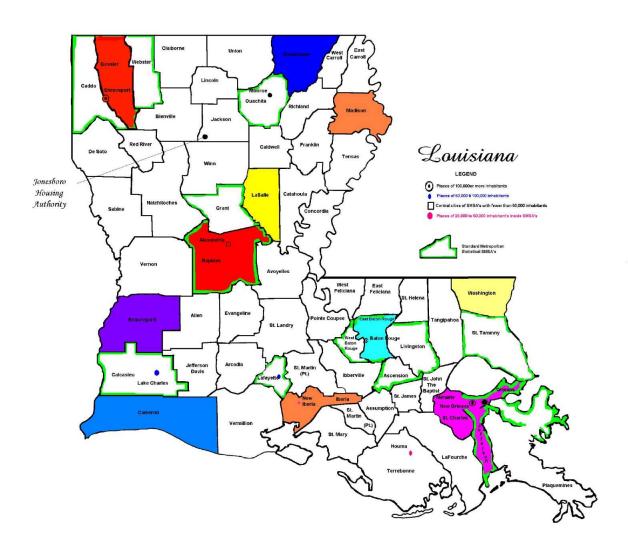
# HOUSING AUTHORITY OF THE TOWN OF JONESBORO, LOUISIANA

**Basic Financial Statements & Independent Auditor's Reports** 

September 30, 2017

# HOUSING AUTHORITY OF THE TOWN OF JONESBORO JONESBORO, LOUISIANA



• 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 entity is a public corporation, legally separate, fiscally independent and governed by Board of Commissioners.

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

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### INDEPENDENT AUDITOR'S REPORT

Housing Authority of the Town of Jonesboro, 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 Jonesboro, as of and for the year ended September 30, 2017, 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 Jonesboro, as of September 30, 2017, 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 Jonesboro'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 February 9, 2018, on our consideration of the Housing Authority of the Town of Jonesboro'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 Jonesboro's internal control over financial reporting and compliance.

The Vercher Group

February 9, 2018 Jena, Louisiana

### REQUIRED SUPPLEMENTAL INFORMATION

# MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

September 30, 2017

### Management's Discussion and Analysis (MD&A) September 30, 2017

As management of the Housing Authority of The Town of Jonesboro, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which are attached.

### **Financial Highlights**

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$2,833,939 (net position).
- As of the close of the current fiscal year, the Authority's ending unrestricted net position was \$804,978.
- The Authority's cash balance at September 30, 2017, was \$244,982, while investments totaled \$600,000.
- The Authority had total revenue of \$1,015,174 in which \$925,285 was operating revenue, \$9,435 was non-operating revenue, and \$80,454 was capital contributions.
- The Authority had total expenses of \$1,223,856 in which \$264,178 was for depreciation, which is a non-cash transaction.
- The Authority had a total change in net position of \$(208,682).

#### **Overview of the Financial Statements**

The discussion and analysis is intended to serve as an introduction to 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. This report also contains the Schedule of Expenditures of Federal Awards as supplementary information in addition to the basic financial statements themselves.

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 unused for activities which are financed 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 the Capital Fund Programs. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula. The purpose of this program is to provide funding for low rent housing programs to allow them to make purchases and capital improvements for the current dwelling structures and assist in their operations.

### Management's Discussion and Analysis (MD&A) September 30, 2017

The Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements.

The table below lists the asset and liability comparisons for the year ended September 30, 2017.

Statement	of Not	Dogition
Statement	or riet	E OSILION

Category		2016	2017	% Change
Current Assets	\$	945,870	\$ 889,785	-5.9
Current Restricted Assets		15,040	16,070	6.8
Capital Assets-Net of Depreciation	_	2,145,144	 2,028,961	-5.4
Total Assets	-	3,106,054	 2,934,816	-5.5
Current Liabilities		38,339	43,166	12.6
Liabilities Payable from Restricted Assets		15,040	16,070	6.8
Non-Current Liabilities		10,054	26,601	174.8
Total Liabilities	-	63,433	85,837	35.3
Net Investment in Capital Assets		2,145,144	2,028,961	-4.4
Unrestricted Net Position		897,477	804,978	-10.3
Total Net Position	\$	3,042,621	\$ 2,833,939	-6.9

- Current assets decreased by \$56,085 or 5.9% from last year. The primary reason for this decrease is due to a decrease in cash in the amount of \$74,241.
- Capital assets, net of accumulated depreciation, decreased by \$116,183 or 5.4%. This decrease was caused by a decrease in depreciable assets.
- Current liabilities increased by \$4,827 or 12.6%; liabilities payable from restricted assets increased by \$1,030 or 6.8%.

### Management's Discussion and Analysis (MD&A) September 30, 2017

The table below lists the revenue and expense comparisons for the year ended September 30, 2017.

