

**HOUSING AUTHORITY OF THE
TOWN OF FARMERVILLE
Farmerville, Louisiana**

**MANAGEMENT'S DISCUSSION & ANALYSIS
AND AUDITED FINANCIAL STATEMENTS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

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**HOUSING AUTHORITY OF THE
TOWN OF FARMERVILLE
Farmerville, Louisiana**

**REPORT ON EXAMINATION
OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019



INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the
Town of Farmerville
Farmerville, Louisiana 71241

HUD – New Orleans Office
501 Magazine 9th Floor
New Orleans, Louisiana 70130

Report on Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the Town of Farmerville as of and for the year ended September 30, 2019, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinions.

Opinion

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority of the Town of Farmerville, as of September 30, 2019, and the respective changes in financial position and, where appropriate, cash flows for the year then ended in conformity 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 Management's Discussion and Analysis and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, as listed in the table of contents, should be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedure did not provide us with sufficient evidence to express an opinion or provide any assurance.

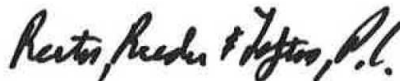
Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of the Housing Authority of the Town of Farmerville. The accompanying Financial Data Schedules and Special Reports required by the U.S. Department of Housing and Urban Development are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

This 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2020 on our consideration of the Housing Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of the testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.



Rector, Reeder & Lofton, P.C.
Certified Public Accountants

Loganville, Georgia
March 23, 2020

**HOUSING AUTHORITY OF THE
TOWN OF FARMERVILLE
Farmerville, Louisiana**

**MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE

MANAGEMENT'S DISCUSSION & ANALYSIS

FISCAL YEAR ENDED SEPTEMBER 30, 2019

This section of the Authority's annual financial report presents Management's analysis of the Authority's financial performance during the Fiscal Year Ended September 30, 2019.

FINANCIAL HIGHLIGHTS AND CONCLUSIONS

The Housing Authority of the Town of Farmerville had a good year as illustrated by the outcome of its fiscal year operations. Total Net Position decreased by \$11,207 or 2.33%. The financial indicators continue to maintain an above average score as established by the Real Estate Assessment Center (REAC). Based on management's calculation of the financial score, the Authority should receive a designation of "high performer" under the Financial Assessment Sub System (FASS).

REQUIRED FINANCIAL STATEMENTS

The Financial Statements of the Authority report information using accounting methods similar to those used by private sector companies (Enterprise Fund).

The Statement of Net Position (Balance Sheet) includes all of the Authority's assets and liabilities and provides information about the amounts and investments in assets and the obligations to Authority creditors. It also provides a basis of assessing the liquidity and financial flexibility of the Authority. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the Authority is improving or deteriorating.

The current year's revenues, expenses, and changes in net position are accounted for in the Statement of Revenues, Expenses and Change in Net Position. This statement measures the success of the Authority's operations over the past fiscal year.

The purpose of the Statement of Cash Flows is to provide information about the Authority's cash receipts and disbursements during the reporting period. The statement reports net changes in cash resulting from operations.

FINANCIAL ANALYSIS OF THE AUTHORITY

One question frequently asked about an Authority's finances is "Did the Authority's operations and financial position improve or deteriorate over the previous fiscal year?" The Statement of Net Position and the Statement of Revenues, Expenses and Change in Net Position report information about the Authority's activities and are summarized in the following sections.

To begin our analysis, a summary of the Authority's Statement of Net Position is presented in Table I, which follows.

Housing Authority of the Town of Farmerville
Comparative Statement of Net Position
TABLE I

	2019	2018	Total Change	% Change
Current Assets	\$ 105,678	\$ 155,252	\$ (49,574)	-31.93%
Capital Assets	379,243	355,289	23,954	6.74%
Total Assets	\$ 484,921	\$ 510,541	\$ (25,620)	-5.02%
Current Liabilities	\$ 14,333	\$ 28,746	\$ (14,413)	-50.14%
Noncurrent Liabilities	-	-	-	0.00%
Total Liabilities	14,333	28,746	(14,413)	-50.14%
Investment in Capital Assets	379,243	355,289	23,954	6.74%
Unrestricted	91,345	126,506	(35,161)	-27.79%
Total Net Position	470,588	481,795	(11,207)	-2.33%
Total Liabilities & Net Position	\$ 484,921	\$ 510,541	\$ (25,620)	-5.02%

Total assets decreased by \$25,620 or 5.02%. Current assets decreased by \$49,574 or 31.93% due to a decrease in cash and cash equivalents of \$45,361 or 37.35%, as shown on the Statement of Cash Flows. Capital assets increased by \$23,954 or 6.74% due to additions exceeding depreciation expense for the year.

Total liabilities decreased by \$14,413 or 50.14%. This decrease was primarily the result of a decrease in accounts payable of \$13,651 or 100.00% due to the timing of payables at year end.

As illustrated in the above Comparative Statement of Net Position, the overall Net Position of the Authority decreased by \$11,207 or 2.33%.

While the Statement of Net Position shows the change in financial position, the Statement of Revenues, Expenses and Changes in Net Position breaks down our revenues and expenses further.

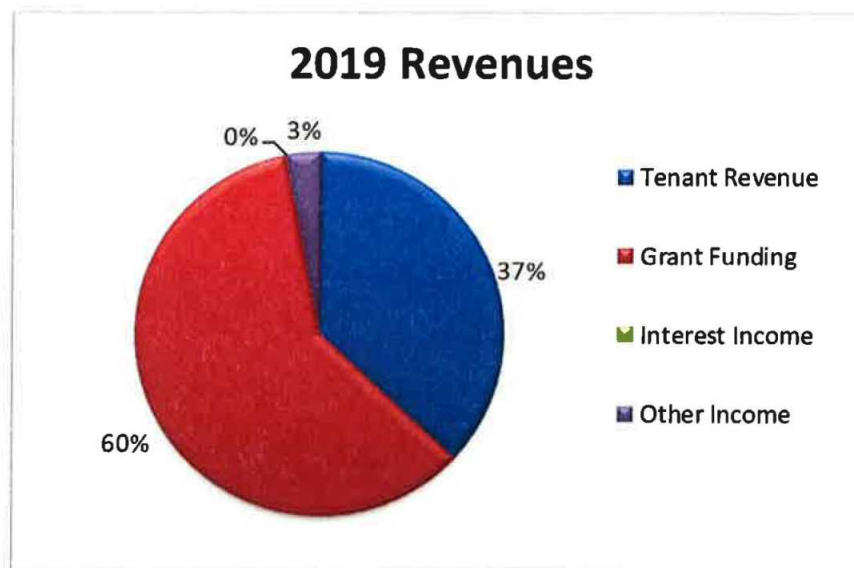
Table II, which follows, provides a comparative statement of these changes in Net Position.

