

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED MARCH 31, 2019

Mike Estes, P.C.
A Professional Accounting Corporation

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AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners
Housing Authority of Natchitoches
Natchitoches, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the Housing Authority of the City of Natchitoches, Louisiana as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of Natchitoches, Louisiana basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in financial statements. The procedures selected depend on the auditor's judgment, including 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 and audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Housing Authority of the City of Natchitoches, Louisiana, as of March 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Also included in Supplementary Information is an Agreed-Upon Procedures report, which reports on an Agreed-Upon Procedures engagement now required by the Louisiana Legislative Auditor. Our opinion is not modified in respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 10 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 general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Natchitoches, Louisiana's basic financial statements. The statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and other information as listed on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost*

Principles, and Audit Requirements for Federal Awards, and other information as listed on the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, schedule of expenditures of federal awards, and other information as listed on the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2019 on our consideration of the Housing Authority of the City of Natchitoches, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the City of Natchitoches, Louisiana's internal control over financial reporting and compliance.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
September 24, 2019

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

MARCH 31, 2019

Housing Authority of the City of Natchitoches

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Housing Authority of the City of Natchitoches

**Management's Discussion and Analysis (MD&A)
March 31, 2019**

As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended March 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5 - 7 of this report. All amounts, unless otherwise indicated, are rounded to nearest dollar.

FINANCIAL HIGHLIGHTS

- X The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$15,405,648 (net position). Of this amount, \$3,921,972 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- X The Housing Authority's total net position increased by \$130,335. This increase is attributable in large part to capital contributions from the U.S. Department of Housing and Urban Development was more than depreciation taken.
- X At the end of the current fiscal year, unrestricted net assets for the general fund was \$3,921,972 or 101 percent of the general fund total operating expenses.
- X The Housing Authority continues to operate without the need for debt borrowings during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS This discussion and analysis are intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority's basic financial statements comprise two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Housing Authority is a special purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

COMPARATIVE CONDENSED FINANCIAL STATEMENTS (THOUSANDS)

	<u>BALANCE SHEET</u>	
	<u>MARCH 31, 2019</u>	
	<u>2018</u>	<u>2019</u>
<u>ASSETS</u>		
Current Assets	\$ 3,878	\$ 4,164
Capital Assets, Net	11,625	11,471
Other Assets	<u>0</u>	<u>28</u>
<u>Total Assets</u>	<u>15,503</u>	<u>15,663</u>
<u>LIABILITIES</u>		
Current Liabilities	121	154
Non-Current Liabilities	<u>107</u>	<u>103</u>
<u>Total Liabilities</u>	<u>228</u>	<u>257</u>
<u>NET ASSETS</u>		
Invested in capital assets	11,625	11,471
Restricted	20	13
Unrestricted	<u>3,630</u>	<u>3,922</u>
<u>Total Net Position</u>	<u>15,275</u>	<u>15,406</u>

Housing Authority of the City of Natchitoches

**Management's Discussion and Analysis (MD&A)
March 31, 2019**

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
(THOUSANDS)
YEAR ENDED MARCH 31, 2019

<u>OPERATING REVENUES</u>	<u>2018</u>	<u>2019</u>
Rental and other	<u>\$ 3,472,974</u>	<u>\$ 3,510,884</u>
<u>OPERATING EXPENSES</u>		
Administration	704,426	737,207
Tenant Services	1,800	1,695
Utilities	26,235	27,209
Ordinary Maintenance & Operations	761,950	773,060
General	427,510	379,717
Depreciation	640,717	640,146
Housing Assistance Payments	1,270,069	1,309,368
Port Ins	<u>4,092</u>	<u>2,532</u>
Total Operating Expenses	<u>3,836,799</u>	<u>3,870,934</u>
Income (Loss) from Operations	<u>(363,825)</u>	<u>(360,050)</u>
<u>NON OPERATING REVENUES</u>		
Interest earnings & other	<u>10,440</u>	<u>12,224</u>
Total Non-Operating Revenues	<u>10,440</u>	<u>12,224</u>
Capital Contributions	<u>577,978</u>	<u>478,161</u>
Net Change in Position	<u>224,593</u>	<u>130,335</u>
Net Position at Beginning of Year	15,050,720	15,275,313
Net Position at End of Year	<u>15,275,313</u>	<u>15,405,648</u>

FUND FINANCIAL STATEMENTS A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other state and local governments, uses fund accounting to insure and demonstrate compliance with financial-related legal requirements. All of the funds of the Housing Authority are reported as proprietary funds.

The General Fund net position increased from \$15,163,550 at March 31, 2018 to \$15,291,843 at March 31, 2019, an increase of \$128,293. Net assets invested in capital assets, net of related debt, decreased from \$11,624,922 at March 31, 2018 to \$11,470,564 at March 31, 2019, and a decrease of \$154,358. The decrease was because capital fund improvements were less than depreciation for the year.

The Housing choice voucher fund net position increased from \$111,763 at March 31, 2018 to \$113,805 at March 31, 2019 an increase of \$2,042 or 1.82%.

Housing Authority of the City of Natchitoches

**Management's Discussion and Analysis (MD&A)
March 31, 2019**

USING THIS ANNUAL REPORT

The Housing Authority's annual report consist of financial statements that show information about the Housing Authority's most significant funds - such as the Housing Authority's general fund, Housing Voucher Funds and its component unit.

Reporting the Housing Authority's Most Significant Funds

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Housing Authority's enterprise funds use the following accounting approach:

Proprietary funds - All of the Housing Authority's services are reported in enterprise funds. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

FINANCIAL ANALYSIS

The Housing Authority's net position was \$15,405,648 at March 31, 2019, an increase of \$130,335 or .84% above the \$15,275,313 at March 31, 2018. Of this amount, \$3,921,972 was unrestricted. Restricted net position is \$13,112 reported separately to show legal constraints from debt covenants and enabling legislation that limits the Housing Authority's ability to use that net position for day-to-day operations.