Operating Revenues		2016		2017	% Change
Rental Revenue	\$	392,481	\$	400,612	2.1
Other Tenant Revenue		10,399		25,070	141.1
HUD Operating Grants		504,981		499,603	-1.1
Total Operating Revenues	_	907,861	_	925,285	1.9
Operating Expenses					
Administration:					
Administrative Salaries		184,289		216,127	17.3
EBC-Administrative		58,312		64,926	11.3
Other Operating - Administrative		56,781		62,494	10.1
Cost of Sales & Service:		,		,	
Tenant Services – Other		287		2,053	615.3
Water		1,425		1,446	1.5
Electricity		13,039		14,491	11.1
Gas		3,576		4,232	18.3
Other Utilities		-0-		803	100.0
O/M – Labor		161,527		181,963	12.7
O/M – Materials & Other		84,921		92,516	8.9
O/M – Contracts		44,479		71,641	61.1
EBC Maintenance		63,405		63,262	-0.2
Insurance		83,605		96,392	15.3
PILOT		37,444		37,964	1.4
Compensated Absences		26,733		30,224	13.1
Bad Debt Tenant's Rent		6,735		16,845	150.1
Other General Expenses		-0-		2,299	100.0
Depreciation 1		304,263		264,178	-13.2
Total Operating Expenses		1,130,821	_	1,223,856	8.2
Operating Income (Loss)		(222,960)		(298,571)	-33.9
			_		
Nonoperating Revenues (Expenses)					
Interest Income		3,650		4,442	21.7
Other Revenue		11,187		4,993	-55.4
Total Nonoperating Revenues (Expenses)		14,837	-	9,435	-36.4
Capital Contributions		186,984		80,454	-57.0
Change in Net Position		(21,139)		(208,682)	887.2
Total Net Position - Beginning		3,063,760		3,042,621_	-0.7
Total Net Position - Ending	\$	3,042,621	\$_	2,833,939	<b>-</b> 6.9

- Total operating revenues increased by \$17,424 or 1.9%. The reason for this increase is due to an increase in rental and other tenant revenue in the amount of \$22,802.
- Operating expenses increased by \$93,035 or 8.2%.
- Non-operating revenues decreased by \$5,402 or 36.4%. The reason for this decrease is due to a decrease in other revenue in the amount of \$6,194.

### Management's Discussion and Analysis (MD&A) September 30, 2017

### **Capital Assets**

As of September 30, 2017, the Authority's investment in capital assets was \$2,028,961 (net of accumulated depreciation). This investment included land, building, building improvements, dwelling equipment, and maintenance equipment.

#### Capital Assets at Year-End

	_	2016	2017
Land *	\$	680,738 \$	680,738
Buildings & Improvements		6,844,672	6,976,838
Furniture & Equipment		282,281	298,111
Accumulated Depreciation		(5,662,547)	(5,926,726)
Total	\$	2,145,144 \$	2,028,961

<sup>\*</sup> Land in the amount of \$680,738 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 2018 year. Therefore, any results of budget shortfalls cannot be determined.

The Authority is under a contract through its Capital Fund Program to continue with the work as stated above and incorporate any new work items into its operation.

### **Contacting the Authority's Financial 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 Jonesboro 839 Harvey Place Jonesboro, LA 71251 **Basic Financial Statements** 

### Housing Authority of the Town of Jonesboro, Louisiana Statement of Net Position September 30, 2017

CURRENT ASSETS		
Cash	\$	228,912
Investments		600,000
Receivables (Net of Allowance)		4,433
Prepaid Insurance		38,762
Inventories		2,638
Restricted:		
Cash – Tenant's Security Deposits		16,070
TOTAL CURRENT ASSETS	_	890,815
Non-Current Assets		
Capital Assets (Net of Accumulated Depreciation)		2,028,961
TOTAL NON-CURRENT ASSETS		2,028,961
TOTAL ASSETS	_	2,919,776
CURRENT LIABILITIES		
Accounts Payable		13,220
Accounts Payable Other Government		1,448
Accrued Wages/Payroll Taxes Payable		13,528
Accrued Compensated Absences		11,684
Other Accrued Liabilities		2,345
Unearned Revenue		941
TOTAL CURRENT LIABILITIES	_	43,166
LIABILITIES PAYABLE FROM RESTRICTED ASSETS		
Tenant Security Deposits	_	16,070
TOTAL LIABILITIES PAYABLE FROM RESTRICTED ASSETS	_	16,070
Non-Current Liabilities		
Accrued Compensated Absences		26,601
TOTAL NON-CURRENT LIABILITIES	_	26,601
TOTAL LIABILITIES	_	85,837
NET POSITION		
Net Investment in Capital Assets		2,028,961
Unrestricted		804,978
TOTAL NET POSITION	\$_	2,833,939

The accompanying notes are an integral part of this statement.

### Housing Authority of the Town of Jonesboro, Louisiana Statement of Revenues, Expenses & Changes in Net Position Year Ended September 30, 2017

OPERATING REVENUES		
Rental Revenue	\$	400,612
Other Tenant Revenue		25,070
HUD Operating Grants		499,603
TOTAL OPERATING REVENUES		925,285
OPERATING EXPENSES		
Administration:		
Administrative Salaries		216,127
EBC-Administrative		64,926
Other Operating - Administrative		62,494
Cost of Sales & Service:		
Tenant Services – Other		2,053
Water		1,446
Electricity		14,491
Gas		4,232
Other Utilities		803
O/M – Labor		181,963
O/M – Materials & Other		92,516
O/M – Contracts		71,641
EBC Maintenance		63,262
Insurance		96,392
PILOT		37,964
Compensated Absences		30,224
Bad Debt Tenant's Rent		16,845
Protective Services		2,272
Other General Expenses		27
<i>Depreciation</i>		264,178
TOTAL OPERATING EXPENSES	•	1,223,856
		· · ·
OPERATING INCOME (LOSS)		(298,571)
NONOPERATING REVENUES (EXPENSES)		
Interest Income		4,442
Other Revenue		4,993
TOTAL NONOPERATING REVENUES (EXPENSES)		9,435
Capital Contributions		80,454
CHANGE IN NET POSITION		(208,682)
TOTAL NET POSITION - BEGINNING		3,042,621
TOTAL NET POSITION - ENDING	\$	2,833,939

The accompanying notes are an integral part of this statement.

