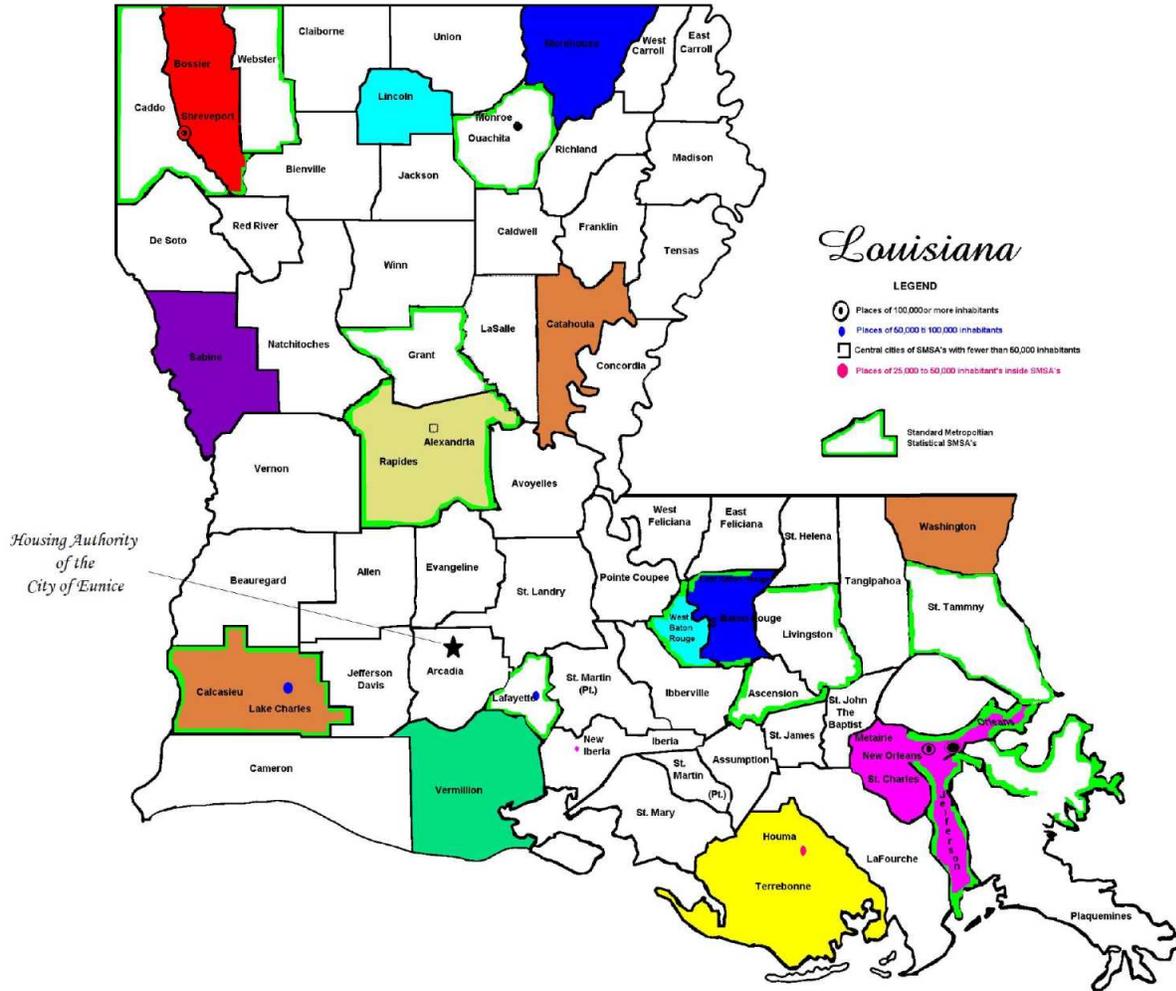


**HOUSING AUTHORITY OF THE
CITY OF EUNICE, LOUISIANA**

**Basic Financial Statements &
Independent Auditor's Reports**

September 30, 2017

HOUSING AUTHORITY OF THE CITY OF EUNICE EUNICE, LOUISIANA



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

**Housing Authority of the
City of Eunice, Louisiana**

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September 30, 2017**

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INDEPENDENT AUDITOR'S REPORT

