

Housing Authority of
the Town of Olla
Olla, Louisiana

Notes to the Financial Statements
Continued

Governmental Funds

These funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available to set current assets.

Liabilities are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

C. Total Columns on Statements -

The total columns on the statements are captioned Memorandum Only to indicate that they are provided only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

(B) RECONCILIATION OF UNRECONCILED CASH BALANCES

Cash on Hand	\$	50
Unreconciled Cash in Bank, Fully Insured by FDIC		58,778
Total Unreconciled Cash	\$	58,828

(B) FIXED ASSETS

All fixed assets are stated at cost. Changes in fixed assets are as follows:

	beg. of Period	Additions	Deletions	End of Period
Land, Land Improv.	\$ 365,874	\$ -0-	\$ -0-	\$ 365,874
Buildings	3,595,525	334,483	-0-	3,930,008
Equipment	73,393	4,849	-0-	78,242
Total	\$ 4,034,792	\$339,332	\$ -0-	\$ 4,374,124

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

(B) BUDGETS

The following summarizes the budget activities of the Housing Authority during the period ended June 30, 1993.

1. The Housing Authority adopted a budget for the General Fund.
2. The budget is prepared on the modified accrual basis of accounting. All appropriations lapse at year end.

Housing Authority of
the Town of Olla
Olla, Louisiana

Notes to the Financial Statements

10 SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. **Organization** - The entity is chartered as a public corporation for the purpose of administering housing programs for low income families.

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

B. **Financial Reporting** -

1. **Reporting entity** - This report includes all funds and accounts which are controlled by the entity's governing body. Control was determined on the basis of budget adoption, authority to incur debt, authority to execute contracts and general oversight responsibility. The board is appointed by the Town of Olla, Louisiana and is considered a related organization in that fact. However, the Olla Housing Authority is a legally separate entity and these financial statements concern only the financial activity of the entity.

2. **Fund accounting** - The accounts of the Olla PHA (Public Housing Authority) are organized on the basis of funds and on account groups, each of which is considered a separate accounting entity. The fund and the account group are reported by generic fund type in the financial statements.

GOVERNMENTAL FUND TYPE

General Fund

The general fund is the general operating fund of the PHA and is used to account for all financial resources except for those required to be accounted for in another fund.

ACCOUNT GROUP

General Fund Assets Account Group

This account group is established to account for all fund assets of the PHA, except those accounted for in the general fund.

3. **Basis of accounting** - Basis of accounting refers to the time at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurement made, regardless of the measurement basis applied.

TRADING AUTHORITY OF THE TOWN OF OLLA
 OLLA, LOUISIANA

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET GAP BASIS
 Twelve Months Ended June 30, 1997

Annual Contributions Contract FW-2500

	Budget	Actual	Variance Favorable (unfavorable)
Revenues			
Swelling Rental	\$ 20,510	\$ 21,540	\$ 930
INTEREST on General Fund Investments	1,880	1,407	(473)
Other Income	8,360	8,713	353
Real Operating Subsidy	43,751	43,753	-0-
Grants	128,482	128,400	-82
.....
Total Operating Income	\$ 203,983	\$ 203,813	\$ 170
.....
EXPENDITURES			
ADMINISTRATIVE	\$ 31,700	\$ 32,360	\$ 660
UTILITIES	8,510	8,282	228
Ordinary Maintenance and Operation	27,800	23,430	4,370
General Expense	24,700	23,330	1,370
Non-Stocking Maintenance	4,890	3,047	1,843
Other	-0-	740	(740)
Capital Expenditures	148,813	148,700	113
.....
Total Expenditures	\$ 246,213	\$ 240,497	\$ 5,716
.....
EXCESS OF REVENUES OVER EXPENDITURES	(42,230)	13,300	55,530
Fund Balance Beginning	65,293	48,283	-17,010
.....
Fund Balance Ending	\$ 23,063	\$ 61,583	\$ 38,520
.....

See Accountant's Report

The notes are an integral part of this statement.