### Housing Authority of the Town of Jonesboro, Louisiana Statement of Cash Flows Year Ended September 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From Tenants	\$	425,309
Cash Received From Government Operating Subsidy		499,603
Cash Payments to Suppliers for Goods & Services		(557,206)
Cash Payments to Employees for Services		(383,841)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		(16,135)
CASH FLOWS FROM NONCAPITAL ACTIVITIES		
Other Revenue		4,993
NET CASH PROVIDED (USED) BY NONCAPITAL ACTIVITIES		4,993
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES		
Subsidy From Capital Grants		80,454
Acquisition of Capital Assets		(147,996)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	_	(67,542)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Provided by Interest From Investments		4,442
Increase in Investments		-0-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		4,442
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS		(74,242)
Cash, Beginning of Year		319,224
Cash, End of Year		244,982
RECONCILIATION TO BALANCE SHEET		
Cash and Cash Equivalents		228,912
Tenants' Security Deposits		16,070
TOTAL CASH & CASH EQUIVALENTS	\$ _	244,982

The accompanying notes are an integral part of this statement.

### Housing Authority of the Town of Jonesboro, Louisiana Statement of Cash Flows Year Ended September 30, 2017

### Reconciliation

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

Operating Income (Loss)	<sup>\$</sup> —	(298,571)
Depreciation Expense		264,178
(Increase) Decrease in Accounts Receivable		(1,403)
(Increase) Decrease in Prepaid Insurance		(105)
(Increase) Decrease in Inventories		(2,638)
Increase (Decrease) in Accounts Payable		7,125
Increase (Decrease) in Wages/Payroll Taxes Payable		840
Increase (Decrease) in Compensated Absences		13,409
Increase (Decrease) in Tenant Security Deposits		1,030
TOTAL ADJUSTMENTS		282,436
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ <u></u>	(16,135)
LISTING OF NONCASH INVESTING, CAPITAL, & FINANCIAL ACTIVITIES Contributions of Capital Assets From Government	\$	-0-

# NOTES TO THE BASIC FINANCIAL STATEMENTS

### NOTES TO THE BASIC FINANCIAL STATEMENTS SEPTEMBER 30, 2017

#### INTRODUCTION

The Housing Authority of the Town of Jonesboro is an apartment complex for persons of low income located in Jonesboro, 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 Jonesboro, 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 Jonesboro, Louisiana. Each member serves a four-year term. 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 Jonesboro because the Town of Jonesboro appoints a voting majority of the Housing Authority's governing board. The Town of Jonesboro 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 Jonesboro. According, the Housing Authority is not a component unit of the financial reporting entity of the Town of Jonesboro.

#### 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.

### NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED) SEPTEMBER 30, 2017

### 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.

The accompanying financial statements include the activities of several housing programs subsidized by HUD. A summary of each significant program is provided below.

- Low Income Housing Program The purpose of the low income housing program is to provide decent and affordable housing to low income families at reduced rents. The developments are owned, maintained and managed by the Authority. The developments are acquired, developed and modernized under HUD's capital funds programs. Funding of the program operations is provided via federal annual contribution contracts (operating subsidies) and tenant rents (determined as a percentage of family income, adjusted for family composition).
- Capital Fund Program The objective of these programs is to improve the physical condition of the Low-Income Public Housing units and upgrade the management of the program.

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 revenues and operating grants. 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 nonoperating 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.

### NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED) SEPTEMBER 30, 2017

#### C. DEPOSITS & INVESTMENTS

The 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 Authority's investment policy allow the Housing Authority to invest in collateralized certificates 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 Authority are reported at fair value.

#### D. RECEIVABLES & PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are 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 financial statements, are offset by a restriction on net assets. All trade and other receivables are shown net of an allowance for uncollectables.

#### E. 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 both basic and fund financial statements.

#### F. CAPITAL ASSETS

Capital assets, which include land, buildings, improvements, and equipment, are reported in columns in the basic financial statements. Capital assets are capitalized at historical cost. The PHA 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 is included as part of the capitalized value of the assets constructed.

### NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED) SEPTEMBER 30, 2017

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

Buildings	20 Years
Building Improvements	10 Years
Nondwelling Structures	10 Years
Vehicles	5 Years

#### G. COMPENSATED ABSENCES

The Authority follows the civil service guidelines for vacation and sick leave. Employee's time is accumulated in accordance to hours worked per month. At year-end, time not used is accumulated.