Housing Authority of the Town of Farmerville
Comparative Statement of Revenues, Expenses and Changes in Net Position
TABLE II

	2019	2018	Total Change	% Change
Tenant Revenue	\$ 104,705	\$ 103,223	\$ 1,482	1.44%
Grant Funding	170,259	172,574	(2,315)	-1.34%
Interest Income	211	225	(14)	-6.22%
Other Income	8,381	15,067	(6,686)	-44.38%
Total Revenue	283,556	291,089	(7,533)	-2.59%
Administration	83,586	71,840	11,746	16.35%
Utilities	1,865	2,429	(564)	-23.22%
Maintenance	121,222	71,155	50,067	70.36%
General	37,869	40,757	(2,888)	-7.09%
Depreciation	50,221	58,512	(8,291)	-14.17%
Total Expenses	294,763	244,693	50,070	20.46%
Change in Net Position	(11,207)	46,396	(57,603)	-124.16%
Beginning Net Position	481,795	435,399	46,396	10.66%
Ending Net Position	\$ 470,588	\$ 481,795	\$ (11,207)	-2.33%

REVENUES

In reviewing the Statement of Revenues, Expenses and Changes in Net Position, you will find that 60% of the Authority's revenues are derived from grants from the Department of Housing and Urban Development. The Authority receives revenue from tenants for dwelling rental charges, excess utilities, and miscellaneous charges for 37% of total revenue. Other Revenue and interest income comprise 3% of total revenue. Compared to the Fiscal Year Ended September 30, 2018, revenues showed an overall decrease of \$7,533 or 2.59%.



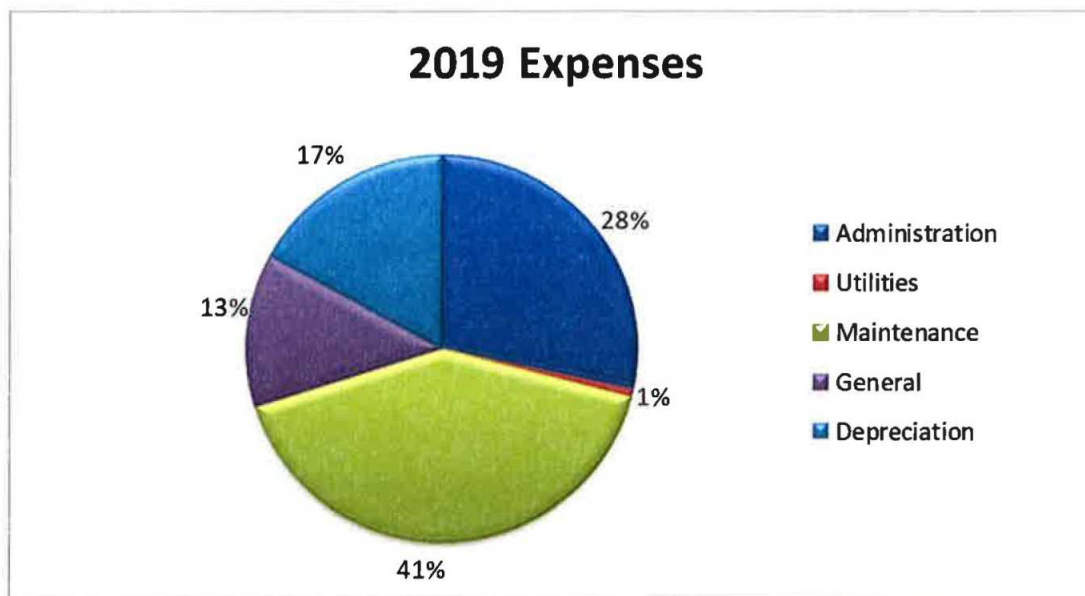
Tenant Revenue - Tenant Revenue increased from \$103,223 to \$104,705, an increase of \$1,482 or 1.44%. Dwelling rent revenue typically changes in relation to changes in the number of working family tenants and changes in dwelling unit occupancy.

Program Grants/Subsidies - The Authority experienced a decrease of \$2,315 or 1.34% in Grant Funding from \$172,574 in FY 2018 to \$170,259 in FY 2019. The primary cause of this decrease was decreased capital fund grant amounts of \$18,647 offset somewhat by an increase in operating grant revenues of \$16,332.

Interest Income and Other Income - Interest income decreased by \$14 or 6.22% as a result of lower interest rates earned on deposits. Other income decreased by \$6,686 or 44.38% primarily due to a receipt of \$14,500 of insurance proceeds during FY 2018 that skewed the results in relation to FY 2019 levels.

EXPENSES

The Housing Authority of the Town of Farmerville experienced an increase in expenses for the current year from \$244,693 to \$294,763, an increase of \$50,070 or 20.46%.



The highlights of changes in expenses for the current year are as follows:

Administrative - Administrative costs include all non-maintenance and non-resident service personnel costs (including benefits and accrued leave), legal costs, auditing costs, travel and training costs, and other administrative costs such as supplies, telephone expense, etc. Compared to 2018, administrative costs increased by \$11,746 or 16.35% due to increases in office expenses of \$4,477 or 7.79% and other administrative expenses of \$7,053 or 277.79%.

Utilities - The total utilities expense for the Authority decreased by \$564 or 23.22%. The decrease was primarily the result of decreases in gas expenses over FY 2018 levels.

