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**FINANCIAL STATEMENTS**

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS**

**DENHAM SPRINGS, LOUISIANA**

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

**SEPTEMBER 30, 1999**

Release Date APR 19 2000

## TABLE OF CONTENTS

### HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS DENHAM SPRINGS, LOUISIANA

	Page No.
Transmittal Letter	2
Audit Opinion	3-4
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	5 - 6
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular 133-A	7 - 8
Summary of Auditor's Results	9 - 10
Schedule of Findings and Questioned Costs	11
<i>General Purpose Financial Statements:</i>	
Combined Balance Sheet, All Fund Types and Account Groups	12A-C
<i>Governmental Funds:</i>	
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances	13A-D
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	14A-D
Notes to the Financial Statements	15 - 25
Schedule of Federal Financial Awards	26

**TRANSMITTAL LETTER**

**GENERAL PURPOSE FINANCIAL STATEMENTS  
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

March 15, 2000

Office of Legislative Auditor  
Attention: Ms. Dorothy Milner  
1600 North Third Street  
Post Office Box 94397  
Baton Rouge, Louisiana 70804-9397

Dear Ms. Milner:

In accordance with Louisiana Revised Statute 24:514, enclosed are the general purpose financial statements, with supplemental information schedules, for the Housing Authority of the City of Denham Springs as of and for the year ended September 30, 1999. The report includes all funds under the control and authority of the housing authority. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,

\_\_\_\_\_  
Executive Director

Enclosure

INFORMATION FURNISHED BY THE AUDITOR

**BREWSTER & ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 2900  
PENSACOLA, FLORIDA 32513**

Board of Commissioners  
Housing Authority of the City  
Of Denham Springs  
P. O. Box 910  
Denham Springs, Louisiana 70727

U.S. Department of Housing  
and Urban Development  
Area Field Office  
Hale Boggs Federal Building  
501 Magazine Street, 9<sup>th</sup> Floor  
New Orleans, Louisiana 70130

**INDEPENDENT AUDITOR'S REPORT**

I have audited the financial statements listed in the Table of Contents of the Housing Authority of the City of Denham Springs, Louisiana, as of and for the year ended September 30, 1999. These financial statements are the responsibility of the Housing Authority's management. My *responsibility is to express an opinion on these financial statements based on my audit.*

I conducted my audit in accordance with generally accepted auditing standards and 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the City of Denham Springs, Louisiana, as of September 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated March 15, 2000 on my consideration of the Housing Authority's internal control structure and a report dated March 15, 2000 on my tests of its compliance with certain provisions of laws and regulations, contracts, and grants.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole..



CERTIFIED PUBLIC ACCOUNTANT  
Pensacola, Florida  
March 15, 2000

**BREWSTER & ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 2900  
PENSACOLA, FLORIDA 32513**

Board of Commissioners  
Housing Authority of the City  
Of Denham Springs  
P. O. Box 910  
Denham Springs, Louisiana 70727

**REPORT ON COMPLIANCE AND ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

I have audited the financial statements of the Denham Springs Housing Authority, as of and for the year ended September 30, 1999, and have issued my report thereon dated March 15, 2000 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Denham Springs Housing Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, and the *PIH Compliance Supplement 96-32 and 97-30*, 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Denham Springs Housing Authority's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being

audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the management and federal awarding agencies. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Tom E. Brewster". The signature is written in a cursive style with a prominent initial "T".

CERTIFIED PUBLIC ACCOUNTANT  
Pensacola, Florida  
March 15, 2000

**BREWSTER & ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 2900  
PENSACOLA, FLORIDA 32513**

Board of Commissioners  
Housing Authority of the City  
Of Denham Springs  
P. O. Box 910  
Denham Springs, Louisiana 70727

REPORT ON COMPLIANCE WITH REQUIRE-  
MENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133

Compliance

I have audited the compliance of the Denham Springs Housing Authority with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *PIH Compliance Supplement 96-32 and 97-30* that are applicable to each of its major federal programs for the year ended September 30, 1999. The Denham Springs Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Denham Springs Housing Authority's management. My responsibility is to express an opinion on the Denham Springs Housing Authority's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards," the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States", and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining on a test basis, evidence about the Denham Springs Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Denham Springs Housing Authority's compliance with those requirements.

In my opinion, the Denham Springs Housing Authority complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 1999.