As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. The general fund is used to account for the public housing, and comprehensive grant programs, and a component unit, The Natchitoches Housing Corporation (NHC). The NHC is primarily supported by management fees. The NHC has the same year-end and Board of Commissioners. Accordingly, it is part of the General Fund. The Section 8 voucher program is accounted for in the Housing Choice Voucher Fund. Our analysis below focuses on the net assets and the change in net assets of the primary government as a whole.

Total revenues and capital grants decreased \$60,123 mainly due to:

- Capital grants from HUD decreased \$99,817 due to formula funding changes.
- Operating grants from HUD increased \$59,553 due to formula funding changes.
- Other income increased \$5,056.
- Dwelling rental and rental related charges decreased \$26,699 principally due to decrease in late charges and non-rental charges to tenants.
- Increase in interest income of \$1,783, principally due to a decrease in Investments interest rates paid.

Total operating expenses increased \$34,135 due mainly to:

- Increase in housing assistance in Section 8 of \$39,299.
- Decrease in insurance, depreciation, maintenance and general operating expenses.

Housing Authority of the City of Natchitoches

Management's Discussion and Analysis (MD&A)
March 31, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At March 31, 2019, the Housing Authority had \$11,470,564 invested in a broad range of capital assets, including land, buildings, furniture, and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of approximately \$154,359 from the prior year.

Capital Assets at Year-End

	<u>2018</u>	<u>2019</u>
Land	\$ 957,400	\$ 957,400
Buildings	24,060,632	24,503,059
Furniture and equipment	<u>1,386,498</u>	<u>1,402,273</u>
Total	<u>26,404,530</u>	<u>26,862,732</u>
Less: accumulated depreciation	<u>14,779,607</u>	<u>15,392,168</u>
Fixed assets, net	<u>\$ 11,624,923</u>	<u>\$ 11,470,564</u>

Housing Authority of the City of Natchitoches

Management's Discussion and Analysis (MD&A)

March 31, 2019

This year's additions of \$448,201 are mainly the result of the renovation work in East and West Natchitoches paid for by the capital fund program, and equipment purchased by AMP 10 and AMP 20. No debt was issued for these additions.

Major capital projects are planned for the 2020 fiscal year, projects LA 115-2, and LA 115-3. We anticipate capital additions will be more than March 31, 2019, fiscal year. We present more detailed information about our capital assets in the note to the financial statements.

Debt

Our long-term debt includes accrued annual and sick leave.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions. The budgets for March 31, 2019 fiscal year have already been submitted to HUD for approval and no major changes are expected.

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

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens and investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Monica Llorence, Executive Director, at the Housing Authority of the City of Natchitoches, 536 Culbertson Lane, Natchitoches, Louisiana, 71457, telephone number (318) 352-9774.

EXHIBIT A

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
STATEMENT OF NET POSITION

MARCH 31, 2019

	General	Housing Choice Voucher	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 3,104,171	\$ 105,410	\$ 3,209,581
Investments	799,369	0	799,369
Accounts receivable net	200	4,306	4,506
Prepaid items and other assets	11,711	3,533	15,244
Inventory	37,721	0	37,721
Restricted assets - cash and cash equivalents	84,803	13,112	97,915
	<u>4,037,975</u>	<u>126,361</u>	<u>4,164,336</u>
Capital Assets, net			
Land and other non-depreciated assets	957,400	0	957,400
Other capital assets - net of depreciation	10,513,164	0	10,513,164
	<u>11,470,564</u>	<u>0</u>	<u>11,470,564</u>
Other Assets	27,975	0	27,975
	<u>27,975</u>	<u>0</u>	<u>27,975</u>
Total Assets	<u>\$ 15,536,514</u>	<u>126,361</u>	<u>\$ 15,662,875</u>
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 33,008	\$ 744	\$ 33,752
Compensated absences payable	40,917	4,134	45,051
Deposits due others	75,794	0	75,794
	<u>149,719</u>	<u>4,878</u>	<u>154,597</u>
Noncurrent Liabilities			
Compensated absences payable	75,986	7,678	83,664
Other	18,966	0	18,966
	<u>244,671</u>	<u>12,556</u>	<u>257,227</u>
NET POSITION			
Net investment in capital assets	11,470,564	0	11,470,564
Restricted for:			
HAP Equity	0	13,112	13,112
Unrestricted	3,821,279	100,693	3,921,972
	<u>15,291,843</u>	<u>113,805</u>	<u>15,405,648</u>
Net Position	<u>\$ 15,291,843</u>	<u>\$ 113,805</u>	<u>\$ 15,405,648</u>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION

YEAR ENDED MARCH 31, 2019

	General	Housing Choice Voucher	Total
OPERATING REVENUES			
Dwelling rental	\$ 1,131,951	\$ 0	\$ 1,131,951
Tenant revenue - other	81,985	0	81,985
Governmental operating grants	745,917	1,528,775	2,274,692
Other	19,102	3,154	22,256
Total Operating Revenues	1,978,955	1,531,929	3,510,884
OPERATING EXPENSES			
Administration	536,720	200,487	737,207
Tenant services	1,695	0	1,695
Utilities	27,209	0	27,209
Ordinary maintenance & operations	773,060	0	773,060
General expenses	361,606	18,111	379,717
Depreciation	640,146	0	640,146
Housing assistance payments	0	1,309,368	1,309,368
Port-In HAP	0	2,532	2,532
Total Operating Expenses	2,340,436	1,530,498	3,870,934
Income (Loss) from Operations	(361,481)	1,431	(360,050)
Non Operating Revenues (Expenses)			
Interest earnings	11,613	611	12,224
Total Non-Operating Revenues (Expenses)	11,613	611	12,224
Income (Loss) before contribution	(349,868)	2,042	(347,826)
Capital Contribution	478,161	0	478,161
Change in net position	128,293	2,042	130,335
Total net position - beginning	15,163,550	111,763	15,275,313
Total net position - ending	\$ 15,291,843	\$ 113,805	\$ 15,405,648