Maintenance - Maintenance costs are all costs incurred by the Authority to maintain its Public Housing units in a safe and sanitary manner. Costs include personnel costs, materials used to maintain the units, contracts for waste management and telephone/radio service, etc. Maintenance expenses for the Authority increased from \$71,155 to \$121,222, an increase of \$50,067 or 70.36%. This is due to increases in materials expense of \$22,952 or 232.71% and contract costs of \$27,115 or 44.24%.

General Expenses - General expenses include insurance costs (property, auto, liability, workers' compensation, public officials' liability, lead based paint insurance, etc.), collection losses, and interest expense. General expenses for the Authority decreased by \$2,888 or 7.09%.

Depreciation - Because the costs of all capitalized additions are spread over the estimated useful life of an asset, the estimated current year costs of capitalized items is recorded as depreciation. Depreciation expense for the current year decreased by \$8,291 or 14.17%.

CAPITAL ASSETS

As of September 30, 2019, the Authority's net capital assets increased by \$23,954 or 6.74% to \$379,243. The following illustrates the Capital Asset values for 2018 and 2019.

**Housing Authority of the Town of Farmerville
Comparative Statement of Capital Assets
TABLE III**

	2019	2018	Total Change	% Change
Land	\$ 6,430	\$ 6,430	\$ -	0.00%
Buildings & improvements	1,757,679	1,708,619	49,060	2.87%
Equipment	75,394	64,110	11,284	17.60%
Construction in Progress	-	-	-	0.00%
	1,839,503	1,779,159	60,344	3.39%
Accumulated Depreciation	(1,460,260)	(1,423,870)	(36,390)	2.56%
Total Capital Assets	\$ 379,243	\$ 355,289	\$ 23,954	6.74%

Major changes in the capital asset accounts are summarized below:

Balance at October 1, 2018	\$ 355,289
Current period additions – capital funds	49,059
Current period additions – operations	25,116
Current period depreciation expense	<u>(50,221)</u>
Balance at September 30, 2019	<u>\$ 379,243</u>

DEBT OBLIGATIONS

As of September 30, 2019, the Authority had no outstanding debt.

ECONOMIC FACTORS

Several significant economic factors affecting the Housing Authority are as follows:

- Congressional funding of the Department of Housing and Urban Development, including an additional “subsidy allocation adjustments.”
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies and other costs.
- Health care and other insurance costs are expected to increase dramatically over the next several years especially due to the Affordable Care Act.

CONCLUSIONS

Overall, the Housing Authority of the Town of Farmerville had a good year financially. Its management is committed to staying abreast of regulations and appropriations as well as maintaining an ongoing analysis of all budgets and expenses to ensure that the Authority continues to operate at the highest standards established by the Real Estate Assessment Center and the Department of Housing and Urban Development.

This financial report is designed to provide our residents, the citizens of Farmerville, Louisiana, all federal and state regulatory bodies, and any creditors with a general overview of the Authority’s finances. If you have any questions regarding these financial statements or supplemental information, you may contact the Executive Director or Assistant Executive Director at (318) 255-3644, or address your correspondence to: Housing Authority of the Town of Farmerville, P.O. Box 446, Farmerville, LA 71241.

**HOUSING AUTHORITY OF THE
TOWN OF FARMERVILLE
Farmerville, Louisiana**

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

ASSETS

Current Assets

Cash & cash equivalents - unrestricted	\$ 70,570
Cash & cash equivalents - restricted	5,504
Accounts receivable, net	16,552
Prepaid insurance & inventories	<u>13,052</u>
 Total Current Assets	 <u>105,678</u>

Capital Assets

Land	6,430
Buildings & improvements	1,757,679
Furniture & equipment	75,394
Less: Accumulated depreciation	<u>(1,460,260)</u>
 Total Capital Assets	 <u>379,243</u>

TOTAL ASSETS

\$ 484,921

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

LIABILITIES & NET POSITION

Current Liabilities

Accounts payable	\$ 8,829
Tenant security deposits	<u>5,504</u>
Total Current Liabilities	<u>14,333</u>
TOTAL LIABILITIES	<u>14,333</u>

NET POSITION

Investment in Capital Assets	379,243
Unrestricted	<u>91,345</u>
TOTAL NET POSITION	<u>470,588</u>
TOTAL LIABILITIES & NET POSITION	<u>\$ 484,921</u>

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Operating Revenues

Dwelling rent	\$ 104,705
Governmental grants & subsidy	121,200
Other income	<u>8,381</u>

Total Operating Revenues	<u>234,286</u>
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Operating Expenses

Administration	83,586
Utilities	1,865
Maintenance & operations	121,222
General expense	37,869
Depreciation	<u>50,221</u>

Total Operating Expenses	<u>294,763</u>
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NET INCOME/(LOSS) FROM OPERATIONS	<u>(60,477)</u>
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Nonoperating Revenue/(Expenses)

Investment income	<u>211</u>
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Net Nonoperating Revenue/(Expenses)	<u>211</u>
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Net Income/(Loss) before capital grants	(60,266)
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Capital Grants	<u>49,059</u>
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Net Increase/(Decrease) in Net Position	(11,207)
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Total Net Position - beginning	<u>481,795</u>
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Total Net Position - ending	<u><u>\$ 470,588</u></u>
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The accompanying notes are an integral part of the financial statements.

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE

Farmerville, Louisiana

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 106,960
Governmental grants & subsidy - operations	121,200
Payments to suppliers	<u>(248,616)</u>
 NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	 <u>(20,456)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	<u>211</u>
 NET CASH PROVIDED/(USED) FROM INVESTING ACTIVITIES	 <u>211</u>

CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES

Additions to capital assets - capital grants	(49,059)
Capital grant funds received	49,059
Acquisition of capital assets - operations	<u>(25,116)</u>
 NET CASH PROVIDED/(USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	 <u>(25,116)</u>

NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(45,361)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>121,435</u>
 CASH AND CASH EQUIVALENTS AT END OF PERIOD	 <u>\$ 76,074</u>

CASH FLOWS FROM OPERATING ACTIVITIES

Net Operating Income/(Loss)	\$ (60,477)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation	50,221
Decrease (Increase) in accounts receivable, net	6,487
Decrease (Increase) in prepaid expenses/inventories	(2,274)
Increase (Decrease) in accounts payable	(13,781)
Increase (Decrease) in security/trust deposits	(425)
Increase (Decrease) in unearned revenue	<u>(207)</u>
 NET CASH PROVIDED/(USED) FROM OPERATING ACTIVITIES	 <u>\$ (20,456)</u>

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

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY:

1. Introduction:

The financial statements of the Authority have been prepared in conformity with Generally Accepted Accounting Principles (GAAP). The following summary of the more significant accounting policies is presented to assist the reader in interpreting these financial statements, and should be viewed as an integral part of this report.

