

**Housing Authority of the  
TOWN OF ARCADIA**  
Arcadia, Louisiana

**Annual Financial Report  
As of and for the Year Ended June 30, 2020**

**HOUSING AUTHORITY OF THE TOWN OF ARCADIA**

Arcadia, Louisiana

Basic Financial Statements

As of and for the Year Ended June 30, 2020

With Supplemental Information Schedules

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**William Daniel McCaskill, CPA**  
A Professional Accounting Corporation  
415 Magnolia Lane  
Mandeville, Louisiana 70471

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
**Housing Authority of the Town of Arcadia**  
Arcadia, Louisiana

**Report on the Financial Statements**

I have audited the accompanying financial statements of the Housing Authority of the Town of Arcadia (the authority) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which comprise the 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***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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, I 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.

## **HOUSING AUTHORITY OF THE TOWN OF ARCADIA**

Arcadia, Louisiana  
Independent Auditor's Report, 2020  
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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### ***Opinions***

In my opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the Housing Authority of the Town of Arcadia as of June 30, 2020, 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* as listed in the table of contents 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the authority's basic financial statements. The Financial Data Schedule, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and the Statement and Certification of Actual Modernization Cost are presented for purposes of additional analysis and are not a required part of the basic financial statements.

## HOUSING AUTHORITY OF THE TOWN OF ARCADIA

Arcadia, Louisiana

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The Financial Data Schedule, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and the Statement and Certification of Actual Modernization Cost 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 my opinion, the information is 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*, I have also issued my report dated February 9, 2021 on my consideration of the authority's internal control over financial reporting and on my 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 my 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 authority's internal control over financial reporting and compliance.

*William Daniel McCaskill*

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William Daniel McCaskill, CPA  
A Professional Accounting Corporation

February 9, 2021

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

Management's Discussion and Analysis

For the Year Ended June 30, 2020

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

#### FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$1,212,497 at the close of the fiscal year ended 2020.
  - ✓ Of this amount \$274,628 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
  - ✓ The remainder of \$937,869 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 134% of the total operating expenses of \$701,521 for the fiscal year 2020, which means the Authority might be able to operate about 18 months using the unrestricted assets alone, compared to 15 months in the prior fiscal year.
- The Housing Authority's total net position increased by \$89,090, an 8% increase from the prior fiscal year 2019.
- The increase in net position of these funds was accompanied by a decrease in unrestricted cash by \$13,584 from fiscal year 2019.
- The Authority Spent \$93,236 on capital asset additions.
- These changes led to an increase in total assets by \$106,204 and an increase in total liabilities by \$17,114. As related measure of financial health, there are still over \$11 of current assets covering each dollar of total current liabilities, which compares to \$11 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

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

#### Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2020?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Housing Authority of Arcadia, LA  
Management's Discussion and Analysis (MD&A)  
June 30, 2020

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**Fund Financial Statements**

The Authority accounts for all financial activity in a single enterprise fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

**USING THIS ANNUAL REPORT**

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

Public Housing Capital Fund Program	\$ 116,752
Low Rent Public Housing	394,805
Housing Choice Vouchers	1,402,767
Cares LR	<u>1,381</u>
Total funding received this current fiscal year	<u><u>\$ 1,915,705</u></u>

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

**FINANCIAL ANALYSIS**

The Housing Authority's net position was \$1,212,497 as of June 30, 2020. Of this amount, \$274,628 was invested in capital assets and \$937,869 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general net position.

Housing Authority of Arcadia, LA  
 Management's Discussion and Analysis (MD&A)  
 June 30, 2020

CONDENSED FINANCIAL STATEMENTS

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

	2020	2019
<b>ASSETS</b>		
Current assets	\$ 1,049,630	\$ 955,711
Capital assets, net of depreciation	<u>274,628</u>	<u>262,343</u>
Total assets	<u>1,324,258</u>	<u>1,218,054</u>
<b>LIABILITIES</b>		
Current liabilities	97,677	83,422
Non-current liabilities	<u>14,084</u>	<u>11,225</u>
Total liabilities	<u>111,761</u>	<u>94,647</u>
<b>NET POSITION</b>		
Invested in capital assets, net of depreciation	274,628	262,343
Unrestricted net position	<u>937,869</u>	<u>861,064</u>
Total net position	<u>\$ 1,212,497</u>	<u>\$ 1,123,407</u>

The net position of these funds increased by \$89,090, or by 8%, from those of fiscal year 2019, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Housing Authority of Arcadia, LA  
 Management's Discussion and Analysis (MD&A)  
 June 30, 2020

**CONDENSED FINANCIAL STATEMENTS (Continued)**

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

	<u>2020</u>	<u>2019</u>
<b>OPERATING REVENUES</b>		
Tenant Revenue	\$ 264,185	\$ 241,733
HUD grants for operations	471,655	416,420
Other non-tenant revenue	7,072	12,526
Total operating revenues	<u>742,912</u>	<u>670,679</u>
<b>OPERATING EXPENSES</b>		
General	120,100	98,854
Ordinary maintenance and repairs	251,349	219,875
Administrative expenses and management fees	202,294	211,697
Utilities	18,655	16,387
Tenant services	28,173	4,657
Depreciation	80,950	75,773
Total operating expenses	<u>701,521</u>	<u>627,243</u>
Income (losses) from operations	<u>41,391</u>	<u>43,436</u>
<b>NON-OPERATING REVENUES</b>		
Interest income	1,783	1,631
Miscellaneous revenue	4,633	4,016
Total non-operating revenues	<u>6,416</u>	<u>5,647</u>
Income (losses) before capital contributions	47,807	49,083
<b>CAPITAL CONTRIBUTIONS</b>	<u>41,283</u>	<u>56,048</u>
<b>CHANGES IN NET POSITION</b>	<u>89,090</u>	<u>105,131</u>
<b>NET POSITION - BEGINNING</b>	1,123,407	1,018,276
<b>NET POSITION - END</b>	<u>\$ 1,212,497</u>	<u>\$ 1,123,407</u>

## EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and capital contributions increased \$58,085 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$16,998 from that of the prior fiscal year because the amount of rent each tenant pays is based on a sliding scale of their personal income. Included in this total is other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) which decreased by \$5,454.
- Federal revenues from HUD for operations increased by \$55,235 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- Federal Capital Funds from HUD decreased by \$14,765 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2017 through 2018, and submitted a new grant during fiscal year 2020.
- Total other operating revenue increased by \$617 and interest income increased by \$152 from the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$74,278, or by 12%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense increased by \$5,177 from that of the prior fiscal year.
- Maintenance and repairs increased by \$31,474 from that of the prior fiscal year due to changes in the following: Repair staff wages increased by \$6,906 and related employee benefit contributions increased by \$4,896. Materials used increased by \$22,502 and contract labor costs decreased by \$2,830.
- General Expenses increased by \$21,246 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) increased by \$2,018. PILOT is calculated as a percentage of rent minus utilities and therefore changed proportionately to the changes in each of these. Insurance premiums increased by \$9,654, other general expenses increased by \$11,515 and bad debts increased by \$1,279. Lastly, compensated absences decreased by \$3,220.
- Administrative Expenses decreased by \$9,403 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries increased by \$13,203 and related employee benefit contributions increased by \$7,027; therefore, total staff salaries and benefit costs increased. Outside professional fees changed as follows: audit fees increased by \$1,360. In addition, staff travel reimbursements decreased by \$12,649, office expenses increased by \$4,515 and sundry expenses decreased by \$22,859.
- Utilities Expense increased by \$2,268 from that of the prior fiscal year because water cost decreased by \$23, electricity cost increased by \$2,034, gas cost increased by \$250, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) increased by \$7.
- Total Tenant Services increased by \$23,516 from that of the prior fiscal year due to the following combination of factors: staff salaries increased by \$21,903 and related employee benefit contributions increased by \$6,220, relocation costs decreased by \$110 and other tenant services decreased by \$4,497.

Housing Authority of Arcadia, LA  
Management's Discussion and Analysis (MD&A)  
June 30, 2020

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2020, the Housing Authority had a total cost of \$6,547,585 invested in a broad range of assets and construction in progress from projects funded in 2017 through 2018, listed below. This amount, not including depreciation, represents increases of \$93,236 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

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

	<u>2020</u>	<u>2019</u>
Land	\$ 38,695	\$ 38,695
Buildings	5,647,082	5,553,846
Leasehold improvements	538,091	538,091
Furniture and equipment	323,717	323,717
Accumulated Depreciation	<u>(6,272,955)</u>	<u>(6,192,006)</u>
Total	<u>\$ 274,630</u>	<u>\$ 262,343</u>

As of the end of the 2020 fiscal year, the Authority is still in the process of completing HUD grants of \$275,535 obtained during 2017 through 2018 fiscal years. A total remainder of \$61,817 will be received and spent for completing these projects during fiscal year 2021.

**Debt**

Non-current liabilities also include accrued annual leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2021 fiscal year have already been submitted to HUD for approval and no major changes are expected.

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

**CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Tammy Jones, at Housing Authority of Arcadia, LA; P.O. Box 210, Arcadia, LA 71001.

**Housing Authority of the Town of Arcadia**  
**Arcadia, Louisiana**  
**Statement of Net Position**  
**As of June 30, 2020**

**ASSETS**

**Current assets**

Cash and cash equivalents	\$	880,984
Receivables:		
HUD		82,704
Tenant rents, net of allowance		77
Accrued interest receivable		489
Miscellaneous, net of allowance		1,762
Prepaid expenses		54,110
Inventory, net of allowance		11,503
Restricted assets - cash and cash equivalents		18,001
<b>Total current assets</b>		<b>1,049,630</b>

**Noncurrent assets**

Capital assets:		
Nondepreciable capital assets:		
Land		38,695
Total nondepreciable capital assets		38,695
Depreciable capital assets:		
Buildings and improvements		6,185,173
Furniture and equipment		323,717
Less accumulated depreciation		(6,272,957)
Total depreciable capital assets, net of accumulated depreciation		235,933
Total capital assets, net of accumulated depreciation		274,628
<b>Total assets</b>		<b>1,324,258</b>
<b>TOTAL ASSETS</b>		<b>1,324,258</b>

(continued)

**Housing Authority of the Town of Arcadia**  
**Arcadia, Louisiana**  
**Statement of Net Position**  
**As of June 30, 2020**

**LIABILITIES AND NET POSITION**

**Current Liabilities**

Accounts payable	21,067
Payable to other governments	47,088
Accrued wages payable	1,240
Accrued compensated absences	6,164
Unearned revenue	1,462
Other liability	2,656
Security deposit liability	18,000

<b>Total current liabilities</b>	97,677
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**Noncurrent liabilities**

Accrued compensated absences	14,084
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<b>Total noncurrent liabilities</b>	14,084
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<b>TOTAL LIABILITIES</b>	111,761
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**NET POSITION**

Net Investments in Capital Assets	274,628
Unrestricted	937,869

<b>TOTAL NET POSITION</b>	<b>\$ 1,212,497</b>
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The accompanying notes are an integral part of these financial statements.