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2019

	General	Housing Choice Voucher	Total
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Rental receipts	\$ 1,105,091	\$ 0	\$ 1,105,091
Other receipts	104,507	2,866	107,373
Federal grants	746,017	1,531,460	2,277,477
Payments to vendors	(701,420)	(38,148)	(739,568)
Payments to employees – net	(867,955)	(176,884)	(1,044,839)
Payments to private landlords	0	(1,311,900)	(1,311,900)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operating activities	386,240	7,394	393,634
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(485,787)	0	(485,787)
Federal Capital Grants	478,161	0	478,161
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by capital and related financing activities	(7,626)	0	(7,626)
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	11,613	611	12,224
Purchase of investments	(2,340)	0	(2,340)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by investing activities	9,273	611	9,884
	<u> </u>	<u> </u>	<u> </u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	387,887	8,005	395,892
	<u> </u>	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS			
Beginning of Fiscal Year	2,801,087	110,517	2,911,604
	<u> </u>	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS			
End of Fiscal Year	\$ 3,188,974	\$ 118,522	\$ 3,307,496
	<u> </u>	<u> </u>	<u> </u>

Continued

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2019

	General	Housing Choice Voucher	Total
	<u> </u>	<u> </u>	<u> </u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (361,481)	\$ 1,431	\$ (360,050)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation Expense	640,146	0	640,146
Change in assets and liabilities:			
Receivables	1,119	0	1,119
Inventories	(26,175)	0	(26,175)
Prepaid items	134,319	494	134,813
Account payables	(5,547)	5,469	(78)
Deposits due others	3,859	0	3,859
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operations	\$ 386,240	\$ 7,394	\$ 393,634
	<u> </u>	<u> </u>	<u> </u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

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HOUSING AUTHORITY OF NATCHITOCHES, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of the City of Natchitoches have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the State of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the City of Natchitoches, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW 2009	398
Section 8		
Housing Choice Vouchers	LA-115	450

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

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

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

- 1) Appointing a voting majority of an organization's governing body, and:
 - a) The ability of the government to impose its will on that organization and/or
 - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

The Natchitoches Housing Corporation (Corporation), a non-profit corporation, is a legally separate entity. The Corporation's Board is the same as the Authority's Board. The Authority has the ability to influence the Corporation. The Corporation does not issue separate financial statements. Based on the above, it has been determined that the Corporation is a component unit of the Housing Authority and should be included, and were included, in the Housing Authority's financial statements through blended presentation. The Corporation does not issue separate financial statements.

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

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program. The housing choice voucher fund accounts for the Section 8 Housing Choice Voucher program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

PROPRIETARY FUNDS Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

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 funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing 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.

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$3,307,496. This is comprised of cash and cash equivalents of \$3,209,581 and restricted assets – cash of \$97,915, on the statement of net position.

E. INVESTMENTS Investments are limited to L.S.-R.S. 33:2955 and the Housing Authority investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

F. REVENUE RECOGNITION Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

G. INVENTORY All purchased inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year end, the amount of inventory is recorded for external financial reporting.

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

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$500. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	15-40 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

J. UNEARNED INCOME The Housing Authority reports prepaid revenues on its statement of net position. Prepaid revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for prepaid revenue is removed from the statement of net position and the revenue is recognized.

K. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred 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.

L. POST EMPLOYMENT BENEFITS The Authority does not recognize or pay any post employment benefits. Accordingly, Governmental Accounting Standards Board (GASB) Statement Number 45 does not apply.

M. NET POSITION AND FLOW ASSUMPTIONS Net position is reported as restricted when constraints placed on net position use as either:

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

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

Sometime the Authority may fund outlays from both restricted and unrestricted resources. In the event that should occur, the Authority must make a flow assumption about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

N. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at March 31, 2019. Deposits are stated at cost, which approximates fair value.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$75,794 is restricted in the General Fund for security deposits. \$9,009 is restricted for an amount equal to a portion of other current liabilities. \$13,112 is restricted in the Housing Choice Voucher fund for HAP Equity.

At March 31, 2019, the Housing Authority's carrying amount of deposits was \$4,106,680 and the bank balance was \$4,248,443, which includes \$799,369 in certificates of deposits classified as investments. Petty cash consists of \$185. \$3,781,967 of the bank balance was covered by FDIC Insurance or by an irrevocable standby letter of credit. The remaining bank balance of \$466,476 was covered by pledged securities. However, this \$466,476 was exposed to custodial credit risk, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand. Investments during the year were solely in time deposits at banks.

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at March 31, 2019, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Housing Choice Voucher</u>	<u>Total</u>
Federal sources:			
Grants	0	4,018	4,018
Other	200	288	488
	<u>200</u>	<u>4,306</u>	<u>4,506</u>
Total	\$ 200	\$ 4,306	\$ 4,506

The tenants account receivable is net of an allowance for doubtful accounts of \$38.

NOTE 4 – CAPITAL ASSETS The changes in capital assets are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-depreciable assets				
Land and buildings	\$ 957,400	\$ 0	\$ 0	\$ 957,400
Depreciable assets:				
Buildings	24,060,631	478,161	0	24,538,792
Furniture and equipment	1,397,104	7,626	27,586	1,377,144
Total capital assets	<u>26,415,135</u>	<u>485,787</u>	<u>27,586</u>	<u>26,873,336</u>
Less: accumulated depreciation				
Buildings	14,088,352	616,127	0	14,704,479
Furniture and equipment	701,860	24,019	27,586	698,293
Total accumulated depreciation	<u>14,790,212</u>	<u>640,146</u>	<u>27,586</u>	<u>15,402,772</u>
Total capital assets, net	<u>\$ 11,624,923</u>	<u>\$ (154,359)</u>	<u>\$ 0</u>	<u>\$ 11,470,564</u>

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

NOTE 5 – ACCOUNTS PAYABLE The payables at March 31, 2019 are as follows:

	General	Housing Choice Voucher	Total
Vendors	\$ 16,068	\$ 98	\$ 16,166
Payroll taxes & Retirement withheld	7,931	0	7,931
Utilities	9,009	0	9,009
Federal sources: Grants	0	646	646
Total	\$ 33,008	\$ 744	\$ 33,752

NOTE 6 – COMPENSATED ABSENCES At March 31, 2019, employees of the Housing Authority have accumulated and vested \$128,715 of employee leave computed in accordance with GASB, Codification Section C60.