2. Organization:

The Housing Authority of the Town of Farmerville ("The Authority") is a public body and a body corporate and politic organized under the laws of the State of Louisiana for the purpose of providing adequate housing for qualified low-income individuals. To accomplish this purpose, the Mayor appoints a Governing Board for but the Board designates its own management. Additionally, the Authority has entered into annual contribution contracts with the U. S. Department of Housing and Urban Development ("HUD") to be the administrator of the housing and housing related programs described herein. The Authority is not subject to Federal or State income taxes and is not required to file Federal or State income tax returns.

3. Reporting Entity:

In determining how to define the reporting entity, management has considered all potential component units by applying the criteria set forth in Section 2100 and 2600 of the *Codification of Government Accounting Standards Board and Financial Accounting Standards Board and Statement Number 14 and Number 61 of the Government Accounting Standards Board, the Financial Reporting Entity*.

Financial Accountability - The Authority is responsible for its debts, does not impose a financial burden on the Town of Farmerville and is entitled to all surpluses. No separate agency receives a financial benefit nor imposes a financial burden on the Authority.

Appointment of a Voting Majority - The Authority is governed by a Board of Commissioners appointed by the CEO of Town of Farmerville and has governance responsibilities over all activities related to all housing activities within Town of Farmerville. The Board of Commissioners has decision making authority and the power to designate management. The members do not serve at the discretion of the Town; i.e., they can be removed only for cause. The Authority's Board elects its own chairperson.

Imposition of Will - The Town has no influence over the management, budget, or policies of the Authority. The Authority's Board of Commissioners has the responsibility to significantly influence the Authority's operations. This includes, but is not limited to, adoption of the budget, personnel management, sole title to, and residual interest in all assets (including facilities and properties), signing contracts, issuing bonds, and deciding which programs are to be provided.

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(Continued)

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY: (Cont'd)

3. Reporting Entity: (Cont'd)

On the basis of the application of these criteria, the Authority is a legally separate entity that is fiscally independent of other governments, and there are no other entities that are to be reported as component units neither of the Authority nor for the Authority to be included in Town of Farmerville financial reports therefore, the Authority reports independently. During the review of the Authority's budgets, annual contributions contract, minutes of the Board of Commissioner's meetings, cash receipts and cash disbursements for the reporting period disclosed that the Authority operated the following programs under Annual Contributions Contracts:

1. Public and Indian Housing – The objective of the program is to provide decent, safe and sanitary housing and related facilities for eligible low-income families and the elderly.
2. Public Housing Capital Fund Program – The objective of this program is to improve the physical condition of the Low-Income Public Housing units and upgrade the management of the program.

4. Basis of Presentation, Basis of Accounting and Measurement Focus:

Basis of Accounting - The Authority uses the accrual basis of accounting in the proprietary funds. Under this method, revenues are recorded when earned, and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.

Basis of Presentation - The financial statements of the Authority are presented from a fund perspective. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Authority functions. The fund is a separate accounting entity with a self-balancing set of accounts. The accounting and financial reporting method applied by a fund is determined by the fund's measurement focus. The accounting objectives are determination of net income, financial position and cash flows. All assets and liabilities associated with the Proprietary Fund's activities are included on its statement of net position.

Proprietary fund equity is segregated into three broad components: Net Investment in Capital Assets, Restricted and Unrestricted. The Authority uses a proprietary, enterprise fund. This type of fund is reported using an economic resources measurement focus. Additionally, it is used to account for operations that are financed and operated in a manner similar to private businesses where a fee is charged to external users for services provided.

5. Revenues and Expenses:

Revenues and expenses are recognized in essentially the same manner as used in commercial accounting. Revenues relating to the Authority's operating activities, including rental related income, interest income and other sources of revenues, are recognized in the accounting period in which they are earned. Other major sources of revenues include the operating subsidy from HUD and other HUD funding for capital and operating expenses.

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(Continued)

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY: (Cont'd)

6. Encumbrances:

Encumbrances represent commitments related to unperformed contracts for goods or services. The Authority does not utilize encumbrance accounting.

7. Budgets:

The Authority adopts budgets on the basis of accounting consistent with the basis of accounting for the fund to which the budget applies. The Authority prepares annual operating budgets that are formally adopted by its governing Board of Commissioners. The budgets for programs funded by HUD form the basis of the Federal Financial Assistance received through HUD.

8. Inventories:

Inventories are recorded at average cost. The consumption method is used to account for inventories. Under the consumption method, inventories are charged to expense when consumed.

9. Capital Assets and Depreciation:

Capital assets are stated at historical cost. Donated capital assets are stated at their fair market value on the date donated. This includes site acquisition and improvement, structures and equipment. All infrastructure assets were capitalized at the conclusion of development then dedicated to the Town of Farmerville for maintenance and repairs. Depreciation of exhaustible capital assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the Statement of Net Position. The current adopted capitalization threshold is \$1,500 for both real property and equipment. The Authority uses the straight-line method for depreciation.

The estimated useful lives for each major class of depreciable capital assets are as follows:

Buildings & improvements	15-30 years
Furniture, fixtures & equipment	3-10 years
Vehicles	5- 7 years
Specialized use equipment	2-10 years

10. Collection Losses:

Collection losses on accounts receivable are expended, in the appropriate Fund, on the specific write-off method.

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(Continued)

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY: (Cont'd)

11. Insurance:

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but, should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the Authority. The Authority secures required insurance coverage through the competitive bid process. As of the date of the fieldwork, the Authority had the required coverage in force.