**Housing Authority of the Town of Arcadia**  
 Arcadia, Louisiana  
 Statement of Revenues, Expenses, and Changes In Net Position  
 For the Year Ended June 30, 2020

<b>Operating Revenues</b>	
HUD Operating Grants	\$ 471,655
Dwelling Rental	264,185
Other Operating	<u>7,072</u>
<b>Total operating revenues</b>	<u>742,912</u>
<b>Operating Expenses</b>	
General and administrative	322,394
Repairs and maintenance	251,349
Utilities	18,655
Tenant services	28,173
Depreciation and amortization	<u>80,950</u>
<b>Total operating expenses</b>	<u>701,521</u>
<b>Operating income (loss)</b>	41,391
<b>Nonoperating Revenues (Expenses):</b>	
Interest revenue	1,783
Miscellaneous revenues	<u>4,633</u>
<b>Total nonoperating revenues (expenses)</b>	<u>6,416</u>
<b>Income (loss) before other revenues, expenses, gains, losses and transfers</b>	47,807
Capital contributions (grants)	41,283
<b>Increase (decrease) in net position</b>	89,090
<b>Net position, beginning of year</b>	<u>1,123,407</u>
<b>Net position, end of year</b>	<u><u>\$ 1,212,497</u></u>

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

**Housing Authority of the Town of Arcadia**  
**Statement of Cash Flows**  
For the Year Ended June 30, 2020

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from federal subsidies	\$ 390,193
Receipts from tenants	273,068
Payments to suppliers	(406,141)
Payments to employees	<u>(196,398)</u>
<b>Net cash provided by operating activities</b>	<u>60,722</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Miscellaneous revenues	<u>4,633</u>
<b>Net cash provided by noncapital financing activities</b>	<u>4,633</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Proceeds from capital grants	41,283
Purchase and construction of capital assets	<u>(93,236)</u>
<b>Net cash (used in) capital and related financing activities</b>	<u>(51,953)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>1,783</u>
<b>Net cash provided by investing activities</b>	<u>1,783</u>
Net increase (decrease) in cash and cash equivalents	<u>15,185</u>
<b>Cash and cash equivalents - beginning of year</b>	<u>883,800</u>
Cash and Cash equivalents - unrestricted	880,984
Cash and Cash equivalents - restricted	18,001
<b>Total Cash and Cash Equivalents - end of year</b>	<u>\$ 898,985</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>	
Operating (loss)	\$ 41,391
Adjustments to reconcile operating (loss) to net cash provided by operating activities:	
Depreciation and amortization	80,950
Changes in assets and liabilities:	
HUD receivable	(82,603)
Intergovernmental receivable, net	(19)
Tenant rents, net of allowance	102
Miscellaneous receivables	109
Prepaid insurance	(1,845)
Inventories	5,522
Accounts payable	8,384
Accrued wages payable	(3,048)
PILOT Payable	4,670
Accrued compensated absences	3,354
Unearned revenue	1,160
Other liability	995
Security deposit liability	<u>1,600</u>
<b>Net cash provided by operating activities</b>	<u>\$ 60,722</u>

The accompanying notes are an integral part of the financial statements

## HOUSING AUTHORITY OF THE TOWN OF ARCADIA

Arcadia, Louisiana

Notes to the Basic Financial Statements

June 30, 2020

### *NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The accompanying basic financial statements of the authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### (1) Reporting Entity

The Housing Authority of The Town of Arcadia (the authority) was chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of the Town of Arcadia, Louisiana. This formation was contingent upon the approval of the Town.

The authority is governed by a Board of Commissioners (Board), which is composed of five members appointed by the Town and serve five-year staggered terms. The Board of the authority exercises all powers granted to the authority.

GASB Statement No. 14, as amended by GASB statement No. 39 and GASB Statement No. 61, establishes criteria for determining the governmental reporting entity. Under provisions of this statement, the authority is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in the GASB statements, fiscally independent means that the authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursements of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt. The authority has no component units, defined by the GASB statements as other legally separate organizations for which the elected authority members are financially accountable.

## HOUSING AUTHORITY OF THE TOWN OF ARCADIA

Arcadia, Louisiana

Notes to the Financial Statements, 2020 – Continued

The authority is a related organization of the Town of Arcadia, Louisiana since the Town appoints a voting majority of the authority's governing board. The Town is not financially accountable for the authority as it cannot impose its will on the authority and there is no potential for the authority to provide financial benefit to, or impose financial burdens on, the Town. Accordingly, the authority is not a component unit of the financial reporting entity of the Town.

### (2) Funds

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

All funds of the authority are classified as proprietary. The general fund accounts for transactions of all of the authority's programs.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the authority's enterprise fund are HUD operating grants and subsidies, and tenant dwelling rents. Operating expenses General and Administrative expenses, repairs and maintenance expenses, utilities and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The accompanying basic financial statements of the authority have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB statement No. 34, Basic Financial Statements and Management's Discussion and Analysis—for State and Local Governments, which was unanimously approved in June 1999 by the GASB.