Internal Control Over Compliance

The management of the Denham Springs Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the Denham Springs Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be a material weaknesses.

This report is intended for the information of the management, and federal awarding agencies. However, this report is a matter of public record and its distribution is not limited.



CERTIFIED PUBLIC ACCOUNTANT  
Pensacola, Florida  
March 15, 2000

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS**

**SUMMARY OF AUDITOR'S RESULTS**

**SEPTEMBER 30, 1999**

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

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*Financial Statement*

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weakness(es) identified?                     Yes                     No

Reportable condition(s) identified  
that are not considered to be  
material weaknesses?                     Yes                     No

Noncompliance material to financial  
statements noted?                     Yes                     No

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified?                     Yes                     No

Reportable condition(s) identified  
that are not considered to be material  
weakness(es)?                     Yes                     None  
reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are  
required to be reported in accordance  
with section 510 (a) of Circular A-133?                     Yes                     No

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS**

**SUMMARY OF AUDITOR'S RESULTS(Continued)**

**September 30, 1999**

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Identification of major programs. <i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
<u>14.850</u>	<u>Conventional Public Housing Program</u>
<u>14.857</u>	<u>Section 8 Rental Certificate Program</u>
<u>14.855</u>	<u>Section 8 Rental Voucher Program</u>
<u>14.852</u>	<u>Comprehensive Improvement Assistance Program</u>

Dollar threshold used to distinguish  
between type A and type B programs: \$300,000.00

Auditee qualified as low-risk auditee? \_\_\_ Yes X No

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**September 30, 1999**

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**Section II - Financial Statement Findings**

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The current audit, for the year ended September 30, 1999, disclosed no financial statement findings and/or noncompliance with HUD rules and regulations, contracts and equivalents.

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**Section III - Federal Award Findings and Questioned Costs**

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The current audit for the year ended September 30, 1999, disclosed no Federal Awards Findings, Questioned Costs, and/or noncompliance with HUD rules and regulations, contracts and equivalents.

INFORMATION FURNISHED BY THE HOUSING AUTHORITY

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
COMBINED BALANCE SHEET, FUND TYPE & ACCOUNT GROUPS  
AS OF SEPTEMBER 30, 1999**

	Government Fund Types					Fiduciary Fund Types			Account Groups		Totals (Memorandum)
	Assets & Other Debits	General	Special Revenue	Debt Service	Capital Projects	Agency and Expendable Trust	General Fixed Assets	General Long-Term Debt	1999		
<b>CURRENT ASSETS:</b>											
Cash	\$	31,833.02	\$ 59,115.78							\$ 90,948.80	
Tenant Accounts Receivable		612.07								612.07	
HUD											
Other Accounts Receivable		4,914.27	26,320.34							31,234.61	
<b>Total Current Assets</b>		<u>37,359.36</u>	<u>85,436.12</u>	<u>0.00</u>	<u>0.00</u>	<u>-</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>122,795.48</u>	
<b>INVESTMENTS:</b>											
General Fund		93,478.86	29,062.22							122,541.08	
<b>Total Investments</b>		<u>93,478.86</u>	<u>29,062.22</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>122,541.08</u>	
<b>PREPAID EXPENSE:</b>											
Refundable Deposits										0.00	
Prepaid Insurance		4,557.62								4,557.62	
Inventories		349.00								349.00	
Other											
<b>Total Prepaid Expense</b>		<u>4,906.62</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,906.62</u>	
<b>DEBT SERVICE FUNDS:</b>											
Debt Service Fund										0.00	
HUD Annual Contribution Receivable										0.00	
<b>Total Debt Service Funds</b>		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
<b>FIXED ASSETS:</b>											
Land, Structure, & Equipment (LS&E)										2,253,618.92	
Accumulated Depreciation										(1,719,817.43)	
<b>Total Fixed Assets</b>		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>533,801.49</u>	
<b>OTHER DEBITS:</b>											
Total Other Debits											
<b>TOTAL ASSETS</b>		<u>\$135,744.84</u>	<u>\$114,498.34</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$533,801.49</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$784,044.67</u>	

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
COMBINED BALANCE SHEET, FUND TYPE & ACCOUNT GROUPS  
AS OF SEPTEMBER 30, 1999**