12. Cash and Investments:

1. The Authority cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when purchased to be cash equivalents.

2. Investments are stated at fair value, except for U. S. Treasury Bills, which are reported at amortized cost. The Authority reports all money market investments having a remaining maturity at time of purchase of one year or less at amortized cost. Investment securities are normally held to mature at par value and adjustments are made to the investment portfolio to reflect increases/ (decreases) in gains made.

13. Compensated Absences:

Compensated absences are absences for which employees will be paid, i.e., sick leave, vacation, and other approved leaves. In accordance with GASB Statement No.16, ***Accounting for Compensated Absences***, the Authority accrues the liability for those absences that the employee has earned the rights to the benefits. Accrued amounts are based on the current salary rates. Full-time, permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with the Authority. Because the Housing Authority is managed by the Housing Authority of the Town of Ruston, there are no employees and consequently no amounts recorded as a liability or an expense.

14. Operating Revenue:

Proprietary funds distinguish operating revenues and expenses from non-operating 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 are charges to customers for rents. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Subsidies received from HUD or other grantor agencies, for operating purposes, are recorded as operating revenue in the operating statement while capital grant funds are added to the net position below the nonoperating revenue and expense.

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(Continued)

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY: (Cont'd)

15. The terms of the Board are as follows:

Charles Sawyer	09/30/2019
Otis Wright	09/30/2020
Linda Austin	09/30/2022
Theron Butler	09/30/2021
Sharon Watley	09/30/2023

In addition to the above Commissioners, the Administrator of the Housing Authority is Woody Whittington, who serves on the Board as Secretary and is the Executive Director. Based upon the above criteria all the operations of the PHA are included in these financial statements and there are no operations or component units that have been excluded from this report.

16. New Accounting Pronouncements:

During FY2019, the Authority did not implement any new accounting pronouncements.

NOTE B - CASH & CASH EQUIVALENTS:

All the deposits of the Housing Authority of the Town of Farmerville are either insured or collateralized by using the Dedicated Method whereby all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Authority's agents in these units' names. The Housing Authority of the Town of Farmerville has no policy regarding custodial credit risk for deposits.

At September 30, 2019, the Authority's cash deposits had a carrying amount of \$76,074 and bank balances of \$114,660. Of the bank balances held in one financial institution, the full amount was covered by federal depository insurance.

Interest rate risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's typically limits its investment portfolio to maturities of 12 months or less.

Credit risk - The Authority has no policy regarding credit risk.

Custodial credit risk - For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority has no policy on custodial credit risk.

Concentration of credit risk - The Authority places no limit on the amount that it may invest in certificates of deposits. The Authority has no policy regarding credit risk.

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(Continued)

NOTE B - CASH & CASH EQUIVALENTS: (Cont'd)

Checking accounts	\$ 35,825
Certificate of deposit – less than 90 days	<u>40,249</u>
	<u>\$ 76,074</u>

Of the above amount, \$5,504 is considered restricted for tenant security deposits.

NOTE C - ACCOUNTS RECEIVABLE:

Accounts receivable at September 30, 2019, consisted of the following:

Tenants (net of allowance for doubtful accounts of \$1,709)	\$ 3,446
Accrued interest receivable	6
A/R – HUD (Capital Funds)	<u>13,100</u>
	<u>\$ 16,552</u>

NOTE D - PREPAID EXPENSES:

Prepaid expenses consisted of the following at September 30, 2019:

Prepaid insurance	<u>\$ 13,052</u>
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NOTE E - CAPITAL ASSETS:

The following is a summary of changes in the net capital assets during the fiscal year ended September 30, 2019:

	Beginning at 10/1/2018	Increases	Transfers/ Retirements	Depreciation	Balance at 9/30/2019
Enterprise Activities					
Capital assets not being depreciated:					
Land	\$ 6,430	\$ -	\$ -	\$ -	\$ 6,430
Construction in progress	-	-	-	-	-
Total capital assets not being depreciated	<u>6,430</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,430</u>
Buildings & improvements	1,708,619	49,059	1	-	1,757,679
Furniture & equipment	64,110	25,116	(13,832)	-	75,394
Total capital assets being depreciated	<u>1,772,729</u>	<u>74,175</u>	<u>(13,831)</u>	<u>-</u>	<u>1,833,073</u>
Less accumulated depreciation for:					
Buildings & improvements	(1,370,804)	-	-	(43,833)	(1,414,637)
Furniture & equipment	(53,066)	-	13,831	(6,388)	(45,623)
Total accumulated depreciation	<u>(1,423,870)</u>	<u>-</u>	<u>13,831</u>	<u>(50,221)</u>	<u>(1,460,260)</u>
Total capital assets being depreciated	<u>348,859</u>				<u>372,813</u>
Enterprise activity capital assets, net	<u>\$ 355,289</u>				<u>\$ 379,243</u>

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(Continued)

NOTE F - ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES:

Accounts payable at September 30, 2019, consisted of the following:

Payment in lieu of taxes	\$ 8,829
Tenant security deposits	<u>5,504</u>
	<u>\$ 14,333</u>

NOTE G - COMMITMENTS & CONTINGENCIES:

The Authority is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Claims liabilities are reported when it is probably that a loss has occurred and the amount of that loss can be reasonably estimated. At September 30, 2019, there were no liabilities to be reported.

The entity is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refunds by the entity to federal grantors and/or program beneficiaries. There were no examinations conducted during the current year.

Grants and contracts:

The Authority participates in various federally-assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional based upon compliance with terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. There were no such liabilities recorded as of September 30, 2019.

Capital fund:

The Authority receives capital funding each year for ongoing capital improvements and repairs and maintenance.

NOTE H - RELATED PARTY TRANSACTIONS:

There were no related party transactions to be reported for the fiscal year ended September 30, 2019. The Housing Authority of the Town of Farmerville is managed by the Housing Authority of Town of Ruston, which is considered to be an affiliate, but does not qualify as a component unit or as a related party. The Housing Authority reimburses the Housing Authority of Town of Ruston, for all applicable direct and indirect costs of operations.

NOTE I - PENSION PLAN:

The Authority does not have full-time employees and therefore does not provide a defined pension plan because the employees that provide work for the Housing Authority of the Town of Farmerville work for Housing Authority of the Town of Ruston and the pension plan is provided by Housing Authority of the Town of Ruston.