### (3) Measurement focus and basis of accounting

Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this management focus all assets and all liabilities

# HOUSING AUTHORITY OF THE TOWN OF ARCADIA

Arcadia, Louisiana

Notes to the Financial Statements, 2020 – Continued

associated with the operation of these funds are included on the statement of net position.

## (4) Assets, liabilities, and net position

### (a) Deposits and 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. HUD regulations, state law and the authority's investment policy allow the housing authority to invest in collateralized certificates of deposit and securities backed by the federal government.

### (b) Inventory and prepaid items

All inventories are valued at cost on a first-in first-out (FIFO) basis. Inventories consist of expendable building materials and supplies held for consumption in the course of the authority's operations.

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

### (c) Restricted Assets

Cash equal to the amount of tenant security deposits is reflected as restricted.

### (d) Capital assets

Capital assets of the authority are included in the statement of net position and are recorded at actual cost. The capitalization threshold is \$1,500. Depreciation of all exhaustible fixed assets is charged as an expense against operations.

Property, plant, and equipment of the Authority is depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 years
Modernization and improvements	10 years
Furniture and equipment	5 years

## HOUSING AUTHORITY OF THE TOWN OF ARCADIA

Arcadia, Louisiana

Notes to the Financial Statements, 2020 – Continued

(e) Due from/to other governments or agencies

Amounts due from/to the authority to/by other governments or agencies are generally for grants or programs under which the services have been provided by the authority. The authority also records an amount due to the various taxing districts within the region for payments in lieu of taxes.

(f) Allowance for doubtful accounts

The authority provides an allowance for doubtful accounts, as needed, for accounts deemed not collectible. At June 30, 2020, the management of the authority established an allowance for doubtful accounts of approximately \$9.

(g) Compensated absences

It is the authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with the provisions of GASB Statement No. 16, "*Accounting for Compensated Absences*," vacation and sick pay is accrued when incurred and reported as a liability.

Employees may accumulate an unlimited number of annual leave hours. Depending on their length of service, employees receive payment for up to 300 annual leave hours upon termination or retirement at their then current rate of pay. The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expense when leave is earned.

(h) Restricted net position

Restricted net positions are reported as restricted when constraints placed on net positions use are either:

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

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

**HOUSING AUTHORITY OF THE TOWN OF ARCADIA**

Arcadia, Louisiana

Notes to the Financial Statements, 2020 – Continued

(i) Use of estimates

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

**NOTE B – DEPOSITS**

Deposits are stated at cost, which approximates fair value. Under state law and/or federal regulation, these deposits, or the resulting bank balances, must be in Federal Securities, secured by federal deposit insurance or the pledge of federal securities. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

As of June 30, 2020, the authority's carrying amount of deposits was \$898,985, which includes the following:

Cash and cash equivalents-unrestricted	\$880,984
Cash and cash equivalents- restricted	18,001
Total	\$898,985

**Interest Rate Risk**—The authority's policy does not address interest rate risk.

**Credit Rate Risk**—Since all of the authority's deposits are federally insured and/or backed by federal securities, the authority does not have credit rate risk.

**Custodial Credit Risk**—This is the risk that in the event of a bank failure, the authority's deposits may not be returned to it. The authority does not have a policy for custodial credit risk. \$542,561 of the authority's total deposits were covered by federal depository insurance, and do not have custodial credit risk. The remaining \$365,572 of deposits have custodial credit risk but were collateralized with securities held by the pledging financial institution trust department or agent. The bank balances at June 30, 2020 totaled \$908,133.

**HOUSING AUTHORITY OF THE TOWN OF ARCADIA**

Arcadia, Louisiana

Notes to the Financial Statements, 2020 – Continued

**NOTE C - CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2020 was as follows:

	6 30 2019	Additions	Deletions	6 30 2020
<b>Nondepreciable Assets:</b>				
Land	\$ 38,695	\$ -	\$ -	\$ 38,695
Construction in Progress	-	-	-	-
<b>Depreciable Assets:</b>				
Building and improvements	6,091,937	93,236	-	6,185,173
Furniture and equipment	323,717	-	-	323,717
Total	<u>6,454,349</u>	<u>93,236</u>	<u>-</u>	<u>6,547,585</u>
Less accumulated depreciation				
Building and improvements	5,908,502	63,961	-	5,972,463
Furniture and equipment	283,505	16,989	-	300,494
Total accumulated depreciation	<u>6,192,007</u>	<u>80,950</u>	<u>-</u>	<u>6,272,957</u>
Net Capital Assets	<u>\$ 262,342</u>	<u>\$ 12,286</u>	<u>\$ -</u>	<u>\$ 274,628</u>

**NOTE D – COMPENSATED ABSENCES**

At June 30, 2020, employees of the authority have accumulated and vested \$20,248 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. The leave payable is recorded in the accompanying financial statements. \$14,084 is reported in long-term debt.

**NOTE E – LONG TERM OBLIGATIONS**

As of June 30, 2020, long term obligations consisted of compensated absences in the amount of \$14,084. The following is a summary of the changes in the long-term obligations for the year ended June 30, 2020.