Housing Authority of the
City of Eunice
Eunice, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the City of Eunice, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a 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 the business-type activities of the Housing Authority of the City of Eunice, as of September 30, 2017, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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 Eunice's basic financial statements. The accompanying Financial Data Schedule, required by HUD, and supplementary schedules and statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis 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 is also not a required part of the basic financial statements.

The Financial Data Schedule and supplementary schedules and statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule and supplementary schedules and statements, 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 March 26, 2018, on our consideration of the Housing Authority of the City of Eunice'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 Auditing Standards* in considering the Housing Authority of the City of Eunice's internal control over financial reporting and compliance.

The Vercher Group

March 26, 2018

Jena, Louisiana

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION
& ANALYSIS (MD&A)

September 30, 2017

**Housing Authority of the
City of Eunice, Louisiana**

**Management's Discussion and Analysis (MD&A)
September 30, 2017**

As management of the Housing Authority of the City of Eunice, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which are attached.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$5,525,335 (net position).
- As of the close of the current fiscal year, the Authority's ending unrestricted net position was \$1,387,221.
- The Authority's cash balance at September 30, 2017, was \$658,614, while investments totaled \$663,781.
- The Authority had total revenue of \$914,953 in which \$896,302 was operating revenue, \$3,651 was non-operating revenue, and \$15,000 was capital contributions.
- The Authority had total expenses of \$1,073,610 in which \$290,680 was for depreciation, which is a non-cash transaction.
- The Authority had a total change in net position of \$152,577.
- The authority was flooded on August 15, 2016. Approximately 30 units were lost during the flood. Using the original cost of all the units the impairment gain was \$311,234 (see note 9).

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows, and the notes to the financial statements.

The Authority has only one fund type, namely a proprietary fund. The Statement of Net Position includes all of the Authority's assets and liabilities. This fund type is unused for activities which are financed and operated in a manner similar to those in the private sector.

The Authority has two main funding sources in its financial operation. These are the Low Rent Public Housing and the Capital Fund Programs. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula. The purpose of this program is to provide funding for low rent housing programs to

**Housing Authority of the
City of Eunice, Louisiana**

**Management's Discussion and Analysis (MD&A)
September 30, 2017**

allow them to make purchases and capital improvements for the current dwelling structures and assist in their operations. The Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements.

The table below lists the asset and liability comparisons for the year ended September 30, 2017.

Statement of Net Position				
Category		2016	2017	% Change
Current Assets	\$	1,295,523	\$ 1,453,588	12.2
Current Restricted Assets		46,792	46,943	0.3
Capital Assets-Net of Depreciation		4,164,506	4,138,114	-0.6
Total Assets		<u>5,506,821</u>	<u>5,638,645</u>	2.3
Current Liabilities		53,172	36,886	-30.6
Liabilities Payable From Restricted Assets		41,100	35,582	-13.4
Non-Current Liabilities		39,791	40,842	2.6
Total Liabilities		<u>134,063</u>	<u>113,310</u>	-15.5
Net Investment in Capital Assets		4,164,506	4,138,114	-0.6
Unrestricted Net Position		1,208,252	1,387,221	14.8
Total Net Position	\$	<u>5,372,758</u>	\$ <u>5,525,335</u>	-2.8

- Current assets increased by \$158,065 or 12.2% from last year. The primary reason for this increase is due to an increase in investments in the amount of \$240,739.
- Capital assets, net of accumulated depreciation, decreased by \$26,392 or 0.6%. This decrease was caused by an increase in accumulated depreciation.
- Current liabilities decreased by \$16,286 or 30.6%; liabilities payable from restricted assets decreased by \$5,518 or 13.4%.