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(Continued)

NOTE J - RISK MANAGEMENT:

The Authority is exposed to all common perils associated with the ownership and rental of real estate properties. A risk management program has been established to minimize loss occurrence and to transfer risk through various levels of insurance. Property, causality, employee dishonesty and public official's liability forms are used to cover the respective perils. Commercial carriers insure all common perils such as business auto, computer and other miscellaneous policies.

NOTE K - ECONOMIC DEPENDENCY:

The PHA Owned Housing is economically dependent on annual contributions grants from the Federal government. The program operates at a loss prior to receiving the contributions and grants.

NOTE L - IMPAIRMENT OF CAPITAL ASSETS:

In accordance with financial reporting standards issued by the Government Accounting Standards Board's, Statement No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries" requires certain note disclosures. During the fiscal year ended September 30, 2019, the Housing Authority of the Town of Farmerville experienced no impairments during the year.

NOTE M - SUPPLEMENTAL INFORMATION:

The supplemental information has been included in order to show the financial statements of the Housing Authority on the GAAP basis of accounting but in the format of the HUD Handbook 7476.3, *Audit Guide*. This is due to the fact that some supplemental information is reviewed by the field office and provides greater detail concerning the operations of the Housing Authority.

NOTE N - SUBSEQUENT EVENTS:

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about the 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 March 23, 2020, 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.

**HOUSING AUTHORITY OF THE
TOWN OF FARMERVILLE
Farmerville, Louisiana**

SUPPLEMENTAL INFORMATION

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019



**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 Farmerville
Farmerville, Louisiana 71241

HUD – New Orleans Office
501 Magazine 9th Floor
New Orleans, Louisiana 70130

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the Town of Farmerville, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Farmerville's basic financial statements, and have issued our report thereon dated March 23, 2020.

Internal Control Over Financial Reporting

Management of the Housing Authority of the Town of Farmerville is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit of the financial statements, we considered the Housing Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

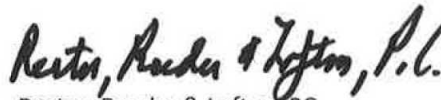
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Rector, Reeder & Lofton, PC
Certified Public Accountants

Loganville, Georgia
March 23, 2020

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

STATUS OF PRIOR AUDIT FINDINGS

The prior audit report for the period ended September 30, 2018, contained no formal audit findings.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor’s Results:

Financial Statements

Type of report issued on the financial statements:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal controls over major programs:	
Material weakness(es) identified?	N/A
Significant deficiency(ies) identified not considered to be material weaknesses?	N/A
Type of report issued on the compliance for major programs:	N/A
Any audit findings disclosed that are required to be reported under 2 CFR §200.516(a)?	N/A
Identification of major programs:	NONE

Section II – Financial Statement Findings

Findings related to financial statements in accordance with GAGAS:

NONE REPORTED

Section III – Federal Award Findings and Questioned Costs

Findings and questioned costs for Federal Awards:

N/A

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
NET POSITION ACCOUNTS
SEPTEMBER 30, 2019

<u>FDS Line#</u>	<u>Account Description</u>	Public and Indian Housing 14.850	Public Housing Capital Fund 14.872	TOTAL
ASSETS:				
CURRENT ASSETS:				
Cash:				
111	Cash - unrestricted	\$ 70,570	\$ 0	\$ 70,570
112	Cash - restricted - modernization & development	0	0	0
113	Cash - other restricted	0	0	0
114	Cash - tenant security deposits	5,504	0	5,504
115	Cash - restricted for payment of current liabilities	0	0	0
100	Total Cash	76,074	0	76,074
Accounts and notes receivables:				
121	Accounts receivable - PHA projects	0	0	0
122	Accounts receivable - HUD other projects	13,100	0	13,100
124	Accounts receivable - other government	0	0	0
125	Accounts receivable - miscellaneous	0	0	0
126	Accounts receivable - tenants - dwelling rents	5,155	0	5,155
126.1	Allowance for doubtful accounts - tenants	(1,709)	0	(1,709)
126.2	Allowance for doubtful accounts - other	0	0	0
127	Notes receivable - current	0	0	0
128	Fraud recovery	0	0	0
128.1	Allowance for doubtful accounts - fraud	0	0	0
129	Accrued interest receivable	6	0	6
120	Total receivables, net of allowances for uncollectibles	16,552	0	16,552
Current investments:				
131	Investments - unrestricted	0	0	0
132	Investments - restricted	0	0	0
135	Investments - restricted for payment of current liability	0	0	0
142	Prepaid expenses and other assets	13,052	0	13,052
143	Inventory - materials	0	0	0
143.1	Allowance for obsolete inventories	0	0	0
144	Interprogram due from	0	0	0
145	Assets held for sale	0	0	0
150	TOTAL CURRENT ASSETS	105,678	0	105,678
NONCURRENT ASSETS:				
Capital Assets				
161	Land	6,430	0	6,430
162	Buildings	1,523,801	0	1,523,801
163	Furniture, equipment & mach. - dwellings	27,475	0	27,475
164	Furniture, equipment & mach. - admin.	47,919	0	47,919
165	Leasehold improvements	233,878	0	233,878
166	Accumulated depreciation	(1,460,260)	0	(1,460,260)
167	Construction in progress	0	0	0
168	Infrastructure	0	0	0
160	Total capital assets, net of accumulated depreciation	379,243	0	379,243
171	Notes receivable - noncurrent	0	0	0
172	Notes receivable - noncurrent past due	0	0	0
173	Grants receivable - noncurrent	0	0	0
174	Other assets	0	0	0
176	Investment in joint ventures	0	0	0
180	TOTAL NONCURRENT ASSETS	379,243	0	379,243
200	DEFERRED OUTFLOW OF RESOURCES	0	0	0
290	TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 484,921	\$ 0	\$ 484,921

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
NET POSITION ACCOUNTS
SEPTEMBER 30, 2019