At September 30, 2017, employees of the PHA had accumulated and vested \$38,285 of employee leave benefits, computed in accordance with GASB Codification Section C60. The balance of accrued compensated absences at September 30, 2017, was \$11,684 recorded as current obligation and \$26,601 recorded as non-current obligation.

#### H. 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:

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

<u>Restricted Net Position</u> - 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.

<u>Unrestricted Net Position</u> - 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. This decision is typically made by management at the incurrence of the expense.

#### 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.

### NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED) SEPTEMBER 30, 2017

#### 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 September 30, 2017, the Housing Authority had cash and investments (bank balances) totaling \$894,634 as follows:

Description		Jackson	,	Jonesboro		Sabine				
		Parish		State		Hodge		State		
	_	Bank		Bank	_	Bank	_	Bank		<u>Total</u>
Demand Deposits	\$	294,634	\$	-0-	\$	-0-	\$	-0-	\$	294,634
Time Deposits	_	300,000	_	100,000		100,000		100,000		600,000
<b>Total Securities</b>	\$	594,634	\$_	100,000	\$_	100,000	\$_	100,000	\$_	894,634

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.

#### 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.

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.

### NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED) SEPTEMBER 30, 2017

### 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:

- 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:

Description		Jackson		Jonesboro		Sabine		
•		Parish		State	Hodge	State		
		Bank		Bank	Bank	Bank		Total
FDIC (Category 1)	\$	250,000	\$	100,000	\$ 100,000	\$ 100,000	\$	550,000
Securities (Category 2)	_	482,988	_	-0-	-0-	 -0-	_	482,998
<b>Total Securities</b>	\$_	732,988	\$	100,000	\$ 100,000	\$ 100,000	\$	1,032,988

All deposits were fully secured as of September 30, 2017.

#### 3. <u>CAPITAL ASSETS</u>

Capital assets activity for the year ended September 30, 2017, was as follows:

	Beginning						Ending
_	Balance	_	Additions	_	Deletions	_	Balance
\$	680,738	\$	-0-	\$	-0-	\$	680,738
	6,844,672		132,166		-0-		6,976,838
_	282,281		15,830		-0-		298,111
	7,807,691		147,996		-0-		7,955,687
	(5,662,547)		(264,178)		-0-		(5,926,726)
\$_	2,145,144	\$	116,183)	\$	-0-	\$	2,028,961
9		Balance  680,738 6,844,672 282,281 7,807,691 (5,662,547)	Balance  680,738 \$ 6,844,672 282,281 7,807,691 (5,662,547)	Balance     Additions       680,738     \$ -0-       6,844,672     132,166       282,281     15,830       7,807,691     147,996       (5,662,547)     (264,178)	Balance     Additions       680,738     \$ -0-       6,844,672     132,166       282,281     15,830       7,807,691     147,996       (5,662,547)     (264,178)	Balance         Additions         Deletions           680,738         \$ -0-         \$ -0-           6,844,672         132,166         -0-           282,281         15,830         -0-           7,807,691         147,996         -0-           (5,662,547)         (264,178)         -0-	Balance         Additions         Deletions           680,738         \$ -0-         \$ -0-         \$           6,844,672         132,166         -0-         -0-         -0-           282,281         15,830         -0-         -0-         -0-           7,807,691         147,996         -0-         -0-         -0-           (5,662,547)         (264,178)         -0-         -0-

<sup>\*</sup> Land in the amount of \$680,738 is not being depreciated.

### NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED) SEPTEMBER 30, 2017

#### 4. CHANGES IN COMPENSATED ABSENCES PAYABLES

The following is a summary of changes in compensated absences payable at September 30, 2017:

	Current	Noncurrent	<b>Total</b>
Beginning of year	\$ 14,822	\$ 10,054	\$ 24,876
Additions/(Retirements)	(3,139)	16,547	13,408
End of year	\$ 11,683	\$ 26,601	\$ 38,284

### 5. **BOARD OF COMMISSIONERS**

Name	Title
Bill Strawbridge	Chairman
Kenisha Raybon	Commissioner
Bob Traina	Commissioner
Carolyn Gray	Co-Chair
Veronica Chatman	Resident Commissioner

The board members of the Housing Authority received no compensation for their services.

#### 6. 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 \$580,057 to the Housing Authority, which represents approximately 57.1% of the Housing Authority's revenues for the year.

#### 7. CONTINGENT LIABILITIES & SUBSEQUENT EVENTS

At September 30, 2017, 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.

### NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED) SEPTEMBER 30, 2017

#### 8. PENSION PLAN

The Housing Authority contributes to the Argent Financial Group, which is a defined contribution pension plan.

A defined contribution plan provides pension benefits in return for services rendered, provided an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contributions pension plan, the benefits a participant will receive depends solely on the amount contributed to the participant's account. As established by the PHA's personnel policy, all full time employees of the PHA must participate in the pension plan beginning twelve months from the date they are hired. Contributions made by the employee vest immediately and contributions made by the Housing Authority vest after five years of full time employment. An employee who waives the employment of the PHA is entitled to his or her contributions and the PHA's contributions to the extent vested and the earnings on these amounts. Each employee may contribute any percentage of his or her base annual salary to the pension plan. The PHA is required to contribute an amount equal to 8% of the employee's base salary.