Liabilities, Fund Equity, & Other Credits	Government Fund Types					Fiduciary Fund Types			Account Groups		Totals
	General	Sec. 8 Certificates	Sec. 8 Vouchers	Special Revenue	Special Fund	Capital Projects	Agency and Expendable Trust	General Fixed Assets	General Long-Term Debt	(Memorandum)	
<b>ACCOUNTS PAYABLE:</b>											
Tenant Security Deposits HUD	\$ 2,975.00			\$ 49,497.00						\$ 2,975.00	
Accrued Compensated Absences	28,859.84									49,497.00	
Other	19,375.67			32,660.06						28,859.84	
<b>Total Accounts Payable</b>	<b>51,210.51</b>		<b>0.00</b>	<b>82,157.06</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>133,367.57</b>	
<b>ACCRUED LIABILITIES:</b>											
Payment in Lieu of Taxes (PILOT)	-									-	
<b>Total Accrued Liabilities</b>	<b>-</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>	
<b>DEFERRED CREDITS:</b>											
Tenants Prepaid Rent										-	
Other Deferred Credits	1,574.31			737.97						2,312.28	
<b>Total Deferred Credits</b>	<b>1,574.31</b>		<b>0.00</b>	<b>737.97</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,312.28</b>	
<b>FIXED LIABILITIES:</b>											
Permanent Notes Payable - HUD										-	
Notes Payable - FFB										-	
Bonds Issued										-	
Bonds Retired										-	
<b>Total Fixed Liabilities</b>	<b>-</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>	
<b>TOTAL LIABILITIES</b>	<b>\$ 52,784.82</b>		<b>\$ 82,895.03</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 135,679.85</b>	

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
COMBINED BALANCE SHEET, FUND TYPE & ACCOUNT GROUPS  
AS OF SEPTEMBER 30, 1999**

Liabilities, Fund Equity, & Other Credits	Government Fund Types					Fiduciary Fund Types			Account Groups		Totals
	General	Special Revenue	Debt Service	Capital Projects	Agency and Expendable Trust	General Fixed Assets	General Long-Term Debt			(Memorandum)	
<b>FUND EQUITY:</b>											
Operating Reserve	\$ 82,960.02	\$ 31,603.31				\$ 533,801.49				\$ 648,364.82	
Investments in Fixed Assets										0.00	
Reserve for Debt Service										0.00	
Cumulative Grants - Development										0.00	
Cumulative Grants - PHDEP										0.00	
<b>Total Fund Equity</b>	<b>82,960.02</b>	<b>31,603.31</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>533,801.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>648,364.82</b>	
<b>OTHER CREDITS:</b>											
Other Credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Total Other Credits</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>TOTAL FUND EQUITY &amp; OTHER CREDITS</b>	<b>82,960.02</b>	<b>31,603.31</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>533,801.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>648,364.82</b>	
<b>TOTAL LIABILITIES, FUND EQUITY, &amp; OTHER CREDITS</b>	<b>\$135,744.84</b>	<b>\$114,498.34</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$533,801.49</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$784,044.67</b>	

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES & EXPENDABLE TRUST FUNDS  
 YEAR ENDED SEPTEMBER 30, 1999**

Revenue	Government Fund Types					Fiduciary Fund Types	Totals (Memorandum)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust		
<b>RENTAL INCOME:</b>							
Dwelling Rent	\$ 83,911.26					\$ 83,911.26	
Excess Utilities	2,692.18					2,692.18	
Non-Dwelling Rent							
<i>Total Rental Income</i>	<u>86,603.44</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>86,603.44</u>	
<b>NON-RENTAL INCOME:</b>							
Interest	2,499.69	\$ 5,415.03				7,914.72	
Other	25,015.74					25,015.74	
<i>Total Non-Rental Income</i>	<u>27,515.43</u>	<u>5,415.03</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>32,930.46</u>	
<b>OTHER INCOME:</b>							
Federal Sources							
Operating Subsidy	15,878.00					15,878.00	
Section 8 Rental Assistance		235,492.00				235,492.00	
Grants - Modernization				\$ 21,000.00		21,000.00	
Grants - PHDEP							
<i>Total Other Income</i>	<u>15,878.00</u>	<u>235,492.00</u>	<u>0.00</u>	<u>21,000.00</u>	<u>0.00</u>	<u>272,370.00</u>	
<b>TOTAL REVENUE</b>	<b>\$ 129,996.87</b>	<b>\$ 240,907.03</b>	<b>0.00</b>	<b>\$ 21,000.00</b>	<b>0.00</b>	<b>\$ 391,903.90</b>	