<u>FDS Line#</u>	<u>Account Description</u>	Public and Indian Housing 14.850	Public Housing Capital Fund 14.872	TOTAL
LIABILITIES AND NET POSITION:				
LIABILITIES:				
CURRENT LIABILITIES				
311	Bank overdraft	\$ 0	\$ 0	\$ 0
312	Accounts payable <= 90 days	0	0	0
313	Accounts payable > 90 days past due	0	0	0
321	Accrued wage/payroll taxes payable	0	0	0
322	Accrued compensated absences - current portion	0	0	0
324	Accrued contingency liability	0	0	0
325	Accrued interest payable	0	0	0
331	Accounts payable - HUD PHA programs	0	0	0
332	Accounts payable - PHA projects	0	0	0
333	Accounts payable - other gov.	8,829	0	8,829
341	Tenant security deposits	5,504	0	5,504
342	Unearned revenue	0	0	0
343	Current portion of long-term debt - capital	0	0	0
344	Current portion of long-term debt - operating	0	0	0
345	Other current liabilities	0	0	0
346	Accrued liabilities - other	0	0	0
347	Interprogram (due to)	0	0	0
348	Loan liability - current	0	0	0
	TOTAL CURRENT LIABILITIES	14,333	0	14,333
NONCURRENT LIABILITIES:				
351	L/T Debt, Net of Current - Capital Projects	0	0	0
352	L/T Debt, Net of Current - Operating Borrowings	0	0	0
353	Non-current liabilities - other	0	0	0
354	Accrued Compensated Absences - Non-Current	0	0	0
355	Loan liabilities - noncurrent	0	0	0
356	FASB 5 liabilities	0	0	0
357	Accrued pension and OPEB liabilities	0	0	0
350	TOTAL NONCURRENT LIABILITIES	0	0	0
300	TOTAL LIABILITIES	14,333	0	14,333
400	DEFERRED INFLOW OF RESOURCES	0	0	0
NET POSITION:				
508.4	Investment in Capital Assets	379,243	0	379,243
511.4	Restricted	0	0	0
512.4	Unrestricted	91,345	0	91,345
513	TOTAL NET POSITION	470,588	0	470,588
600	TOTAL LIABILITIES, DEFERRED INFLOS OF RESOURCES AND NET POSITION	\$ 484,921	\$ 0	\$ 484,921

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGES IN NET POSITION ACCOUNTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

<u>FDS Line#</u>	<u>Account Description</u>	Public and Indian Housing 14.850	Public Housing Capital Fund 14.872	TOTAL
REVENUES:				
70300	Net tenant rental revenue	\$ 90,157	\$ 0	\$ 90,157
70400	Tenant revenue - other	14,548	0	14,548
70500	Total tenant revenue	104,705	0	104,705
70600	HUD PHA grants	100,193	21,007	121,200
70610	HUD Capital grants	0	49,059	49,059
70710	Management fee	0	0	0
70720	Asset management fee	0	0	0
70730	Book keeping fee	0	0	0
70740	Front line services fee	0	0	0
70750	Other fees	0	0	0
70700	Total fee revenue	0	0	0
70800	Other government grants	0	0	0
71100	Investment income - unrestricted	211	0	211
71200	Mortgage interest income	0	0	0
71300	Proceeds from disposition of assets held for sale	0	0	0
71400	Fraud recovery	0	0	0
71500	Other revenue	8,381	0	8,381
71600	Gain/Loss on Sale of Fixed Assets	0	0	0
72000	Investment income - restricted	0	0	0
70000	TOTAL REVENUES	\$ 213,490	\$ 70,066	\$ 283,556
EXPENSES:				
Administrative				
91100	Administrative salaries	\$ 0	\$ 0	\$ 0
91200	Auditing fees	6,400	1,000	7,400
91300	Outside management fees	0	0	0
91310	Bookkeeping fee	0	0	0
91400	Advertising & marketing	377	0	377
91500	Employee benefit contributions - administrative	0	0	0
91600	Office expenses	61,935	0	61,935
91700	Legal expense	0	0	0
91800	Travel	4,282	0	4,282
91810	Allocated overhead	0	0	0
91900	Other operating - administrative	9,592	0	9,592
91000	Total Administrative Expense	82,586	1,000	83,586
92000	Asset management fee	0	0	0
Resident Services				
92100	Resident salaries	0	0	0
92200	Relocation costs	0	0	0
92300	Resident services-other	0	0	0
92400	Employee benefit contributions - resident services	0	0	0
92500	Total Resident Services Expense	0	0	0
Utilities				
93100	Water	304	0	304
93200	Electricity	1,015	0	1,015
93300	Gas	445	0	445
93400	Fuel	0	0	0
93500	Labor	0	0	0
93600	Sewer	101	0	101
93700	Employee benefit contributions - utilities	0	0	0
93800	Other utilities expense	0	0	0
	Total Utilities Expense	1,865	0	1,865

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGES IN NET POSITION ACCOUNTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