**Housing Authority of the
City of Eunice, Louisiana**

**Management's Discussion and Analysis (MD&A)
September 30, 2017**

The table below lists the revenue and expense comparisons for the year ended September 30, 2017.

Operating Revenues	2016	2017	% Change
Rental Revenue	\$ 367,813	\$ 315,733	-14.2
Other Tenant Revenue	157,613	128,643	-18.4
HUD Operating Grants	417,617	451,926	8.2
Total Operating Revenues	<u>943,043</u>	<u>896,302</u>	-5.0
Operating Expenses			
<i>Administration:</i>			
Administrative Salaries	95,697	92,152	-3.7
EBC-Administrative	27,273	22,639	-17.0
Other Operating - Administrative	56,586	52,100	-7.9
<i>Cost of Sales & Service:</i>			
Tenant Services – Other	30,446	30,373	-0.2
Water	49,916	38,208	-23.5
Electricity	192,602	133,948	-30.5
Gas	29,109	22,619	-22.3
Other Utilities	15,528	15,528	0.0
O/M – Labor	135,940	109,328	-19.6
O/M – Materials & Other	71,746	97,608	36.0
O/M – Contracts	5,114	13,397	162.0
EBC Maintenance	29,917	24,526	-18.0
Insurance	75,045	90,750	20.9
PILOT	8,000	8,000	0.0
Compensated Absences	7,746	881	-88.6
Protective Services	22,120	20,160	-8.8
Other General Expenses	7,048	6,683	-5.2
<i>Depreciation</i>	279,216	290,680	4.1
Total Operating Expenses	<u>1,139,049</u>	<u>1,069,580</u>	-6.1
Operating Income (Loss)	<u>(196,006)</u>	<u>(173,278)</u>	-11.6
Nonoperating Revenues (Expenses)			
Interest Income	3,661	3,651	-0.3
Extraordinary Maintenance	(16,691)	(4,030)	-76.0
Total Nonoperating Revenues (Expenses)	<u>(13,030)</u>	<u>(379)</u>	-97.1
Capital Contributions	166,932	15,000	-91.0
Special Items	-0-	311,234	100
Change in Net Position	(42,104)	152,577	462.4
Total Net Position - Beginning	<u>5,414,862</u>	<u>5,372,758</u>	0.8
Total Net Position - Ending	<u>\$ 5,372,758</u>	<u>\$ 5,525,335</u>	2.8

- Total operating revenues decreased by \$46,741 or 5.0%. The reason for this decrease is due to a decrease in Rental Revenue in the amount of \$52,080.
- Operating expenses decreased by \$69,469 or 6.1%.
- There was a change in non-operating revenues/expenses in the amount of \$(12,651) or 97.1%. The reason for this change is due to a decrease in extraordinary maintenance in the amount of \$12,661.

**Housing Authority of the
City of Eunice, Louisiana**

**Management's Discussion and Analysis (MD&A)
September 30, 2017**

Capital Assets

As of September 30, 2017, the Authority's investment in capital assets was \$4,138,114 (net of accumulated depreciation). This investment included land, buildings, building improvements, dwelling equipment, and maintenance equipment.

Capital Assets at Year-End

	2016	2017
Land *	\$ 382,412	\$ 382,412
Buildings & Improvements	9,510,192	8,993,976
Furniture & Equipment	332,726	311,726
Accumulated Depreciation	<u>(6,060,824)</u>	<u>(5,550,000)</u>
Total	<u>\$ 4,164,506</u>	<u>\$ 4,138,114</u>

* Land in the amount of \$382,412 is not being depreciated.

Long-Term Debt

The Authority does not have any long-term liabilities at this time.

Future Events that will impact the Authority

The Authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the FYE 2018 year. Therefore, any results of budget shortfalls cannot be determined.

The Authority is under a contract through its Capital Fund Program to continue with the work as stated above and incorporate any new work items into its operation.