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

**COMBINED BALANCE SHEET
June 30, 1997**

Annual Contributions Contract FW-2000

	General Fund	Special Funds	Total Investments Only
ASSETS			
Cash	\$ 8,500	\$ -0-	\$ 8,500
Receivables	48,000	-0-	48,000
Deferred Charges	400	-0-	400
Prepaid Insurance	3,100	-0-	3,100
Land, Structures, and Equipment	-0-	2,194,700	2,194,700
TOTAL ASSETS	\$ 62,000	\$ 2,194,700	\$ 2,256,700
LIABILITIES AND EQUITY			
Tenant's Security Deposits	\$ 8,500	\$ -0-	\$ 8,500
Contract Retentions	12,000	-0-	12,000
Accrued Payroll	4,500	-0-	4,500
Prepaid Bonds	-0-	-0-	-0-
TOTAL LIABILITIES	\$ 25,000	\$ -0-	\$ 25,000
Fund Balance	43,000	-0-	43,000
Investments in Fixed Assets	-0-	2,194,700	2,194,700
TOTAL LIABILITIES AND EQUITY	\$ 62,000	\$ 2,194,700	\$ 2,256,700

See Accountant's Report

The notes are an integral part of this statement.

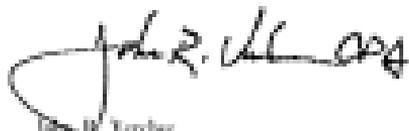
Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute loans, advances, or gifts.

¹ A reading of the minutes of the district for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute loans, advances, or gifts.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I did not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Housing Authority of the Town of Olla and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedure for their purposes. However, this report is a matter of public record and its distribution is not limited.



John W. Archer

Jeno, Louisiana
September 17, 1997

* Name of the employees included on the list of employees provided by management in regular procedure (B) appeared on the list provided by management in irregular procedure (C).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

* I obtained a copy of the budget.

6. Trace the budget adoption and amendments to the minute book.

* The board approved the budget in the minutes.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

* Actual revenues or expenditures did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and (a) trace payments to supporting documentation or to proper amount and payee.

* I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account and

* All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

* Inspection of documentation supporting each of the six selected disbursements indicated approval from the executive director and the chairman of the Board of Commissioners.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 421 through 424.2 like open meetings law.

* The Housing Authority posts its meetings.

Debt

10. Examine bank deposits for the period under examination and determine whether any (a) deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

* I inspected all bank deposit entries in the books for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

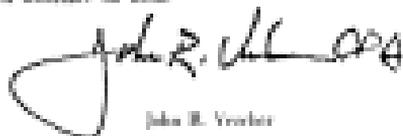
JOHN R. VERCHER, PC
Certified Public Accountant
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Jama, Louisiana 71342
Tel: (225) 942-8248
Fax: (214) 942-8274

MEMORANDUM COMPLIANCE REPORT ON
GENERAL PURPOSE FINANCIAL STATEMENTS

Board of Commissioners
Housing Authority of the Town of Olla
P. O. Box 208
Washington, N.
Olla, L.A. 71365

I have compiled the general purpose financial statements and graphs of the Housing Authority of the Town of Olla, as of and for the year ended June 30, 1997, as listed in the table of contents, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements, and, accordingly, do not express an opinion or any other form of assurance on them.



John R. Vercher

September 13, 1997
Jama, Louisiana

TRAINING AUTHORITY OF THE TOWN OF OLLA
OLLA, LOUISIANA

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HOUSING AUTHORITY OF
THE TOWN OF OLLA
OLLA, LOUISIANA



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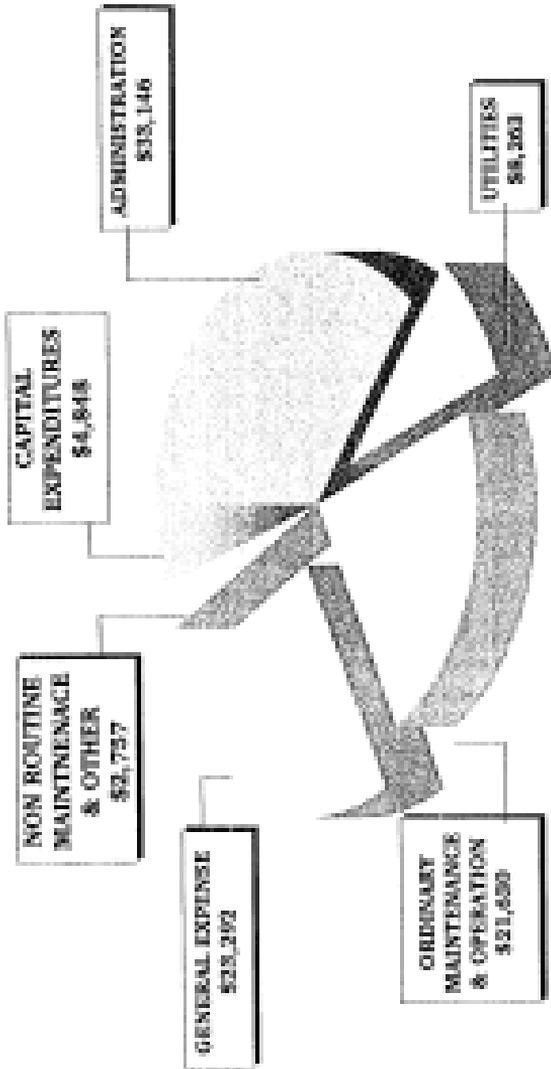
INCISING AUTHORITY OF THE TOWN OF OLLA
OLLA, LOUISIANA
REPORT ON COMPILED
GENERAL PURCHASE FINANCIAL STATEMENTS
Twelve Months Ended June 30, 1992