NOTE 7 – LONG-TERM OBLIGATIONS The following is a summary of the long-term obligation transactions for the year ended March 31, 2019.

	Compensated Absences
Balance, beginning	\$ 125,534
Additions	50,656
Deletions	47,475
Balance, ending	128,715
Amounts due in one year	\$ 45,051

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

NOTE 8 – RETIREMENT SYSTEM The Housing Authority participates in a defined contribution plan through the Louisiana Housing Council. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the month after completing one year of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 5.5% of his effective compensation, and may make additional contributions. The employer is required to make monthly contributions equal to 8% of each participant's effective compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are first used to pay for plan expenses and if there is any residual amount, the amount is refunded to the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the Housing Renewal and Local Agency Retirement Plan may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$93,217 for the year ended March 31, 2019, of which \$50,068 was paid by the Housing Authority and \$43,149 was paid by employees. No payments were made out of the forfeiture account.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Commitments On April 15, 2019 the Authority entered into an Employment Agreement with the Executive Director. The agreement was for five years, beginning June 16, 2019. The agreement was a renewal of a similar agreement.

The contract may be terminated for cause, as specified in the contract. The Board may also terminate without cause, if such termination, in the Board's opinion, serves the best interests of the Authority. If the Executive Director is terminated for any reason, due process is required, as outlined in the agreement. The Director may terminate the agreement upon 30 days of written notice to the Board.

The Executive Director will be paid any accrued salary through the date of termination, in the event termination should occur. The Director is also entitled to all earned annual leave at the time of separation, regardless of the reason for the separation.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

If terminated without cause, the Authority will pay the Executive Director on the effective date of termination a lump sum equal to salary and benefits she would have earned or received for the remainder of the five year contract, plus accrued salary and benefits, unpaid accrued annual leave, and reasonable, authorized business expenses.

Litigation The Housing Authority is not presently involved in litigation.

Grant Disallowances The Housing Authority participates in a number of federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

Construction Projects There are certain renovation or construction projects in progress at March 31, 2019. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Risk Management The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

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

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

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council, Inc. Group Self Insurance Risk Management Agency risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

NOTE 10 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$2,752,853 to the Housing Authority, which represents approximately 69% of the Housing Authority's total revenue and capital contributions for the year.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

NOTE 11 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net position date through, September 24, 2019, of the independent auditor's report for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.



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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*

Independent Auditor's Report

Housing Authority of Natchitoches
Natchitoches, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund of the Housing Authority of the City of Natchitoches, Louisiana, as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Natchitoches, Louisiana's basic financial statements, and have issued our report thereon dated September 24, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Natchitoches, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Natchitoches, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Natchitoches, Louisiana's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Natchitoches, Louisiana'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 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.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
September 24, 2019



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Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Housing Authority of Natchitoches
Natchitoches, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Natchitoches, Louisiana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Natchitoches, Louisiana's major federal programs for the year ended March 31, 2019. The Housing Authority of the City of Natchitoches, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Housing Authority of the City of Natchitoches, Louisiana's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we 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 Housing Authority of the City of Natchitoches, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Housing Authority of the City of Natchitoches, Louisiana's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of the City of Natchitoches, Louisiana complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2019.

Report on Internal Control Over Compliance

Management of the Housing Authority of the City of Natchitoches, Louisiana is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority of the City of Natchitoches, Louisiana's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of Natchitoches, Louisiana's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charge with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Housing Authority of the City of Natchitoches, Louisiana as of and for the year ended March 31, 2019, and have issued our report thereon dated September 24, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
September 24, 2019

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED MARCH 31, 2019

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 745,917
Capital Fund Program	14.872	478,161
Housing Choice Voucher	14.871	1,528,775
Total United States Department of Housing and Urban Development		\$ 2,752,853
Total Expenditures of Federal Awards		\$ 2,752,853

The accompanying notes are an integral part of this schedule.

HOUSING AUTHORITY OF NATCHITOCHES, LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED MARCH 31, 2019

NOTE 1 – BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the City of Natchitoches, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended March 31, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Housing Authority has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority’s basic financial statements as follows:

	Federal Sources
Enterprise Funds	
Governmental operating grants	\$ 2,274,692
Capital contributions	478,161
	2,752,853
Total	\$ 2,752,853

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

NOTE 5 – DE MINIMIS INDIRECT COST RATE The Housing Authority did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

HOUSING AUTHORITY OF NATCHITOCHES, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2019

Section I – Summary of the Auditor’s Results

Financial Statement Audit

1. Type of Auditor’s Report Issued on Financial Statements – Unmodified.
2. Internal Control Over Financial Reporting:
 - a. Material weakness(es) identified? _____ yes ✓ no
 - b. Significant deficiency(ies) identified? _____ yes ✓ none reported
3. Noncompliance material to financial statements noted? _____ yes ✓ no

Audit of Federal Awards

1. Internal Control Over Major Programs:
 - a. Material weakness(es) identified? _____ yes ✓ no
 - b. Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes ✓ none reported
2. Type of Auditor’s Report Issued on Compliance For Major Programs – Unmodified.
3. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (2 CFR 200)? _____ yes ✓ no
4. The programs tested as major programs include:

CFDA# 14.871 Section 8 Housing Choice Voucher
5. Dollar threshold used to distinguish between Type A and Type B Programs as described in the Uniform Guidance (2 CFR 200): \$ 750,000
6. Auditee qualified as low-risk auditee under Uniform Guidance (2 CFR 200)? ✓ yes _____ no
7. Nonstatistical sampling was used. To determine sample sizes, the AICPA Audit Guide *Audit Sampling* was used.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2019

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

None

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2019

Section III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510 (a):

None

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED MARCH 31, 2019

There were no audit findings.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED MARCH 31, 2019

The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:

There were no prior audit findings.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED MARCH 31, 2019