The Housing Authority's total covered payroll for the year ended September 30, 2017, was \$398,090.

The Housing Authority's contribution for the year ended September 30, 2017, was \$31,847, and the employees' contribution for the year was \$-0-.

**Supplementary Information** 

### Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer For the Year Ended September 30, 2017

Jonesboro Housing Authority Jeanette Glover, Executive Director

Purpose	A	mount
Salary	\$	79,414
Benefits-Insurance		8,108
Benefits-Retirement		3,245
Benefits (List any other here)		516
Car Allowance		-0-
Vehicle Provided by Government		-0-
Per Diem		-0-
Reimbursements		-0-
Travel		4,380
Registration Fees		-0-
Conference Travel		-0-
Continuing Professional Education Fees		-0-
Housing		-0-
Un-vouchered Expenses*		-0-
Special Meals	\$	-0-

See independent auditor's report.

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

### Statement & Certification of Actual Modernization Cost Annual Contribution Contract September 30, 2017

1.	The Actual Modernization	-	Complete CFP Project 2015-501	Incomplete CFP Project 2016-501	Incomplete CFP Project 2017-501	Total
	Costs are as follows:					
	Funds Approved Total	\$	199,997	\$ 203,843	\$ 219,724	\$ 825,823
	Funds Expended Y-T-D	•	(199,997)	(65,902)	-0-	(468,158)
	Excess of Funds Approved		-0-	137,941	219,724	357,665
2.	Funds Advanced Y-T-D		199,997	65,902	-0-	468,158
	Funds Expended Y-T-D	-	(199,997)	(65,902)	-0-	(468,158)
	Excess of Funds Advanced	\$	-0-	\$ -0-	\$ -0-	\$ -0-

### **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 Jonesboro, 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 Jonesboro, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Jonesboro's basic financial statements, and have issued our report thereon dated February 9, 2018.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Jonesboro'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 Jonesboro's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Jonesboro's internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Jonesboro'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

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

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
February 9, 2018
Jena, Louisiana

### HOUSING AUTHORITY OF THE TOWN OF JONESBORO, LOUISIANA

### SCHEDULE OF FINDINGS AND QUESTIONED COST For the Year Ended September 30, 2017

We have audited the basic financial statements of the Housing Authority of the Town of Jonesboro, as of and for the year ended September 30, 2017, and have issued our report thereon dated February 9, 2018. 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.

Se	ection I Summary of Auditor's Results
Οι	ar audit of the financial statements as of September 30, 2017, resulted in an unmodified opinion.
a.	Report on Internal Control and Compliance Material to the Financial Statements
	Internal Control  Material Weaknesses
	Compliance Compliance Material to Financial Statements
b.	Federal Awards (Not Applicable)
	Internal Control  Material Weaknesses
	Type of Opinion on Compliance Unmodified Modified For Major Programs Disclaimer Adverse
	Are the findings required to be reported in accordance with Uniform Guidance?
	☐ Yes ☐ No
c.	Identification of Major Programs:
Cl	FDA Number (s) Name of Federal Program (or Cluster)
Do	ollar threshold used to distinguish between Type A and Type B Programs: \$750,000
Is	the auditee a 'low-risk' auditee, as defined by OMB Uniform Guidance?

## HOUSING AUTHORITY OF THE TOWN OF JONESBORO, LOUISIANA

### SCHEDULE OF FINDINGS AND QUESTIONED COST For the Year Ended September 30, 2017

Section II - Financial Statement Findings  No items to report.
No items to report.
•
Section III – Federal Awards Findings and Questioned Costs.
Not applicable.

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American Institute of Certified Public Accountants

Society of Louisiana Certified Public Accountants

### MANAGEMENT LETTER COMMENTS

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**

There are no current year management letter comments.

### HOUSING AUTHORITY OF THE TOWN OF JONESBORO, LOUISIANA

# MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

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

The management of the Housing Authority of the Town of Jonesboro 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 September 30, 2016.

### PRIOR YEAR FINDINGS

No items to report.

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#### AGREED-UPON PROCEDURES REPORT

Housing Authority of the Town of Jonesboro, Louisiana
Independent Accountant's Report
On Applying Agreed-Upon Procedures
For the Period of July 1, 2016- September 30, 2017

Housing Authority of the Town of Jonesboro, Louisiana

To the Housing Authority of the Town of Jonesboro and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Jonesboro Housing Authority and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2016 through September 30, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- 1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) Budgeting, including preparing, adopting, monitoring, and amending the budget
  - b) *Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) Disbursements, including processing, reviewing, and approving
  - d) Receipts, including receiving, recording, and preparing deposits
  - e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
  - f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
  - g) Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
  - h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
  - i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
  - j) *Debt Service*, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Observation: We obtained a copy of the written policies and procedures manual and read it for the above items. The document addressed all of the above items except debt service.

**Exception:** The document did not address debt service.

Management's Response: The document did not address debt service because the Entity has no debt. The document will be updated to include debt service.

#### Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
  - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
  - ➤ If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

#### **Observation:**

- A) We read the minutes of the board meeting and found the board meets monthly.
- B) Budget-to-actual comparisons are not presented at each meeting.
- C) Minutes included non-budgetary financial information such as contract approvals and disbursement approvals.