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

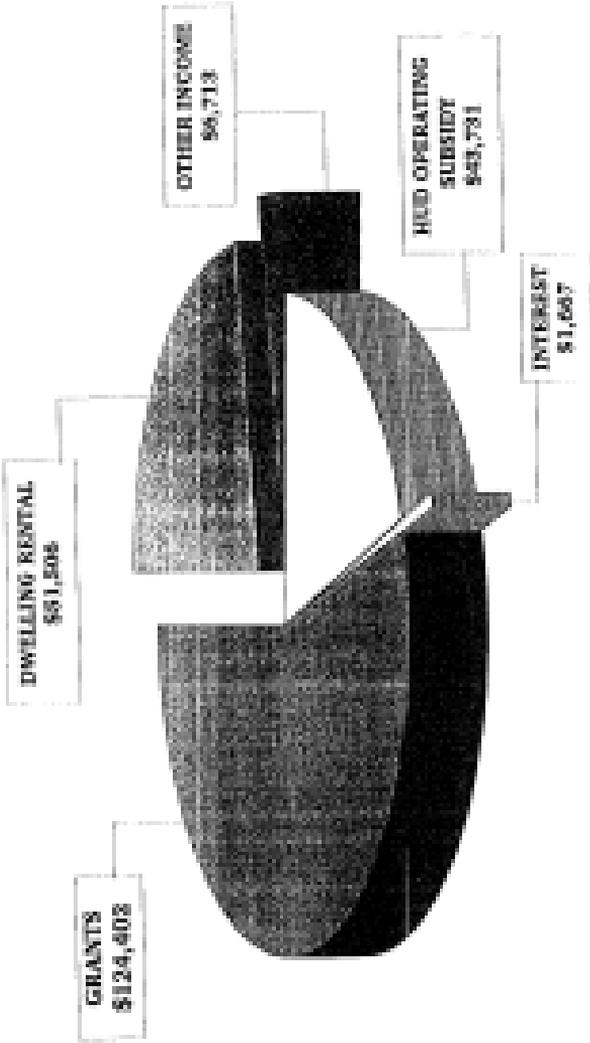
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**OLLA HOUSING AUTHORITY
OPERATING EXPENDITURES JUNE 30, 1997**



**OLLA HOUSING AUTHORITY
OPERATING REVENUES JUNE 30, 1997**



GRAPHS

Housing Authority of
the Town of Olla,
Olla, Louisiana

Notes to the Financial Statements
Continued

40. BUDGETS - KNOWN

3. Encumbrances are not recognized within the accounting records for budgetary control purposes.
4. Year-end budget integration within the accounting records is employed as a management control device.
5. The executive director is authorized to transfer amounts between line items within any fund, with the exception of salaries, provided such does not change the total of any function. However, when actual revenues within a fund fail to meet budgeted revenues by five per cent or more and/or actual expenditures within a fund exceed budgeted expenditures by five per cent or more, a budget amendment is adopted by the Housing Authority in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.
6. HUD approves all budgets adopted by the Housing Authority.

41. CONTINGENCIES

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

42. COMPOSITION

Name	Title	Salary
Barry C. Richardson	Chairman	\$ -0-
CHRISTOPH DUBO	Commissioner	-0-
Richard Duke	Commissioner	-0-
Richard Dumas	Commissioner	-0-
Wesley Taylor	Commissioner	-0-