		2016 Capital Fund
Funds approved	\$	540,677
Funds expended		540,677
Excess of funds approved	\$	0
Funds advanced	\$	540,677
Funds expended		540,677
Excess (Deficiency) of funds advanced	\$	0

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statement of Modernization Costs dated September 13, 2018 accompanying the Actual Modernization Costs Certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED MARCH 31, 2019

CASH BASIS

		2017 Capital Fund
Funds approved	\$	568,785
Funds expended		389,619
Excess of funds approved	\$	179,166
Funds advanced	\$	389,619
Funds expended		389,619
Excess (Deficiency) of funds	\$	0

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
 OR CHIEF EXECUTIVE DIRECTOR

YEAR ENDED MARCH 31, 2019

Agency Head Name: Monica Llorence, Executive Director

Purpose	Amount
Salary	\$ 91,618
Benefits-insurance	9,234
Benefits-retirement	7,329
Benefits	
Car allowance	
Vehicle provided by government	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	
Total	\$ 108,181



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ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

AGREED UPON PROCEDURES REPORT

Independent Accountant's Report On Applying Agreed-Upon Procedures

To the Board of Directors of the City of Natchitoches Housing Authority and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the City of Natchitoches Housing Authority and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period April 1, 2018 through March 31, 2019. The City of Natchitoches Housing Authority's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results of Testing:

The Authority has the above policies, except for Debt Service, which is not applicable.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results of Testing:

- a) The board met with a quorum on a frequency in accordance with its bylaws.

- b) The minutes reflect that the board reviewed year-to-date actual income and expenses to year-to-date budgeted amounts.
- c) At the end of the prior fiscal year, the unassigned fund balance in the general fund was a positive amount.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results of Testing:

As noted in the Year 2 instructions, if this category had no exceptions in Year 1, Year 2 tests may be omitted. Since there were no Year 1 exceptions, these tests are omitted.

Collections (excluding EFTs)

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Results of Testing:

Since there were no Year 1 exceptions in this category, these tests are omitted.

- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Results of Testing:

Since there were no Year 1 exceptions in this category, these tests are omitted.

- 6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Results of Testing:

All employees who have access to cash are covered by a bond for theft.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results of Testing:

Since there were no Year 1 exceptions in this category, these tests are omitted.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

- 8. Obtain a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results of Testing:

Since there were no Year 1 exceptions in this category, these tests are omitted.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.])

Results of Testing:

Since there were no Year 1 exceptions in this category, these tests are omitted.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results of Testing:

Since there were no Year 1 exceptions in this category, these tests are omitted.

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

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

Results of Testing:

Management represents that the list is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

Results of Testing:

- a) The monthly statements were reviewed and approved, in writing by a person other than the authorized card holder.
 - b) No finance charges were assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results of Testing:

Since there were no Year 1 exceptions noted, these tests are omitted.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results of Testing:

Since there were no Year 1 exceptions noted, these tests are omitted.

Contracts

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results of Testing:

Since there were no Year 1 exceptions, these tests are omitted. However, like other steps in this AUP, procurement was tested during performance of the annual independent audit.

Payroll and Personnel

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results of Testing:

Since there were no Year 1 exceptions noted in this category, these tests are omitted.

- 17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results of Testing:

Since there were no Year 1 exceptions noted in this category, these tests are omitted.

- 18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Results of Testing:

No employees received termination payments during the audit year.

- 19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Results of Testing:

Since there were no Year 1 exceptions noted in this category, these tests are omitted.

Ethics

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
 - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Results of Testing:

- a) All of the tested employees completed one hour of ethics training during the fiscal period.

- b) The documentation shows that all tested employees and board members attested through signature verification that the member had read the ethics policy during the fiscal period.

Debt Service

- 21. Obtain a listing of bonds/notes issued during the fiscal period and management’s representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Results of Testing:

Not applicable.

- 22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results of Testing:

Not applicable.

Other

- 23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results of Testing:

Management represents that they are not aware of any misappropriations of public funds or assets during the fiscal period.

- 24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results of Testing:

Management has posted the public notice.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
September 24, 2019

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Entity Wide Balance Sheet Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$2,165,387	\$105,410	\$226,484	\$712,300	\$3,209,581		\$3,209,581
112 Cash - Restricted - Modernization and Development							
113 Cash - Other Restricted		\$13,112			\$13,112		\$13,112
114 Cash - Tenant Security Deposits	\$75,794				\$75,794		\$75,794
115 Cash - Restricted for Payment of Current Liabilities				\$9,009	\$9,009		\$9,009
100 Total Cash	\$2,241,181	\$118,522	\$226,484	\$721,309	\$3,307,496	\$0	\$3,307,496
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects		\$4,018			\$4,018		\$4,018
124 Accounts Receivable - Other Government				\$100	\$100		\$100
125 Accounts Receivable - Miscellaneous		\$288			\$288		\$288
126 Accounts Receivable - Tenants	\$138				\$138		\$138
126.1 Allowance for Doubtful Accounts - Tenants	-\$38	\$0			-\$38		-\$38
126.2 Allowance for Doubtful Accounts - Other		\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current							
128 Fraud Recovery							
128.1 Allowance for Doubtful Accounts - Fraud							
129 Accrued Interest Receivable							
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$100	\$4,306	\$0	\$100	\$4,506	\$0	\$4,506
131 Investments - Unrestricted	\$408,373		\$38,859	\$352,137	\$799,369		\$799,369
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability							
142 Prepaid Expenses and Other Assets	\$3,997	\$3,533		\$7,714	\$15,244		\$15,244
143 Inventories	\$37,721				\$37,721		\$37,721
143.1 Allowance for Obsolete Inventories	\$0				\$0		\$0
144 Inter Program Due From							
145 Assets Held for Sale							
150 Total Current Assets	\$2,691,372	\$126,361	\$265,343	\$1,081,260	\$4,164,336	\$0	\$4,164,336