Exception: Budget-to-actual comparisons are not documented in the minutes.

Management's Response: Budget-to-actual comparisons are reviewed at each meeting by the board and it will be documented in the minutes of each meeting.

#### **Bank Reconciliations**

- 3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
- 4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
  - a) Bank reconciliations have been prepared;
  - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
  - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Observation: We obtained a listing of bank accounts on bank confirmations and management signed the confirmations to represent the listings were complete.

- A) Bank reconciliations are prepared for all bank accounts that have activity.
- B) Bank reconciliations are prepared by an outside accounting firm and are reviewed by the Executive Director.
- C) Inquiry found the entity reviews old outstanding checks on a regular basis.

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

## Observation: We obtained the listing and management's representation that the listing is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.

#### For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
  - ➤ Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
  - ➤ Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

#### **Observation:**

- A) We found that 1) all employees are bonded, 2) the Executive Director is responsible for depositing cash in the bank and 3) the Entity has a collection tray for each employee.
- B) The Entity has a formal process of reconciling cash collections to the general ledger.
- C) We traced daily collections to the deposit date on the corresponding bank statement and deposits were made daily.
- 7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency

fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Observation: The Entity has a policy and procedure manual that addresses collection procedures. Inquiry found that the employee responsible for collections is not the same employee responsible for determining completeness.

### Disbursements - General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Observation: We obtained a general ledger from the Entity and management's representation that the general ledger population is complete.

- 9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
  - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
  - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
  - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Observation: We randomly selected 25 disbursements and obtained supporting documentation of the following:

- A) Purchases were initiated using a requisition system.
- B) Purchases are not approved by a person not initiating the purchase.
- C) Purchases are not processed without an approved invoice.

Exception: Purchases are not approved by a person not initiating the purchase.

Management's Response: The Entity does not have the personnel to implement this procedure.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Observation: Inquiry found that the person responsible for processing payments is <u>not</u> prohibited from adding vendors to the Entity's purchasing/disbursement system.

Exception: The person responsible for processing payments is not prohibited from adding vendors to the Entity's purchasing/disbursement system.

Management's Response: Management does not have the personnel to implement this procedure.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

## Observation: The Board has the final authorization for disbursements and has no responsibility for initiating or recording purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

## Observation: Inquiry and observation found that unused checks are locked in a secure location.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Not applicable.

#### Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

## Observation: Management provided a listing of all (cards) and management's representation that the list is complete.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

#### Observation: The Entity has (5) five Credit/Debit/Fuel cards.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.)]

b) Report whether finance charges and/or late fees were assessed on the selected statements.

Observation: We obtained the monthly statement for December 2016 and tested it for the following:

- A) The statement was reviewed and approved by the authorized card holder.
- B) There were no finance charges on the statement.
- 16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).
  - a) For each transaction, report whether the transaction is supported by:
    - An original itemized receipt (i.e., identifies precisely what was purchased)
    - ➤ Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
    - ➤ Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
  - b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
  - c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**Observation:** We tested the highest month statements for the following:

- A) Itemized receipt and documentation of the business purpose.
- B) Compared each transaction with the Entity's written purchasing/disbursement policies and the Louisiana Public Bid Law.
- C) Documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution.

#### Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Observation: Management provided a general ledger and management's representation that the general ledger is complete.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Observation: We obtained the Entity's written policies relating to travel and related expense reimbursements and compared it to the per diem and mileage rates established by the U.S. General Services Administration.

- 19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
  - a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
  - b) Report whether each expense is supported by:
    - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
    - ➤ Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
    - ➤ Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
  - c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
  - d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Observation: We selected the only person (Executive Director) who incurred travel cost during the fiscal period and chose the largest travel expense and largest reimbursement expense.

- A) We compared to written policies and found it to be correct.
- B) Each expense is supported by documentation stating the purpose and a receipt where applicable.
- C) Compared documentation of the business purposes to the requirements of Article 7, Section 14 of Louisiana Constitution and found no exceptions.
- D) Each expense was approved by the Board which signs all checks which constitutes approval in writing.

#### **Contracts**

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Observation: We obtained a general ledger from management and management's representation that the general ledger is complete.

- 21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
  - a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
  - b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
  - ➤ If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
  - ➤ If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
  - c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
  - d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
  - e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Observation: We found that the Entity had 5 contracts during the fiscal year.

- A) There was a formal/written contract that supports the services arrangement and the amount paid.
- B) All contracts (when required) followed the Louisiana Public Bid Law or Procurement Code. We reviewed all supporting contracts. The Entity solicited bids on all contracts.
- C) No Amendments.
- D) We selected the largest payment from each of the five contracts and compared the invoice to the contract terms.
- E) All contracts are approved by the board and documented in the board minutes.

- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
  - a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
  - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

### Observation: We selected all 4 employees and tested as follows:

- A) We reviewed compensation of each employee during the fiscal period and found the payments were made in accordance with the terms and conditions of the employment contract.
- B) None of the employees received a pay rate change during the audit period.
- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
  - a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
  - c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

#### **Observation:** We tested 4 (all) employee's personnel files for the following:

- A) All selected employees documented their daily attendance and leave.
- B) Employees had written approval for attendance and leave.
- C) Written documentation was maintained on all employees with the exception of elected officials who do not receive pay.
- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

Observation: The Entity had no terminations in the fiscal year.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Observation: We reviewed forms 941 and the general ledger accrual accounts and found no delinquent payments. The Entity has an outside fee accountant prepare all payroll related reports.

#### Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

#### Observation: The Entity maintained documentation of ethics compliance.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Observation: Inquiry found no alleged ethics violations reported to the entity during the fiscal year.

#### Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

#### Not applicable; no debt.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

#### Not Applicable; no debt.

30. If the entity had tax mileages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any mileages that continue to be received for debt that has been paid off.

#### Not applicable.

#### Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

#### Observation: Inquiry found no reported misappropriations of public funds.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at <a href="www.lla.la.gov/hotline">www.lla.la.gov/hotline</a>) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

#### Observation: The Entity has the notice posted on its' premises.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

The Vercher Group Jena, Louisiana February 9, 2018 Financial Data Schedule

## **Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

Project Total	Subtotal	ELIM	Total
\$228,912	\$228,912	\$0	\$228,912
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$16,070	\$16,070	\$0	\$16,070
\$0	\$0	\$0	\$0
\$244,982	\$244,982	\$0	\$244,982
\$0	\$0	\$0	\$0
\$649	\$649	\$0	\$649
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$1,744	\$1,744	\$0	\$1,744
-\$599	-\$599	\$0	-\$599
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$2,639	\$2,639	\$0	\$2,639
\$4,433	\$4,433	\$0	\$4,433
	\$228,912 \$0 \$0 \$16,070 \$0 \$244,982 \$0 \$649 \$0 \$0 \$1,744 -\$599 \$0 \$0 \$0 \$0	\$228,912 \$228,912 \$0 \$0 \$0 \$0 \$16,070 \$16,070 \$0 \$0 \$244,982 \$244,982 \$0 \$0 \$649 \$649 \$0 \$0 \$0 \$0 \$1,744 \$1,744 -\$599 -\$599 \$0 \$0 \$0 \$0 \$0 \$0 \$1,744 \$1,744	\$228,912 \$228,912 \$0  \$0 \$0 \$0  \$0 \$0  \$0 \$0  \$16,070 \$16,070 \$0  \$0 \$0  \$244,982 \$244,982 \$0  \$0 \$0

## **Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

131 Investments - Unrestricted	\$600,000	\$600,000	\$0	\$600,000
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	\$38,762	\$38,762	\$0	\$38,762
143 Inventories	\$2,931	\$2,931	\$0	\$2,931

	Project Total	Subtotal	ELIM	Total
143.1 Allowance for Obsolete Inventories	-\$293	-\$293	\$0	-\$293
144 Inter Program Due From	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0
150 Total Current Assets	\$890,815	\$890,815	\$0	\$890,815
161 Land	\$680,738	\$680,738	\$0	\$680,738
162 Buildings	\$6,976,838	\$6,976,838	\$0	\$6,976,838
163 Furniture, Equipment & Machinery - Dwellings	\$55,578	\$55,578	\$0	\$55,578
164 Furniture, Equipment & Machinery - Administration	\$242,533	\$242,533	\$0	\$242,533
165 Leasehold Improvements	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$5,926,726	-\$5,926,726	\$0	-\$5,926,726
167 Construction in Progress	\$0	\$0	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0

## **Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

160 Total Capital Assets, Net of Accumulated Depreciation	\$2,028,961	\$2,028,961	\$0	\$2,028,961
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	\$2,028,961	\$2,028,961	\$0	\$2,028,961
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$2,919,776	\$2,919,776	\$0	\$2,919,776

	Project Total	Subtotal	ELIM	Total
311 Bank Overdraft	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$13,220	\$13,220	\$0	\$13,220
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$13,528	\$13,528	\$0	\$13,528
322 Accrued Compensated Absences - Current Portion	\$11,684	\$11,684	\$0	\$11,684
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0

## **Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$1,448	\$1,448	\$0	\$1,448
\$16,070	\$16,070	\$0	\$16,070
\$941	\$941	\$0	\$941
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$2,345	\$2,345	\$0	\$2,345
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$59,236	\$59,236	\$0	\$59,236
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$26,601	\$26,601	\$0	\$26,601
\$0	\$0	\$0	\$0
\$0			
	\$0 \$1,448 \$16,070 \$941 \$0 \$0 \$0 \$2,345 \$0 \$0 \$59,236 \$0 \$0 \$59,236	\$0 \$0 \$0 \$0 \$0 \$1,448 \$1,448 \$1,448 \$16,070 \$16,070 \$16,070 \$941 \$941 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$

## **Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit

	Project Total	Subtotal	ELIM	Total
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$26,601	\$26,601	\$0	\$26,601
300 Total Liabilities	\$85,837	\$85,837	\$0	\$85,837
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets	\$2,028,961	\$2,028,961		\$2,028,961
511.4 Restricted Net Position	\$0	\$0		\$0
512.4 Unrestricted Net Position	\$804,978	\$804,978		\$804,978
513 Total Equity - Net Assets / Position	\$2,833,939	\$2,833,939	\$0	\$2,833,939
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$2,919,776	\$2,919,776	\$0	\$2,919,776