	<b>Compensated Absences</b>
Balance as of July 1, 2019	\$16,894
Additions	3,354
Deductions	0
Balance as of June 30, 2020	<u>20,248</u>
Long Term Portion	<u>14,084</u>
Amount due in one year (Short term)	<u>\$6,164</u>

## **HOUSING AUTHORITY OF THE TOWN OF ARCADIA**

Arcadia, Louisiana

Notes to the Financial Statements, 2020 – Continued

### *NOTE F – POST EMPLOYMENT RETIREMENT BENEFITS*

The authority does not provide any post employment retirement benefits. Therefore, the authority does not include any entries for unfunded actuarial accrued liability, net OPEB expense, or annual contribution required.

### *NOTE G - RETIREMENT PLAN*

The authority participates in the Housing Agency Retirement Trust plan, administered by Mercer, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the authority provides pension benefits for all of its full-time employees. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment. Plan provisions and changes to the plan contributions are determined by the Board of the authority.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 9% of each participant's basic (excludes overtime) compensation.

The authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the authority. No payments were made out of the forfeiture account.

Normal retirement date shall be the first day of the month following the employee's sixty-fifth birthday or after ten years of participation in the plan.

The authority's total payroll for the year ended June 30, 2020, was \$201,374. The authority's contributions were calculated using the base salary amount of \$118,886. The authority made the required contributions of \$10,700 for the year ended June 30, 2020.

### *NOTE H – RISK MANAGEMENT*

The authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The authority's risk management program encompasses obtaining property and liability insurance.

## **HOUSING AUTHORITY OF THE TOWN OF ARCADIA**

Arcadia, Louisiana

Notes to the Financial Statements, 2020 – Continued

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

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

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, there have been no significant claims that have exceeded commercial insurance coverages in any of the past three fiscal years.

### *NOTE I – FEDERAL COMPLIANCE CONTINGENCIES*

The authority is subject to possible examinations 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 refund by the entity to federal grantors and/or program beneficiaries. The authority is subject to HUD's consideration of reducing grants in order to have the authority utilize authority Equity to fund expenses.

### *NOTE J – SUBSEQUENT EVENTS*

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the balance sheet date, require disclosure in the accompanying notes. Management evaluated the activity of the authority through February 9, 2021 and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

### *NOTE K – ECONOMIC DEPENDENCE*

Financial Accounting Standards Boards Accounting Standards Codification 280-10-50-42 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 and Urban Development provided \$512,938 to the authority, which represents approximately 65% of the authority's total revenue for the year.

# Financial Data Schedule

Housing Authority of the Town of Arcadia (LA045)						
ARCADIA, LA						
Entity Wide Balance Sheet Summary						
Submission Type:	Audited/Non Single Audit	Fiscal Year End: 06/30/2020				
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total	
111 Cash - Unrestricted	\$880,984		\$880,984		\$880,984	
112 Cash - Restricted - Modernization and Development						
113 Cash - Other Restricted						
114 Cash - Tenant Security Deposits	\$18,001		\$18,001		\$18,001	
115 Cash - Restricted for Payment of Current Liabilities						
100 Total Cash	\$898,985	\$0	\$898,985	\$0	\$898,985	
121 Accounts Receivable - PHA Projects						
122 Accounts Receivable - HUD Other Projects	\$82,704		\$82,704		\$82,704	
124 Accounts Receivable - Other Government						
125 Accounts Receivable - Miscellaneous	\$1,762		\$1,762		\$1,762	
126 Accounts Receivable - Tenants	\$86		\$86		\$86	
126.1 Allow ance for Doubtful Accounts -Tenants	-\$9		-\$9		-\$9	
126.2 Allow ance for Doubtful Accounts - Other	\$0		\$0		\$0	
127 Notes, Loans, & Mortgages Receivable - Current						
128 Fraud Recovery						
128.1 Allow ance for Doubtful Accounts - Fraud						
129 Accrued Interest Receivable	\$489		\$489		\$489	
120 Total Receivables, Net of Allow ances for Doubtful Accounts	\$85,032	\$0	\$85,032	\$0	\$85,032	
131 Investments - Unrestricted						
132 Investments - Restricted						
135 Investments - Restricted for Payment of Current Liability						
142 Prepaid Expenses and Other Assets	\$54,110		\$54,110		\$54,110	
143 Inventories	\$12,108		\$12,108		\$12,108	
143.1 Allow ance for Obsolete Inventories	-\$605		-\$605		-\$605	
144 Inter Program Due From						
145 Assets Held for Sale						
150 Total Current Assets	\$1,049,630	\$0	\$1,049,630	\$0	\$1,049,630	
161 Land	\$38,695		\$38,695		\$38,695	
162 Buildings	\$5,647,082		\$5,647,082		\$5,647,082	
163 Furniture, Equipment & Machinery - Dw ellings	\$82,094		\$82,094		\$82,094	
164 Furniture, Equipment & Machinery - Administration	\$241,623		\$241,623		\$241,623	
165 Leasehold Improvements	\$538,091		\$538,091		\$538,091	
166 Accumulated Depreciation	-\$6,272,957		-\$6,272,957		-\$6,272,957	
167 Construction in Progress						
168 Infrastructure						
160 Total Capital Assets, Net of Accumulated Depreciation	\$274,628	\$0	\$274,628	\$0	\$274,628	
171 Notes, Loans and Mortgages Receivable - Non-Current						
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due						
173 Grants Receivable - Non Current						
174 Other Assets						
176 Investments in Joint Ventures						
180 Total Non-Current Assets	\$274,628	\$0	\$274,628	\$0	\$274,628	
200 Deferred Outflow of Resources						
290 Total Assets and Deferred Outflow of Resources	\$1,324,258	\$0	\$1,324,258	\$0	\$1,324,258	