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Entity Wide Balance Sheet Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
161 Land	\$921,100		\$800	\$35,500	\$957,400		\$957,400
162 Buildings	\$24,336,131		\$27,643	\$175,018	\$24,538,792		\$24,538,792
163 Furniture, Equipment & Machinery - Dwellings	\$747,639			\$1,400	\$749,039		\$749,039
164 Furniture, Equipment & Machinery - Administration	\$540,172	\$10,605		\$77,328	\$628,105		\$628,105
165 Leasehold Improvements	\$0				\$0		\$0
166 Accumulated Depreciation	-\$15,167,337	-\$10,605	-\$22,352	-\$202,478	-\$15,402,772		-\$15,402,772
167 Construction in Progress	\$0				\$0		\$0
168 Infrastructure	\$0				\$0		\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$11,377,705	\$0	\$6,091	\$86,768	\$11,470,564	\$0	\$11,470,564
171 Notes, Loans and Mortgages Receivable - Non-Current							
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due							
173 Grants Receivable - Non Current							
174 Other Assets				\$27,975	\$27,975		\$27,975
176 Investments in Joint Ventures							
180 Total Non-Current Assets	\$11,377,705	\$0	\$6,091	\$114,743	\$11,498,539	\$0	\$11,498,539
200 Deferred Outflow of Resources							
290 Total Assets and Deferred Outflow of Resources	\$14,069,077	\$126,361	\$271,434	\$1,196,003	\$15,662,875	\$0	\$15,662,875
311 Bank Overdraft							
312 Accounts Payable <= 90 Days	\$13,676	\$98	\$1,125	\$1,267	\$16,166		\$16,166
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable				\$7,931	\$7,931		\$7,931
322 Accrued Compensated Absences - Current Portion	\$10,573	\$4,134		\$30,344	\$45,051		\$45,051
324 Accrued Contingency Liability							
325 Accrued Interest Payable							
331 Accounts Payable - HUD PHA Programs		\$646			\$646		\$646
332 Account Payable - PHA Projects							

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Entity Wide Balance Sheet Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
333 Accounts Payable - Other Government							
341 Tenant Security Deposits	\$75,794				\$75,794		\$75,794
342 Unearned Revenue							
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue							
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities				\$9,009	\$9,009		\$9,009
346 Accrued Liabilities - Other							
347 Inter Program - Due To							
348 Loan Liability - Current							
310 Total Current Liabilities	\$100,043	\$4,878	\$1,125	\$48,551	\$154,597	\$0	\$154,597
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							
352 Long-term Debt, Net of Current - Operating Borrowings							
353 Non-current Liabilities - Other				\$18,966	\$18,966		\$18,966
354 Accrued Compensated Absences - Non Current	\$19,634	\$7,678		\$56,352	\$83,664		\$83,664
355 Loan Liability - Non Current							
356 FASB 5 Liabilities							
357 Accrued Pension and OPEB Liabilities							
350 Total Non-Current Liabilities	\$19,634	\$7,678	\$0	\$75,318	\$102,630	\$0	\$102,630
300 Total Liabilities	\$119,677	\$12,556	\$1,125	\$123,869	\$257,227	\$0	\$257,227
400 Deferred Inflow of Resources							
508.4 Net Investment in Capital Assets	\$11,377,705		\$6,091	\$86,768	\$11,470,564		\$11,470,564
511.4 Restricted Net Position		\$13,112			\$13,112		\$13,112
512.4 Unrestricted Net Position	\$2,571,695	\$100,693	\$264,218	\$985,366	\$3,921,972		\$3,921,972
513 Total Equity - Net Assets / Position	\$13,949,400	\$113,805	\$270,309	\$1,072,134	\$15,405,648	\$0	\$15,405,648
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$14,069,077	\$126,361	\$271,434	\$1,196,003	\$15,662,875	\$0	\$15,662,875

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Single Project Revenue and Expense			
East Natchitoches Amp #10			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$661,361		\$661,361
70400 Tenant Revenue - Other	\$38,647		\$38,647
70500 Total Tenant Revenue	\$700,008	\$0	\$700,008
70600 HUD PHA Operating Grants	\$297,485	\$59,073	\$356,558
70610 Capital Grants	\$0	\$478,161	\$478,161
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$4,083		\$4,083
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue			
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$1,001,576	\$537,234	\$1,538,810
91100 Administrative Salaries	\$60,167		\$60,167
91200 Auditing Fees	\$8,327		\$8,327
91300 Management Fee	\$194,063		\$194,063
91310 Book-keeping Fee	\$5,066		\$5,066
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$23,631		\$23,631
91600 Office Expenses	\$14,112		\$14,112
91700 Legal Expense			
91800 Travel	\$1,100		\$1,100
91810 Allocated Overhead			
91900 Other	\$14,679		\$14,679
91000 Total Operating - Administrative	\$321,145	\$0	\$321,145
92000 Asset Management Fee	\$10,132		\$10,132
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$706		\$706
92500 Total Tenant Services	\$706	\$0	\$706
93100 Water			
93200 Electricity	\$11,511		\$11,511
93300 Gas	\$4,347		\$4,347
93400 Fuel			
93500 Labor			

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Single Project Revenue and Expense			
East Natchitoches Amp #10			
	Low Rent	Capital Fund	Total Project
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$15,858	\$0	\$15,858
94100 Ordinary Maintenance and Operations - Labor	\$198,946		\$198,946
94200 Ordinary Maintenance and Operations - Materials and Other	\$75,761		\$75,761
94300 Ordinary Maintenance and Operations Contracts	\$125,980		\$125,980
94500 Employee Benefit Contributions - Ordinary Maintenance	\$78,140		\$78,140
94000 Total Maintenance	\$478,827	\$0	\$478,827
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$50,636		\$50,636
96120 Liability Insurance	\$26,655		\$26,655
96130 Workmen's Compensation	\$13,120		\$13,120
96140 All Other Insurance	\$14,926		\$14,926
96100 Total insurance Premiums	\$105,337	\$0	\$105,337
96200 Other General Expenses			
96210 Compensated Absences			
96300 Payments in Lieu of Taxes	\$64,550		\$64,550
96400 Bad debt - Tenant Rents	\$12,327		\$12,327
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$76,877	\$0	\$76,877
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$1,008,882	\$0	\$1,008,882
97000 Excess of Operating Revenue over Operating Expenses	-\$7,306	\$537,234	\$529,928
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$394,085		\$394,085
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$1,402,967	\$0	\$1,402,967