<u>FDS Line#</u>	<u>Account Description</u>	Public and Indian Housing 14,850	Public Housing Capital Fund 14,872	TOTAL
	Ordinary Maintenance & Operation			
94100	Ordinary maint. and oper. - labor	0	0	0
94200	Ordinary maint. and oper. - materials & others	32,815	0	32,815
94300	Contract costs	88,407	0	88,407
94300-010	Contract costs - garbage removal	304	0	304
94300-020	Contract costs - heating and cooling	2,915	0	2,915
94300-030	Contract costs - snow removal	0	0	0
94300-040	Contract costs - elevator maintenance	0	0	0
94300-050	Contract costs - landscape and grounds	7,960	0	7,960
94300-060	Contract costs - unit turnaround	0	0	0
94300-070	Contract costs - electrical	650	0	650
94300-080	Contract costs - plumbing	6,800	0	6,800
94300-090	Contract costs - extermination	6,000	0	6,000
94300-100	Contract costs - janitorial	0	0	0
94300-110	Contract costs - routine maintenance	2,736	0	2,736
94300-120	Contract costs - miscellaneous	61,042	0	61,042
94500	Ordinary maint. and oper. - benefits	0	0	0
94000	Total Ordinary Maintenance & Operation	121,222	0	121,222
	Protective services			
95100	Protective services - labor	0	0	0
95200	Protective services - other contract costs	0	0	0
95300	Protective services - other	0	0	0
95500	Employee benefit contributions- protective services	0	0	0
95000	Total Protective Services	0	0	0
	Insurance Premiums			
96110	Property insurance	14,329	0	14,329
96120	Liability insurance	4,150	0	4,150
96130	Workmen's compensation	1,173	0	1,173
96140	All other insurance	3,262	0	3,262
96100	Total Insurance Premiums	22,914	0	22,914
	General Expenses			
96200	Other general expenses	0	0	0
96210	Compensated absences	0	0	0
96300	Payments in lieu of taxes	8,829	0	8,829
96400	Bad debt - tenant rents	6,126	0	6,126
96500	Bad debt - mortgages	0	0	0
96600	Bad debt - other	0	0	0
96800	Severance expense	0	0	0
96000	Total General Expenses	14,955	0	14,955
	Financial Expenses			
96710	Interest of mortgage (or bonds) payable	0	0	0
96720	Interest on notes payable (short & long term)	0	0	0
96730	Amortization of bond issue costs	0	0	0
96700	Total Financial Expenses	0	0	0
96900	TOTAL OPERATING EXPENSE	243,542	1,000	244,542
97000	EXCESS OPERATING REVENUE OVER OPERATING EXPENSE	(30,052)	69,066	39,014
	Other Expenses			
97100	Extraordinary maintenance	0	0	0
97200	Casualty losses - non-capitalized	0	0	0
97300	Housing assistance payments	0	0	0
97350	HAP portability-in	0	0	0
97400	Depreciation expense	50,221	0	50,221
97500	Fraud losses	0	0	0
97600	Capital outlays - governmental funds	0	0	0
97700	Debt principal payment - governmental funds	0	0	0
97800	Dwelling units rent expense	0	0	0
	Total Other Expenses	50,221	0	50,221
90000	TOTAL EXPENSES	\$ 293,763	\$ 1,000	\$ 294,763

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGES IN NET POSITION ACCOUNTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

<u>FDS Line#</u>	<u>Account Description</u>	Public and Indian Housing 14.850	Public Housing Capital Fund 14.872	TOTAL
	Other Financing Sources/(Uses)			
10010	Operating transfers in	20,007	0	20,007
10020	Operating transfers out	0	(20,007)	(20,007)
10030	Operating transfers from/to primary government	0	0	0
10040	Operating transfers from/to component unit	0	0	0
10050	Proceeds from notes, loans and bonds	0	0	0
10060	Proceeds from property sales	0	0	0
10070	Extraordinary items, net gain/loss	0	0	0
10080	Special Items (net gain/loss)	0	0	0
10091	Inter project excess cash transfer in	0	0	0
10092	Inter project excess cash transfer out	0	0	0
10093	Transfers between program and project - in	0	0	0
10094	Transfers between program and project - out	0	0	0
10100	Total Other Financing Sources/(Uses)	<u>20,007</u>	<u>(20,007)</u>	<u>0</u>
10000	EXCESS OF REVENUE OVER EXPENSES	\$ (60,266)	\$ 49,059	\$ (11,207)
11020	Required annual debt principal payment	0	0	0
10030	Beginning Net Position	481,795	0	481,795
11040-010	Prior period adjustments	0	0	0
11040-070	Equity transfers	49,059	(49,059)	0
11050	Changes - compensated absence balance	0	0	0
11060	Changes - contingent liability balance	0	0	0
11070	Changes - unrec pension transition liability	0	0	0
11080	Changes - doubtful accounts - dwelling rents	0	0	0
11090	Changes - doubtful accounts - other	0	0	0
	Ending Net Position	\$ 470,588	\$ 0	\$ 470,588
11170	Administrative fee equity	-	-	-
11180	Housing assistance payments equity	-	-	-
11190	Units months available	477	-	477
11210	Units months leased	464	-	464

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Agency Head Name: Woody Whittington, Administrator

Salary	\$	-
Benefits-Insurance		-
Benefits-Retirement		-
Car Allowance		-
Vehicle Provided by Government		-
Per Diem		-
Reimbursements		-
Travel		-
Total Amount	\$	<u>-</u>

There is no employee compensation for the Housing Authority of the Town of Farmerville. There is a management fee and costs charges to the Housing Authority of the Town of Farmerville for which the Housing Authority of Ruston recognizes as revenue. There are no employees with Farmerville.

**HOUSING AUTHORITY OF THE
TOWN OF FARMERVILLE
Farmerville, Louisiana**

**SUPPLEMENTAL INFORMATION
SPECIAL REPORTS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
September 30, 2019

Annual Contributions Contract FW-1218

PHASE LA48P052501-16

- 1 The Actual Modernization Costs of Phase 501-16 were:

Funds Approved	\$	50,314
Funds Expended		<u>50,314</u>
Excess of Funds Approved	\$	<u><u>-</u></u>
Funds Advanced	\$	50,314
Funds Expended		<u>50,314</u>
Excess of Funds Advanced	\$	<u><u>-</u></u>

- 2 Audit period additions were \$500 and were audited accordingly by Rector, Reeder & Lofton, P.C.
- 3 The distribution of costs by major cost accounts as shown on the Final Statement of Modernization Cost dated June 3, 2019, accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the PHA's records.
- 4 All modernization costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE TOWN OF FARMERVILLE
Farmerville, Louisiana

STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
September 30, 2019

Annual Contributions Contract FW-1218

PHASE LA48P052501-17

- 1 The Actual Modernization Costs of Phase 501-17 were:

Funds Approved	\$ 54,162
Funds Expended	<u>54,162</u>
Excess of Funds Approved	<u>\$ -</u>
 Funds Advanced	 \$ 54,162
Funds Expended	<u>54,162</u>
Excess of Funds Advanced	<u>\$ -</u>

- 2 Audit period additions were \$5,722.09 and were audited accordingly by Rector, Reeder & Lofton, P.C.
- 3 The distribution of costs by major cost accounts as shown on the Final Statement of Modernization Cost dated June 3, 2019, accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the PHA's records.
- 4 All modernization costs have been paid and all related liabilities have been discharged through payment.