## Financial Data Schedule

Housing Authority of the Town of Arcadia (LA045)						
ARCADIA, LA						
Entity Wide Balance Sheet Summary						
Submission Type: Audited/Non Single Audit			Fiscal Year End: 06/30/2020			
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total	
311 Bank Overdraft						
312 Accounts Payable <= 90 Days	\$21,067		\$21,067		\$21,067	
313 Accounts Payable >90 Days Past Due						
321 Accrued Wage/Payroll Taxes Payable	\$1,240		\$1,240		\$1,240	
322 Accrued Compensated Absences - Current Portion	\$6,164		\$6,164		\$6,164	
324 Accrued Contingency Liability						
325 Accrued Interest Payable						
331 Accounts Payable - HUD PHA Programs						
332 Account Payable - PHA Projects						
333 Accounts Payable - Other Government	\$47,088		\$47,088		\$47,088	
341 Tenant Security Deposits	\$18,000		\$18,000		\$18,000	
342 Unearned Revenue	\$1,462		\$1,462		\$1,462	
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						
344 Current Portion of Long-term Debt - Operating Borrow ings						
345 Other Current Liabilities						
346 Accrued Liabilities - Other	\$2,656		\$2,656		\$2,656	
347 Inter Program - Due To						
348 Loan Liability - Current						
310 Total Current Liabilities	\$97,677	\$0	\$97,677	\$0	\$97,677	
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						
352 Long-term Debt, Net of Current - Operating Borrow ings						
353 Non-current Liabilities - Other						
354 Accrued Compensated Absences - Non Current	\$14,084		\$14,084		\$14,084	
355 Loan Liability - Non Current						
356 FASB 5 Liabilities						
357 Accrued Pension and OPEB Liabilities						
350 Total Non-Current Liabilities	\$14,084	\$0	\$14,084	\$0	\$14,084	
300 Total Liabilities	\$111,761	\$0	\$111,761	\$0	\$111,761	
400 Deferred Inflow of Resources						
508.4 Net Investment in Capital Assets	\$274,628		\$274,628		\$274,628	
511.4 Restricted Net Position						
512.4 Unrestricted Net Position	\$937,869	\$0	\$937,869		\$937,869	
513 Total Equity - Net Assets / Position	\$1,212,497	\$0	\$1,212,497	\$0	\$1,212,497	
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,324,258	\$0	\$1,324,258	\$0	\$1,324,258	

**Financial Data Schedule**

Housing Authority of the Town of Arcadia (LA045)						
ARCADIA, LA						
Entity Wide Revenue and Expense Summary						
Submission Type:		Audited/Non Single Audit		Fiscal Year End:		06/30/2020
		Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
70300	Net Tenant Rental Revenue	\$264,185		\$264,185		\$264,185
70400	Tenant Revenue - Other	\$7,072		\$7,072		\$7,072
70500	Total Tenant Revenue	\$271,257	\$0	\$271,257	\$0	\$271,257
70600	HUD PHA Operating Grants	\$470,274	\$1,381	\$471,655		\$471,655
70610	Capital Grants	\$41,283		\$41,283		\$41,283
70710	Management Fee					
70720	Asset Management Fee					
70730	Book Keeping Fee					
70740	Front Line Service Fee					
70750	Other Fees					
70700	Total Fee Revenue			\$0	\$0	\$0
70800	Other Government Grants					
71100	Investment Income - Unrestricted	\$1,783		\$1,783		\$1,783
71200	Mortgage Interest Income					
71300	Proceeds from Disposition of Assets Held for Sale					
71310	Cost of Sale of Assets					
71400	Fraud Recovery					
71500	Other Revenue	\$4,633		\$4,633		\$4,633
71600	Gain or Loss on Sale of Capital Assets					
72000	Investment Income - Restricted					
70000	Total Revenue	\$789,230	\$1,381	\$790,611	\$0	\$790,611
91100	Administrative Salaries	\$90,629		\$90,629		\$90,629
91200	Auditing Fees	\$14,970		\$14,970		\$14,970
91300	Management Fee					
91310	Book-keeping Fee					
91400	Advertising and Marketing					
91500	Employee Benefit contributions - Administrative	\$44,567		\$44,567		\$44,567
91600	Office Expenses	\$35,328		\$35,328		\$35,328
91700	Legal Expense					
91800	Travel	\$6,837		\$6,837		\$6,837
91810	Allocated Overhead					
91900	Other	\$9,963		\$9,963		\$9,963
91000	Total Operating - Administrative	\$202,294	\$0	\$202,294	\$0	\$202,294
92000	Asset Management Fee					
92100	Tenant Services - Salaries	\$21,903		\$21,903		\$21,903
92200	Relocation Costs					
92300	Employee Benefit Contributions - Tenant Services	\$6,220		\$6,220		\$6,220
92400	Tenant Services - Other	\$50		\$50		\$50
92500	Total Tenant Services	\$28,173	\$0	\$28,173	\$0	\$28,173