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Single Project Revenue and Expense			
East Natchitoches Amp #10			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$59,073		\$59,073
10020 Operating transfer Out		-\$59,073	-\$59,073
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$59,073	-\$59,073	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$342,318	\$478,161	\$135,843
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$7,658,851	\$0	\$7,658,851
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	2589		2589
11210 Number of Unit Months Leased	2530		2530
11270 Excess Cash	\$1,001,468		\$1,001,468
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$442,426	\$442,426	\$884,852
11630 Furniture & Equipment - Dwelling Purchases	\$35,735	\$35,735	\$71,470
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Single Project Revenue and Expense			
Brahma Drive/Blanchard Amp #20			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$462,628		\$462,628
70400 Tenant Revenue - Other	\$42,899		\$42,899
70500 Total Tenant Revenue	\$505,527	\$0	\$505,527
70600 HUD PHA Operating Grants	\$389,359		\$389,359
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$4,741		\$4,741
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue			
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$899,627	\$0	\$899,627
91100 Administrative Salaries	\$55,282		\$55,282
91200 Auditing Fees	\$8,327		\$8,327
91300 Management Fee	\$117,225		\$117,225
91310 Book-keeping Fee	\$4,242		\$4,242
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$26,313		\$26,313
91600 Office Expenses	\$16,098		\$16,098
91700 Legal Expense			
91800 Travel	\$352		\$352
91810 Allocated Overhead			
91900 Other	\$9,707		\$9,707
91000 Total Operating - Administrative	\$237,546	\$0	\$237,546
92000 Asset Management Fee	\$8,484		\$8,484
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$680		\$680
92500 Total Tenant Services	\$680	\$0	\$680
93100 Water			
93200 Electricity	\$4,699		\$4,699
93300 Gas	\$619		\$619
93400 Fuel			
93500 Labor			

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Single Project Revenue and Expense			
Brahma Drive/Blanchard Amp #20			
	Low Rent	Capital Fund	Total Project
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$5,318	\$0	\$5,318
94100 Ordinary Maintenance and Operations - Labor	\$118,498		\$118,498
94200 Ordinary Maintenance and Operations - Materials and Other	\$48,395		\$48,395
94300 Ordinary Maintenance and Operations Contracts	\$50,861		\$50,861
94500 Employee Benefit Contributions - Ordinary Maintenance	\$58,569		\$58,569
94000 Total Maintenance	\$276,323	\$0	\$276,323
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$52,753		\$52,753
96120 Liability Insurance	\$12,326		\$12,326
96130 Workmen's Compensation	\$11,695		\$11,695
96140 All Other Insurance	\$2,100		\$2,100
96100 Total insurance Premiums	\$78,874	\$0	\$78,874
96200 Other General Expenses			
96210 Compensated Absences			
96300 Payments in Lieu of Taxes	\$45,731		\$45,731
96400 Bad debt - Tenant Rents	\$16,091		\$16,091
96500 Bad debt - Mortgages			
96600 Bad debt - Other	\$0		\$0
96800 Severance Expense			
96000 Total Other General Expenses	\$61,822	\$0	\$61,822
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$669,047	\$0	\$669,047
97000 Excess of Operating Revenue over Operating Expenses	\$230,580	\$0	\$230,580
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$236,336		\$236,336
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$905,383	\$0	\$905,383

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Single Project Revenue and Expense			
Brahma Drive/Blanchard Amp #20			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$5,756	\$0	-\$5,756
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$6,160,462	\$0	\$6,160,462
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	2172		2172
11210 Number of Unit Months Leased	2109		2109
11270 Excess Cash	\$1,409,024		\$1,409,024
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$7,626	\$0	\$7,626
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$1,123,989		\$7,962		\$1,131,951		\$1,131,951
70400 Tenant Revenue - Other	\$81,546		\$439		\$81,985		\$81,985
70500 Total Tenant Revenue	\$1,205,535	\$0	\$8,401	\$0	\$1,213,936	\$0	\$1,213,936
70600 HUD PHA Operating Grants	\$745,917	\$1,528,775			\$2,274,692		\$2,274,692
70610 Capital Grants	\$478,161				\$478,161		\$478,161
70710 Management Fee				\$311,288	\$311,288	-\$311,288	\$0
70720 Asset Management Fee				\$18,616	\$18,616	-\$18,616	\$0
70730 Book Keeping Fee				\$11,183	\$11,183	-\$11,183	\$0
70740 Front Line Service Fee							
70750 Other Fees				\$0	\$0		\$0
70700 Total Fee Revenue				\$341,087	\$341,087	-\$341,087	\$0
70800 Other Government Grants							
71100 Investment Income - Unrestricted	\$8,824	\$611	\$302	\$2,487	\$12,224		\$12,224
71200 Mortgage Interest Income							
71300 Proceeds from Disposition of Assets Held for Sale							
71310 Cost of Sale of Assets							
71400 Fraud Recovery		\$190			\$190		\$190
71500 Other Revenue		\$2,964		\$19,102	\$22,066		\$22,066
71600 Gain or Loss on Sale of Capital Assets							
72000 Investment Income - Restricted							
70000 Total Revenue	\$2,438,437	\$1,532,540	\$8,703	\$362,676	\$4,342,356	-\$341,087	\$4,001,269
91100 Administrative Salaries	\$115,449	\$121,506		\$185,687	\$422,642		\$422,642
91200 Auditing Fees	\$16,654	\$4,051		\$1,800	\$22,505		\$22,505
91300 Management Fee	\$311,288				\$311,288	-\$311,288	\$0
91310 Book-keeping Fee	\$9,308		\$1,875		\$11,183	-\$11,183	\$0
91400 Advertising and Marketing							
91500 Employee Benefit contributions - Administrative	\$49,944	\$55,378		\$52,385	\$157,707		\$157,707
91600 Office Expenses	\$30,210	\$7,665	\$2,749	\$16,203	\$56,827		\$56,827