## **Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Project Total	Subtotal	ELIM	Total
			lotai
\$400,612	\$400,612	\$0	\$400,612
\$25,070	\$25,070	\$0	\$25,070
\$425,682	\$425,682	\$0	\$425,682
\$499,603	\$499,603	\$0	\$499,603
\$80,454	\$80,454	\$0	\$80,454
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$4,442	\$4,442	\$0	\$4,442
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
	\$25,070 \$425,682 \$499,603 \$80,454 \$0 \$0 \$4,442 \$0 \$0 \$0	\$25,070 \$25,070 \$425,682 \$425,682 \$499,603 \$499,603 \$80,454 \$80,454 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$25,070 \$25,070 \$0 \$425,682 \$425,682 \$0  \$499,603 \$499,603 \$0 \$80,454 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$

## **Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

71500 Other Revenue	\$4,993	\$4,993	\$0	\$4,993
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0
70000 Total Revenue	\$1,015,174	\$1,015,174	\$0	\$1,015,174
91100 Administrative Salaries	\$216,127	\$216,127	\$0	\$216,127

	Project Total	Subtotal	ELIM	Total
91200 Auditing Fees	\$8,950	\$8,950	\$0	\$8,950
91300 Management Fee	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$460	\$460	\$0	\$460
91500 Employee Benefit contributions - Administrative	\$64,926	\$64,926	\$0	\$64,926
91600 Office Expenses	\$21,633	\$21,633	\$0	\$21,633
91700 Legal Expense	\$0	\$0	\$0	\$0
91800 Travel	\$4,251	\$4,251	\$0	\$4,251
91810 Allocated Overhead	\$0	\$0	\$0	\$0
91900 Other	\$27,200	\$27,200	\$0	\$27,200
91000 Total Operating - Administrative	\$343,547	\$343,547	\$0	\$343,547
92000 Asset Management Fee	\$0	\$0	\$0	\$0

## **Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

92100 Tenant Services - Salaries	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$290	\$290	\$0	\$290
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$1,763	\$1,763	\$0	\$1,763
92500 Total Tenant Services	\$2,053	\$2,053	\$0	\$2,053
93100 Water	\$1,446	\$1,446	\$0	\$1,446
93200 Electricity	\$14,491	\$14,491	\$0	\$14,491
93300 Gas	\$4,232	\$4,232	\$0	\$4,232
93400 Fuel	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0
93600 Sewer	\$803	\$803	\$0	\$803
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	\$20,972	\$20,972	\$0	\$20,972
94100 Ordinary Maintenance and Operations - Labor	\$181,963	\$181,963	\$0	\$181,963
94200 Ordinary Maintenance and Operations - Materials and	\$92,516	\$92,516	\$0	\$92,516
94300 Ordinary Maintenance and Operations Contracts	\$71,641	\$71,641	\$0	\$71,641

## **Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

94500 Employee Benefit Contributions - Ordinary Maintenance	\$63,262	\$63,262	\$0	\$63,262
94000 Total Maintenance	\$409,382	\$409,382	\$0	\$409,382
95100 Protective Services - Labor	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$2,272	\$2,272	\$0	\$2,272
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$2,272	\$2,272	\$0	\$2,272
96110 Property Insurance	\$59,350	\$59,350	\$0	\$59,350
96120 Liability Insurance	\$9,547	\$9,547	\$0	\$9,547
96130 Workmen's Compensation	\$17,155	\$17,155	\$0	\$17,155
96140 All Other Insurance	\$10,340	\$10,340	\$0	\$10,340
96100 Total insurance Premiums	\$96,392	\$96,392	\$0	\$96,392
96200 Other General Expenses	\$27	\$27	\$0	\$27
96210 Compensated Absences	\$30,224	\$30,224	\$0	\$30,224
96300 Payments in Lieu of Taxes	\$37,964	\$37,964	\$0	\$37,964
96400 Bad debt - Tenant Rents	\$16,845	\$16,845	\$0	\$16,845
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0

## **Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

	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	\$85,060	\$85,060	\$0	\$85,060
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	\$959,678	\$959,678	\$0	\$959,678
97000 Excess of Operating Revenue over Operating Expenses	\$55,496	\$55,496	\$0	\$55,496
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	\$264,178	\$264,178	\$0	\$264,178
97500 Fraud Losses	\$0	\$0	\$0	\$0

## **Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0
90000 Total Expenses	\$1,223,856	\$1,223,856	\$0	\$1,223,856
10010 Operating Transfer In	\$27,863	\$27,863	-\$27,863	\$0
10020 Operating transfer Out	-\$27,863	-\$27,863	\$27,863	\$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

## **Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$208,682	-\$208,682		-\$208,682
11020 Required Annual Debt Principal Payments	\$0	\$0		\$0
11030 Beginning Equity	\$3,042,621	\$3,042,621	\$0	\$3,042,621
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	2292	2292	0	2292
11210 Number of Unit Months Leased	2205	2205	0	2205
11270 Excess Cash	\$710,206	\$710,206		\$710,206
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$131,966	\$131,966		\$131,966

## **Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$15,831	\$15,831	\$15,831
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