**Financial Data Schedule**

Housing Authority of the Town of Arcadia (LA045)							
ARCADIA, LA							
Entity Wide Revenue and Expense Summary							
Submission Type: Audited/Non Single Audit			Fiscal Year End: 06/30/2020				
			Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
93100	Water		\$427		\$427		\$427
93200	Electricity		\$15,351		\$15,351		\$15,351
93300	Gas		\$2,638		\$2,638		\$2,638
93400	Fuel						
93500	Labor						
93600	Sewer		\$239		\$239		\$239
93700	Employee Benefit Contributions - Utilities						
93800	Other Utilities Expense						
93000	Total Utilities		\$18,655	\$0	\$18,655	\$0	\$18,655
94100	Ordinary Maintenance and Operations - Labor		\$88,842		\$88,842		\$88,842
94200	Ordinary Maintenance and Operations - Materials and Other		\$64,388	\$1,381	\$65,769		\$65,769
94300	Ordinary Maintenance and Operations Contracts		\$62,998		\$62,998		\$62,998
94500	Employee Benefit Contributions - Ordinary Maintenance		\$33,740		\$33,740		\$33,740
94000	Total Maintenance		\$249,968	\$1,381	\$251,349	\$0	\$251,349
95100	Protective Services - Labor						
95200	Protective Services - Other Contract Costs						
95300	Protective Services - Other						
95500	Employee Benefit Contributions - Protective Services						
95000	Total Protective Services		\$0	\$0	\$0	\$0	\$0
96110	Property Insurance		\$56,254		\$56,254		\$56,254
96120	Liability Insurance		\$5,828		\$5,828		\$5,828
96130	Workmen's Compensation		\$6,685		\$6,685		\$6,685
96140	All Other Insurance		\$7,366		\$7,366		\$7,366
96100	Total Insurance Premiums		\$76,133	\$0	\$76,133	\$0	\$76,133
96200	Other General Expenses		\$11,683		\$11,683		\$11,683
96210	Compensated Absences		\$3,117		\$3,117		\$3,117
96300	Payments in Lieu of Taxes		\$24,553		\$24,553		\$24,553
96400	Bad debt - Tenant Rents		\$4,614		\$4,614		\$4,614
96500	Bad debt - Mortgages						
96600	Bad debt - Other						
96800	Severance Expense						
96000	Total Other General Expenses		\$43,967	\$0	\$43,967	\$0	\$43,967
96710	Interest of Mortgage (or Bonds) Payable						
96720	Interest on Notes Payable (Short and Long Term)						
96730	Amortization of Bond Issue Costs						
96700	Total Interest Expense and Amortization Cost		\$0	\$0	\$0	\$0	\$0
96900	Total Operating Expenses		\$619,190	\$1,381	\$620,571	\$0	\$620,571
97000	Excess of Operating Revenue over Operating Expenses		\$170,040	\$0	\$170,040	\$0	\$170,040

**Financial Data Schedule**

Housing Authority of the Town of Arcadia (LA045)							
ARCADIA, LA							
Entity Wide Revenue and Expense Summary							
Submission Type: Audited/Non Single Audit			Fiscal Year End: 06/30/2020				
			Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
97100	Extraordinary Maintenance						
97200	Casualty Losses - Non-capitalized						
97300	Housing Assistance Payments						
97350	HAP Portability-In						
97400	Depreciation Expense		\$80,950		\$80,950		\$80,950
97500	Fraud Losses						
97600	Capital Outlays - Governmental Funds						
97700	Debt Principal Payment - Governmental Funds						
97800	Dwelling Units Rent Expense						
90000	Total Expenses		\$700,140	\$1,381	\$701,521	\$0	\$701,521
10010	Operating Transfer In		\$75,469		\$75,469	-\$75,469	\$0
10020	Operating transfer Out		-\$75,469		-\$75,469	\$75,469	\$0
10030	Operating Transfers from/to Primary Government						
10040	Operating Transfers from/to Component Unit						
10050	Proceeds from Notes, Loans and Bonds						
10060	Proceeds from Property Sales						
10070	Extraordinary Items, Net Gain/Loss						
10080	Special Items (Net Gain/Loss)						
10091	Inter Project Excess Cash Transfer In						
10092	Inter Project Excess Cash Transfer Out						
10093	Transfers between Program and Project - In						
10094	Transfers between Project and Program - Out						
10100	Total Other financing Sources (Uses)		\$0	\$0	\$0	\$0	\$0
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses		\$89,090	\$0	\$89,090	\$0	\$89,090
11020	Required Annual Debt Principal Payments		\$0	\$0	\$0		\$0
11030	Beginning Equity		\$1,123,407	\$0	\$1,123,407		\$1,123,407
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors						
11050	Changes in Compensated Absence Balance						
11060	Changes in Contingent Liability Balance						
11070	Changes in Unrecognized Pension Transition Liability						
11080	Changes in Special Term/Severance Benefits Liability						
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents						
11100	Changes in Allowance for Doubtful Accounts - Other						
11170	Administrative Fee Equity						
11180	Housing Assistance Payments Equity						
11190	Unit Months Available		1440		1440		1440
11210	Number of Unit Months Leased		1424		1424		1424
11270	Excess Cash		\$834,741		\$834,741		\$834,741
11610	Land Purchases		\$0		\$0		\$0
11620	Building Purchases		\$93,236		\$93,236		\$93,236
11630	Furniture & Equipment - Dwelling Purchases		\$0		\$0		\$0
11640	Furniture & Equipment - Administrative Purchases		\$0		\$0		\$0
11650	Leasehold Improvements Purchases		\$0		\$0		\$0
11660	Infrastructure Purchases		\$0		\$0		\$0
13510	CFFP Debt Service Payments		\$0		\$0		\$0
13901	Replacement Housing Factor Funds		\$0		\$0		\$0