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES & EXPENDABLE TRUST FUNDS  
 YEAR ENDED SEPTEMBER 30, 1999**

Expenditures	Government Fund Types					Fiduciary Fund Types	Totals (Memorandum)
	General	Special Revenue	Debt Service	Capital Projects	Trust		
<b>ADMINISTRATIVE:</b>							
Administrative Salaries	\$ 22,216.77					\$ 22,216.77	
Employee Benefit Contributions	2,915.42					2,915.42	
Outside Management Fees						-	
Compensated Absences						-	
Accounting & Audit Costs	2,468.70					2,468.70	
Other Operating-Administrative	6,372.24					6,372.24	
<b>Total Administrative</b>	<b>33,973.13</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>33,973.13</b>	
<b>TENANT SERVICES:</b>							
Salaries - Tenant Services							
Recreation, Publications, etc.							
Employee Benefit Contributions							
<b>Total Tenant Services</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>	
<b>UTILITIES:</b>							
Water	3,562.55					3,562.55	
Electricity	6,551.83					6,551.83	
Gas	7,613.43					7,613.43	
Labor							
Other Utilities Expense							
<b>Total Utilities</b>	<b>17,727.81</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>17,727.81</b>	
<b>ORDINARY MAINTENANCE:</b>							
Labor	17,266.75					17,266.75	
Materials	7,777.87					7,777.87	
Contract Costs	22,666.33					22,666.33	
Employee Benefit Contributions	2,290.68					2,290.68	
<b>Total Ordinary Maintenance</b>	<b>\$ 50,001.63</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 50,001.63</b>	

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES & EXPENDABLE TRUST FUNDS  
 YEAR ENDED SEPTEMBER 30, 1999**

Expenditures (cont.)	Government Fund Types					Fiduciary Fund Types	Totals (Memorandum)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust		
<b>GENERAL:</b>							
Insurance	\$ 5,164.17					\$ 5,164.17	
Payment in Lieu of Taxes (PILOT)						-	
Terminal Leave Payments						-	
Interest						-	
Employee Benefit Contributions	241.37					241.37	
Collection Losses						-	
Other General Expenses							
<b>Total General</b>	<b>5,405.54</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,405.54</b>	
<b>NON-ROUTINE ITEMS:</b>							
Non-Routine Maintenance							
<b>Total Non-Routine Items</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>OTHER EXPENDITURES:</b>							
Sec 8							
HAP		\$ 205,694.49				205,694.49	
Admin Expenses		53,291.91				53,291.91	
Audit Costs							
<b>Total Other Expenditures</b>	<b>0.00</b>	<b>258,986.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>258,986.40</b>	
<b>SUBTOTAL EXPENDITURES</b>	<b>\$ 107,108.11</b>	<b>\$ 258,986.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 366,094.51</b>	

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES & EXPENDABLE TRUST FUNDS  
YEAR ENDED SEPTEMBER 30, 1999**

	Government Fund Types					Fiduciary Fund Types (Memorandum)		Totals
	Other Credits / Charges	General	Special Revenue	Debt Service	Capital Projects	Trust	Expendable	
<b>SURPLUS CREDITS / CHARGES:</b>								
Prior Year Adjustments		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Surplus Credits / Charges		0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>CAPITAL OUTLAY:</b>								
Modernization					\$ 21,000.00			\$ 21,000.00
Replacement of Non-expendable Equip.		\$ 3,880.50						3,880.50
Property Betterment & Additions		3,880.50	0.00	0.00	21,000.00	0.00		24,880.50
Total Capital Outlay		110,988.61	258,986.40	0.00	21,000.00	0.00		390,975.01
<b>TOTAL EXPENDITURES</b>								
<b>Excess of Revenues Over (Under) Expenditures</b>		\$ 19,008.26	\$ (18,079.37)	\$ 0.00	\$ 0.00	\$ 0.00		\$ 928.89

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES  
 BUDGET (GAAP Basis) & ACTUAL - GENERAL & SPECIAL REVENUE FUNDS  
 YEAR ENDED SEPTEMBER 30, 1999**