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
91700 Legal Expense				\$7,144	\$7,144		\$7,144
91800 Travel	\$1,452	\$2,443		\$14,185	\$18,080		\$18,080
91810 Allocated Overhead							
91900 Other	\$24,386	\$9,444		\$18,472	\$52,302		\$52,302
91000 Total Operating - Administrative	\$558,691	\$200,487	\$4,624	\$295,876	\$1,059,678	-\$322,471	\$737,207
92000 Asset Management Fee	\$18,616				\$18,616	-\$18,616	\$0
92100 Tenant Services - Salaries							
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services							
92400 Tenant Services - Other	\$1,386			\$309	\$1,695		\$1,695
92500 Total Tenant Services	\$1,386	\$0	\$0	\$309	\$1,695	\$0	\$1,695
93100 Water							
93200 Electricity	\$16,210			\$5,070	\$21,280		\$21,280
93300 Gas	\$4,966			\$963	\$5,929		\$5,929
93400 Fuel							
93500 Labor							
93600 Sewer							
93700 Employee Benefit Contributions - Utilities							
93800 Other Utilities Expense		\$0			\$0		\$0
93000 Total Utilities	\$21,176	\$0	\$0	\$6,033	\$27,209	\$0	\$27,209
94100 Ordinary Maintenance and Operations - Labor	\$317,444				\$317,444		\$317,444
94200 Ordinary Maintenance and Operations - Materials and Other	\$124,156			\$2,765	\$126,921		\$126,921
94300 Ordinary Maintenance and Operations Contracts	\$176,841			\$15,145	\$191,986		\$191,986
94500 Employee Benefit Contributions - Ordinary Maintenance	\$136,709				\$136,709		\$136,709
94000 Total Maintenance	\$755,150	\$0	\$0	\$17,910	\$773,060	\$0	\$773,060
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs							

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$103,389		\$1,842	\$8,480	\$113,711		\$113,711
96120 Liability Insurance	\$38,981	\$5,749		\$7,384	\$52,114		\$52,114
96130 Workmen's Compensation	\$24,815	\$7,147		\$9,860	\$41,822		\$41,822
96140 All Other Insurance	\$17,026			\$800	\$17,826		\$17,826
96100 Total insurance Premiums	\$184,211	\$12,896	\$1,842	\$26,524	\$225,473	\$0	\$225,473
96200 Other General Expenses		\$1,702			\$1,702		\$1,702
96210 Compensated Absences		\$3,513		\$10,330	\$13,843		\$13,843
96300 Payments in Lieu of Taxes	\$110,281				\$110,281		\$110,281
96400 Bad debt - Tenant Rents	\$28,418				\$28,418		\$28,418
96500 Bad debt - Mortgages							
96600 Bad debt - Other	\$0				\$0		\$0
96800 Severance Expense							
96000 Total Other General Expenses	\$138,699	\$5,215	\$0	\$10,330	\$154,244	\$0	\$154,244
96710 Interest of Mortgage (or Bonds) Payable							
96720 Interest on Notes Payable (Short and Long Term)							
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$1,677,929	\$218,598	\$6,466	\$356,982	\$2,259,975	-\$341,087	\$1,918,888
97000 Excess of Operating Revenue over Operating Expenses	\$760,508	\$1,313,942	\$2,237	\$5,694	\$2,082,381	\$0	\$2,082,381
97100 Extraordinary Maintenance							
97200 Casualty Losses - Non-capitalized							
97300 Housing Assistance Payments		\$1,309,368			\$1,309,368		\$1,309,368
97350 HAP Portability-In		\$2,532			\$2,532		\$2,532

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
97400 Depreciation Expense	\$630,421		\$257	\$9,468	\$640,146		\$640,146
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
90000 Total Expenses	\$2,308,350	\$1,530,498	\$6,723	\$366,450	\$4,212,021	-\$341,087	\$3,870,934
10010 Operating Transfer In	\$59,073				\$59,073		\$59,073
10020 Operating transfer Out	-\$59,073				-\$59,073		-\$59,073
10030 Operating Transfers from/to Primary Government							
10040 Operating Transfers from/to Component Unit							
10050 Proceeds from Notes, Loans and Bonds							
10060 Proceeds from Property Sales							
10070 Extraordinary Items, Net Gain/Loss							
10080 Special Items (Net Gain/Loss)							
10091 Inter Project Excess Cash Transfer In							
10092 Inter Project Excess Cash Transfer Out							
10093 Transfers between Program and Project - In							
10094 Transfers between Project and Program - Out							
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$130,087	\$2,042	\$1,980	-\$3,774	\$130,335	\$0	\$130,335
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$13,819,313	\$111,763	\$268,329	\$1,075,908	\$15,275,313		\$15,275,313
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors							
11050 Changes in Compensated Absence Balance							
11060 Changes in Contingent Liability Balance							
11070 Changes in Unrecognized Pension Transition Liability							
11080 Changes in Special Term/Severance Benefits Liability							
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents							

HOUSING AUTHORITY OF NATCHITOCHEs, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2019

	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
11100 Changes in Allowance for Doubtful Accounts - Other							
11170 Administrative Fee Equity		\$100,693			\$100,693		\$100,693
11180 Housing Assistance Payments Equity		\$13,112			\$13,112		\$13,112
11190 Unit Months Available	4761	4316	11	0	9088		9088
11210 Number of Unit Months Leased	4639	4278	10	0	8927		8927
11270 Excess Cash	\$2,410,492				\$2,410,492		\$2,410,492
11610 Land Purchases	\$0			\$0	\$0		\$0
11620 Building Purchases	\$884,852			\$0	\$884,852		\$884,852
11630 Furniture & Equipment - Dwelling Purchases	\$71,470			\$0	\$71,470		\$71,470
11640 Furniture & Equipment - Administrative Purchases	\$7,626			\$0	\$7,626		\$7,626
11650 Leasehold Improvements Purchases	\$0			\$0	\$0		\$0
11660 Infrastructure Purchases	\$0			\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0			\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0			\$0	\$0		\$0