accountants

April 19, 2000

Housing Authority of the Town of Jonesboro
Jonesboro, Louisiana

Findings - Financial Statements Audit
September 30, 1999

FINDINGS - FINANCIAL STATEMENTS AUDIT

99-1 Late Submission of Audit Report

Criteria: Louisiana Revised Statutes (LSA-RS) 24:513 requires governmental audits to be submitted to the Legislative Auditor within six months after the fiscal year end.

Condition: The audit report was not submitted by March 31, 2000 in accordance with state law.

Effect: The Authority may be found in non-compliance with LSA-RS 24:513 and be subject to certain fines and other corrective action.

Recommendation: The Authority should submit its audit report within the statutory defined time frame.

Response: We have submitted the required report. The delay was caused by an ice storm. Our auditors were on-site when the storm arrived. The auditor was forced to leave and was not able to return before the deadline. We will insure that all future required reports will be submitted to the Legislative Auditor within the required time frame.