Revenue	General Fund			Special Revenue Fund		
	Budget	Actual GAAP Basis	Variance - Favorable (Unfavorable)	Budget	Actual GAAP Basis	Variance - Favorable (Unfavorable)
<b>RENTAL INCOME:</b>						
Dwelling Rent	\$ 96,400.00	\$ 83,911.26	\$ (12,488.74)			0.00
Excess Utilities	1,300.00	2,692.18	1,392.18			0.00
Non-Dwelling Rent						0.00
<i>Total Rental Income</i>	<u>97,700.00</u>	<u>86,603.44</u>	<u>(11,096.56)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>NON-RENTAL INCOME:</b>						
Interest of General Funds	2,330.00	2,499.69	169.69		\$ 5,415.03	\$ 5,415.03
Other	11,940.00	25,015.74	13,075.74			
<i>Total Non-Rental Income</i>	<u>14,270.00</u>	<u>27,515.43</u>	<u>13,245.43</u>	<u>0.00</u>	<u>5,415.03</u>	<u>5,415.03</u>
<b>OTHER INCOME:</b>						
Federal Sources						
Operating Subsidy	15,878.00	15,878.00	-			
Section 8 Rental Assistance				334,514.00	235,492.00	(99,022.00)
Grants - Modernization						
Grants - PHDEP						
<i>Total Other Income</i>	<u>15,878.00</u>	<u>15,878.00</u>	<u>-</u>	<u>334,514.00</u>	<u>235,492.00</u>	<u>(99,022.00)</u>
<b>TOTAL REVENUE</b>	<b>\$ 127,848.00</b>	<b>\$ 129,996.87</b>	<b>\$ 2,148.87</b>	<b>\$ 334,514.00</b>	<b>\$ 240,907.03</b>	<b>\$ (93,606.97)</b>

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES  
BUDGET (GAAP Basis) & ACTUAL - GENERAL & SPECIAL REVENUE FUNDS  
YEAR ENDED SEPTEMBER 30, 1999**

Expenditures	General Fund			Special Revenue Fund		
	Budget	Actual GAAP Basis	Variance - Favorable (Unfavorable)	Budget	Actual GAAP Basis	Variance - Favorable (Unfavorable)
<b>ADMINISTRATIVE:</b>						
Administrative Salaries	\$ 20,250.00	\$ 22,216.77	\$ (1,966.77)			0.00
Employee Benefit Contributions	2,769.00	2,915.42	(146.42)			0.00
Outside Management Fees		-	-			0.00
Compensated Absences		-	-			0.00
Accounting & Audit Costs	2,740.00	2,468.70	271.30			0.00
Other Operating Costs-Admin	7,100.00	6,372.24	727.76			0.00
<b>Total Administrative</b>	<b>32,859.00</b>	<b>33,973.13</b>	<b>(1,114.13)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TENANT SERVICES:</b>						
Salaries - Tenant Services			0.00			0.00
Recreation, Publications, etc.			0.00			0.00
Employee Benefit Contributions			0.00			0.00
<b>Total Tenant Services</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>UTILITIES:</b>						
Water	2,430.00	3,562.55	(1,132.55)			0.00
Electricity	8,690.00	6,551.83	2,138.17			0.00
Gas	14,960.00	7,613.43	7,346.57			0.00
Labor	240.00	240.00				0.00
Other Utilities Expense			-			0.00
<b>Total Utilities</b>	<b>26,320.00</b>	<b>17,727.81</b>	<b>8,592.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>ORDINARY MAINTENANCE:</b>						
Labor	23,890.00	17,266.75	6,623.25			0.00
Materials	8,000.00	7,777.87	222.13			0.00
Contract Costs	11,400.00	22,666.33	(11,266.33)			0.00
Employee Benefit Contributions	3,251.00	2,290.68	960.32			0.00
<b>Total Ordinary Maintenance</b>	<b>46,541.00</b>	<b>50,001.63</b>	<b>(3,460.63)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES  
BUDGET (GAAP Basis) & ACTUAL - GENERAL & SPECIAL REVENUE FUNDS  
YEAR ENDED SEPTEMBER 30, 1999**