## Housing Authority of the Town of Arcadia

### Schedule of Compensation, Benefits and Other Payments to Agency Head

or Chief Executive Officer

For the Year Ended June 30, 2020

Tammy Jones, Executive Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$52,555
Benefits-insurance	\$14,783
Benefits-retirement	\$3,378
Car allowance	
Reported value of the use of a vehicle provided by the agency for this FY, this should correspond to IRS reporting.	
Travel	816
Per diem	982
Registration fees	
Unvouchered Expenses (such as advances not settled up @ FYE)	
All other	

**Housing Authority of the Town of Arcadia**  
 Arcadia, Louisiana  
 Statement and Certification of Actual Modernization Costs  
 For the Year Ended June 30, 2020

Project Number:	LA48P045501-17
Original Funds Approved	\$ 140,122
Less Funds Expended (Actual Modernization Cost)	<u>140,122</u>
Excess Funds Approved	<u><u>\$ -</u></u>
Funds Disbursed	\$ 140,122
Less Funds Expended (Actual Modernization Cost)	<u>140,122</u>
Excess Funds Disbursed	<u><u>\$ -</u></u>

The distribution of costs by project as shown on HUD Final Performance and Evaluation Report dated May 8, 2020 accompanying the Actual Modernization Cost Certificates, submitted to HUD for approval are in agreement with the PHA's records.

All modernization costs have been paid and all related liabilities have been discharged through payments.

**HOUSING AUTHORITY OF THE TOWN OF ARCADIA**  
Arcadia, Louisiana

Schedule of Compensation Paid to Board Members  
Fiscal Year Ended June 30, 2020

Board Members serve without compensation.

**William Daniel McCaskill, CPA**  
A Professional Accounting Corporation  
415 Magnolia Lane  
Mandeville, Louisiana 70471

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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***

Board of Commissioners  
Housing Authority of the Town of Arcadia  
Arcadia, Louisiana

I 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 Housing Authority of the Town of Arcadia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the authority's basic financial statements, and have issued my report thereon dated February 9, 2021.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control. Accordingly, I do not express an opinion on the effectiveness of the authority'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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## HOUSING AUTHORITY OF THE TOWN OF ARCADIA

Arcadia, Louisiana

Report on Internal Control... *Government*

*Auditing Standards, 2020*

Page Two

### Compliance and Other Matters

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

I noted certain matters that I reported to management of the authority in a separate letter dated February 9, 2021.

### Purpose of this Report

The purpose of this report is solely to describe the scope of my 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*William Daniel McCaskill*

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William Daniel McCaskill, CPA  
A Professional Accounting Corporation

February 9, 2021

**HOUSING AUTHORITY OF THE TOWN OF ARCADIA**  
Arcadia, Louisiana

Schedule of Findings  
Fiscal Year Ended June 30, 2020

**Section I—Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?      \_\_\_\_\_yes        X  no
- Significant deficiency(ies) identified?      \_\_\_\_\_yes        X  none reported

Noncompliance material to financial statements noted?      \_\_\_\_\_yes        X  no

**SECTION II - FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**HOUSING AUTHORITY OF THE TOWN OF ARCADIA**  
Arcadia, Louisiana

Schedule of Prior Year Audit Findings  
Fiscal Year Ended June 30, 2020

There were no findings in the prior audit.

**William Daniel McCaskill, CPA**  
A Professional Accounting Corporation  
415 Magnolia Lane  
Mandeville, Louisiana 70471

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**Management Letter**

**Board of Commissioners  
Arcadia Housing Authority  
Arcadia, Louisiana**

In planning and performing my audit of the financial statements of the Housing Authority of the Town of Arcadia for the year ended June 30, 2020, I considered the Authority's internal control to plan my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control.

However, during my audit, I noted certain matters involving internal control that is presented for your consideration. This letter does not affect my report dated February 9, 2021, on the financial statements of the authority. Management's response has also been included.

**Comment – ML 2020-001**

The June 30, 2019 audit is being published in March 2021 and is therefore late per State Law. In accordance with Louisiana State Law RS 24:513A (5) (a) (i), the authority is required to complete and submit each annual audit within 6 months after fiscal year end. Note that is timely per federal regulations.

**Managements Response**

The numerous disasters that effected the Housing Authority in 2020 led to the Executive Director not having the requested audit documentation gathered in a timely manner. The Housing Authority will have all requested information to the auditor in a timely manner going forward.

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the authority, as of and for the year ending June 30, 2020, which collectively comprise the authority's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and user of the Board, management, federal awarding agencies, and pass-thru entities and is not intended to be and should not be used by anyone other than these specified users. Although the intended use of these reports may be limited, under LRS 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*William Daniel McCaskill*

William Daniel McCaskill, CPA, APAC  
A Professional Accounting Corporation

February 9, 2021