Expenditures (cont)	General Fund			Special Revenue Fund		
	Budget	Actual GAAP Basis	Variance - Favorable (Unfavorable)	Budget	Actual GAAP Basis	Variance - Favorable (Unfavorable)
<b>GENERAL:</b>						
Insurance	\$ 13,660.00	\$ 5,164.17	\$ 8,495.83			0.00
Payment in Lieu of Taxes (PILOT)	7,140.00		7,140.00			0.00
Interest			-			0.00
Employee Benefit Contributions		241.37	(241.37)			0.00
Collection Losses			-			0.00
Other General Expenses			-			0.00
<b>Total General</b>	<b>20,800.00</b>	<b>5,405.54</b>	<b>15,394.46</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>NON-ROUTINE ITEMS:</b>						
Non-Routine Maintenance			0.00			0.00
<b>Total Non-Routine Items</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>OTHER EXPENDITURES:</b>						
Sec 8						
HAP			0.00	289,433.00	205,694.49	83,738.51
Admin Expense			0.00	44,281.00	53,291.91	(9,010.91)
Audit Costs			0.00	800.00	800.00	800.00
<b>Total Other Expenditures</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>334,514.00</b>	<b>258,986.40</b>	<b>75,527.60</b>
<b>SUBTOTAL EXPENDITURES</b>	<b>\$ 126,520.00</b>	<b>\$ 107,108.11</b>	<b>\$ 19,411.89</b>	<b>\$ 334,514.00</b>	<b>\$ 258,986.40</b>	<b>\$ 75,527.60</b>

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES  
 BUDGET (GAAP Basis) & ACTUAL - GENERAL & SPECIAL REVENUE FUNDS  
 YEAR ENDED SEPTEMBER 30, 1999**

	General Fund			Special Revenue Fund		
Other Credits / Charges	Budget	Actual GAAP Basis	Variance - Favorable (Unfavorable)	Budget	Actual GAAP Basis	Variance - Favorable (Unfavorable)
<b>SURPLUS CREDITS / CHARGES:</b>						
Prior Year Adjustments			0.00			0.00
Total Surplus Credits / Charges	0.00	0.00	0.00	0.00	0.00	0.00
<b>CAPITAL OUTLAY:</b>						
Modernization			0.00			0.00
Replace of Non-expendable Equip.		\$ 3,880.50	\$ (3,880.50)			0.00
Property Betterment's & Additions	4,800.00		4,800.00			0.00
Total Capital Outlay	4,800.00	3,880.50	919.50	0.00	0.00	0.00
<b>TOTAL EXPENDITURES</b>	131,320.00	110,988.61	20,331.39	334,514.00	258,986.40	75,527.60
<b>Excess of Revenues Over (Under) Expenditures</b>						
	\$ (3,472.00)	\$ 19,008.26	\$ 22,480.26	\$ -	\$ (18,079.37)	\$ (18,079.37)

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA**

Notes to the Financial Statements  
As of and for the Year Ended September 30, 1999

**INTRODUCTION**

The Housing Authority of the City of Denham Springs (authority) was created pursuant to the U.S. Housing Act of 1937 to engage in the acquisition, development, and administration of a low income housing program to provide safe, sanitary, and affordable housing to the citizens of Denham Springs, Louisiana. The Housing Authority must comply with Louisiana State reporting laws (LSA - R.S. 24:513 and 24:514) which requires financial statements to be prepared in accordance with generally accepted accounting principles (GAAP).

The authority is administered by a five member board appointed by the Mayor. Members of the board serve staggered-year terms.

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 rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the authority for the purpose of assisting the authority in financing the acquisition, construction, and leasing of housing units and to make annual contributions (subsidies) to the authority for the purpose of maintaining this low rent character.

The authority participates in Section 8 housing assistance payment programs. The Section 8 Certificate Program provides assistance to low-income persons seeking housing by subsidizing rents between tenants and owners of existing private housing. Under this program, the authority enters into housing assistance payment contracts with landlords. Section 8 Rental Voucher Program, another Section 8 housing assistance program, provides assistance to low-income families. The program provides for a voucher which can be used by the tenant to pay rent to any landlord he chooses.

At September 30, 1999, the authority managed 52 public housing units and provided assistance to 71 Section 8 Certificate housing units and 29 Section 8 Voucher housing units (The Section 8 Programs are disclosed in the Special Revenue Fund). The authority has CIAP Modernization in progress (disclosed in the Capital Project Fund).

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the authority have been prepared in conformity with generally accepted accounting principles (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.

**B. REPORTING ENTITY**

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 authority is legally separate and fiscally independent, the authority is a separate governmental reporting entity.

The authority is a related organization of the City of Denham Springs, Louisiana since the Mayor appoints a voting majority of the authority's governing board. The City of Denham Springs 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 City of Denham Springs. Accordingly, the authority is not a component unit of the financial reporting entity of the City of Denham Springs.

The authority includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the authority.

Certain units of local government over which the authority exercises no oversight responsibility, such as the parish police jury, school board, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the authority. In addition, the accompanying financial statements do not include various tenant associations which are legally separate entities.

**C. FUND ACCOUNTING**

The authority uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is an financial reporting device designed to provide accountability for certain assets and liabilities that not recorded in the funds because they no not directly affect net expendable financial resources.

Funds of the authority are classified into three categories: governmental, proprietary and fiduciary, as applicable. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund types follow:

**Governmental Funds**

Governmental funds account for all or most of the authority's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. *General Fund* - the general operating fund of the authority accounts for all financial resources, except those required to be accounted for in other funds. The General Fund includes transactions of the low rent housing assistance programs.
2. *Special revenue funds* - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Special revenue funds contain transactions of the various Section 8 Housing Assistance Programs administered by the authority.
3. *Debt service funds* - account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group. Debt service funds contain current year payments of principal and interest on project notes, federal financing bonds, and bonds payable (if applicable).
4. *Capital projects funds* - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. Capital projects funds contain transactions relating to active modernization and development programs.

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

**Fiduciary Funds**

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the authority.

The Tenants Security Deposits Agency Fund consists of various tenant security deposit accounts.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**D. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Operating subsidies and the annual contributions received from HUD are recorded when available and measurable. Federal restricted grants are recorded when reimbursable expenditures have been incurred.

Rental income is recorded in the month earned.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available. Interest income on interest bearing demand deposits is recorded each month when credited by the bank to the account.

Substantially all other revenues are recorded when they become available to the PHA.

**Expenditures**

Salaries are recorded as expenditures when paid. Purchases of various operating supplies are recorded as expenditures in the accounting period they are purchased.

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long term obligations account group.

Principal and interest on general long term debt are recognized when due.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

**Other Financing Sources (Uses)**

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishment, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**Deferred Revenues**

The authority reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the authority before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the authority has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**E. BUDGETS**

The authority uses the following budget practices:

1. The authority adopted budgets for the General Fund, the Special Revenue Fund and the Capital Projects Funds. The Capital Projects Funds budget comparison to actual has not been included since the capital project (Modernization/CIAP) is a multiple year endeavor not requiring an annual expenditure budget.
2. The budgets are prepared on the modified accrual basis of accounting. All appropriations lapse at year end.

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

3. Encumbrances are not recognized within the accounting records for budgetary purposes.
4. Formal 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 5% or more, a budget amendment is adopted by the authority in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

**F. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

**G. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits and interest bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agents. Under state law, the authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

**I. INVENTORIES**

All purchased inventory items are valued at cost. Acquisition of materials and supplies are accounted for on the purchase method, that is, the expenditure is charged when the items are purchased. Housing Authorities of less than 500 units do not record the inventory in the general ledger.

**J. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

**K. COMPENSATED ABSENCES**

The authority has the following policy relating to vacation and sick leave:

The authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 300 hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the governmental funds when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the General Long Term Obligations Account Group. Leave benefits are based on accrued leave benefits or employees with ten (10) years service to a maximum of 25 days at their current annual salary.

**L. LONG-TERM OBLIGATIONS**

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

**M. FUND EQUITY - Reserves**

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

**N. INTERFUND TRANSACTIONS**

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**O. TOTAL COLUMNS ON COMBINED STATEMENTS**

The total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**2. CASH AND CASH EQUIVALENTS**

At September 30, 1999, the authority has cash and cash equivalents (book balances) totaling \$184,427.66. \$90,948.00 is deposited in the operating check account and \$93,478.86 is in Certificates of Deposit and is reported as Investments in the Financial Statement.

Demand deposits	\$ 90,948.80
Time deposits	<u>93,478.86</u>
	<b>\$ <u>184,427.66</u></b>

These deposits are stated at cost, which approximates 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.

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

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. At September 30, 1999, the authority has \$184,427.66 in deposits (collected bank balances). These deposits are secured from risk by \$200,000.00 of federal deposit insurance. (GASB Category 3).

**3. OTHER ACCOUNTS RECEIVABLE**

The Other Account Receivables on September 30, 1999, are as follows:

Due from Other Housing Program	<u>\$ 31,234.60</u>
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**4. FIXED ASSETS**

The changes in general fixed assets are as follows:

Land, Structures, and Equipment	
Balance September 30, 1998	\$ 2,604,224.14
Additions - LS&E	3,880.50
Additions - CIAP	18,500.00
*Deletions (soft costs)	<u>( 372,985.72)</u>
 *Accumulated Depreciation	 <u>( 1,719,817.43)</u>
 Balance September 30, 1999	 <u>\$ 533,801.49</u>

Fixed assets are mortgaged to HUD pursuant to the Annual Contributions Contract as collateral for obligations owed to the U.S. Government.

\*Under HUD Regulations starting in Fiscal Year ending September 30, 1999, soft costs totaling \$372,985.72 were eliminated from fixed assets and \$1,719,817.43 in accumulated depreciation is now reported in the financial statements.

**5. RETIREMENT SYSTEMS**

The authority provides benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate after a six months exclusionary period. The employee contributes up to six percent and the entity contributes eight percent of the employee's base salary each month. The entity's contributions for each employee (and interest

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

allocated to the employee's account) are vested twenty percent annually for each year of participation. An employee is fully vested after five years of participation.

The entity's total payroll in fiscal year ended September 30, 1999 was \$39,483.52. Contributions to the plan were \$2,369.00 and \$3,158.00 by the employee and the entity, respectively.

**6. OTHER PAYABLES**

The Other Payables at September 30, 1999, are as follows:

Performance Deposit	\$	100.00
Vouchers		19,275.67
Other Housing Programs		<u>32,660.06</u>
Total	\$	<u>53,035.73</u>

**7. COMPENSATED ABSENCES**

At September 30, 1999, employees of the authority had accumulated and vested \$28,859.84 in employee leave benefits, which was computed in accordance with GASB Codification Section C60.

**8. CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS**

A summary of changes in agency fund deposits due other follows:

Agency Funds: Tenants Security Deposits		
Balance, September 30, 1998	\$	3,475.00
Returns - Net		<u>(500.00)</u>
Balance September 30, 1999	\$	<u>2,975.00</u>

**9. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

Per HUD Regulations, starting in Fiscal Year ending September 30, 1999, the PHA's Notes and Bonds Payable are no longer reported in the Financial Statements.

**HOUSING AUTHORITY OF THE CITY OF DENHAM SPRINGS  
DENHAM SPRINGS, LOUISIANA  
Notes to Financial Statements (Continued)**

**10. INTERFUND ASSETS/LIABILITIES**

Interfund receivables/payables at September 30, 1999 are as follows: NONE

**11. COMMITMENTS AND CONTINGENCIES**

The authority participates in a number of federally assisted grant programs. Although the current grant programs have been audited in accordance with the Single Audit Act of 1994 through September 30, 1999, these programs are still subject to cognizant agency program compliance audits and reviews.

**12. GOING CONCERN**

The authority receives a major portion of its funding from HUD. While it is unlikely to happen, discontinuation of this funding source would seriously affect the authority's ability to continue operations.

**HOUSING AUTHORITY OF THE CITY OF DENHAN SPRINGS, LOUISIANA**

**SCHEDULE OF EXPENDED FEDERAL AWARDS**

**SEPTEMBER 30, 1999**

<u>PROGRAM</u>	<u>CFDA NO.</u>	<u>EXPENDITURES</u>
U.S. Dept. of Housing and Urban Development:		
Conventional Public Housing Program HUD Operating Subsidy	14.850	\$ 15,878.00
Section 8 Rental Certificate Program	14.857	176,310.00
Section 8 Rental Voucher Program	14.855	59,182.00
Comprehensive Improvement Assistance Program (CIAP)	14.852	<u>21,000.00</u>
Total Expended Federal Awards		\$ <u>272,370.00</u>

**Notes to the Schedule of Expenditures of Federal Awards  
for the Year September 30, 1999**

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*Note 1. Basis of Presentation*

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of the City Denham Springs, and is presented on the *modified accrual basis of accounting*. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the *general-purpose* financial statements.