Contacting the Authority's Financial Management

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following address:

Housing Authority of the City of Eunice
PO Box 224
Eunice, LA 70535

Basic Financial Statements

**Housing Authority of the
City of Eunice, Louisiana
Statement of Net Position
September 30, 2017**

CURRENT ASSETS	
Cash	\$ 658,614
Investments	663,781
Receivables (Net of Allowance)	7,509
Prepaid Insurance	123,684
Restricted:	
Cash – Tenants’ Security Deposits	46,943
TOTAL CURRENT ASSETS	<u>1,500,531</u>
 NON-CURRENT ASSETS	
Capital Assets (Net of Accumulated Depreciation)	4,138,114
TOTAL NON-CURRENT ASSETS	<u>4,138,114</u>
 TOTAL ASSETS	 <u><u>5,638,645</u></u>
 CURRENT LIABILITIES	
Accounts Payable	21,579
Accrued Wages/Payroll Taxes Payable	9,554
Accrued Compensated Absences	3,875
Other Accrued Liabilities	1,878
TOTAL CURRENT LIABILITIES	<u>36,886</u>
 LIABILITIES PAYABLE FROM RESTRICTED ASSETS	
Tenant Security Deposits	35,582
TOTAL LIABILITIES PAYABLE FROM RESTRICTED ASSETS	<u>35,582</u>
 NON-CURRENT LIABILITIES	
Accrued Compensated Absences	40,842
TOTAL NON-CURRENT LIABILITIES	<u>40,842</u>
 TOTAL LIABILITIES	 <u>113,310</u>
 NET POSITION	
Net Investment in Capital Assets	4,138,114
Unrestricted	1,387,221
TOTAL NET POSITION	<u>\$ 5,525,335</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the
City of Eunice, Louisiana
Statement of Revenues, Expenses & Changes in Net Position
Year Ended September 30, 2017**

OPERATING REVENUES	
Rental Revenue	\$ 315,733
Other Tenant Revenue	128,643
HUD Operating Grants	451,926
TOTAL OPERATING REVENUES	<u>896,302</u>
OPERATING EXPENSES	
<i>Administration:</i>	
Administrative Salaries	92,152
EBC-Administrative	22,639
Other Operating - Administrative	52,100
<i>Cost of Sales & Service:</i>	
Tenant Services – Other	30,373
Water	38,208
Electricity	133,948
Gas	22,619
Other Utilities	15,528
O/M – Labor	109,328
O/M – Materials & Other	97,608
O/M – Contracts	13,397
EBC Maintenance	24,526
Insurance	90,750
PILOT	8,000
Compensated Absences	881
Protective Services	20,160
Other General Expenses	6,683
<i>Depreciation</i>	290,680
TOTAL OPERATING EXPENSES	<u>1,069,580</u>
OPERATING INCOME (LOSS)	<u>(173,278)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest Income	3,651
Extraordinary Maintenance	(4,030)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(379)</u>
CAPITAL CONTRIBUTIONS	<u>15,000</u>
SPECIAL ITEMS (SEE NOTE 9)	311,234
CHANGE IN NET POSITION	152,577
TOTAL NET POSITION - BEGINNING	5,372,758
TOTAL NET POSITION - ENDING	\$ <u>5,525,335</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the
City of Eunice, Louisiana
Statement of Cash Flows
Year Ended September 30, 2017**

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Tenants	\$ 436,058
Cash Received from Government Operating Subsidy	451,926
Cash Payments to Suppliers for Goods & Services	(671,626)
Cash Payments to Employees for Services	(198,418)
Cash Payments to Other Government (PILOT)	(8,000)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>9,940</u>
CASH FLOWS FROM NONCAPITAL ACTIVITIES	
Extraordinary Maintenance	<u>(4,030)</u>
NET CASH PROVIDED (USED) BY NONCAPITAL ACTIVITIES	<u>(4,030)</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Special Item (Impairment Gain)	311,234
Subsidy from Capital Grants	15,000
Acquisition of Capital Assets	(421,951)
Disposition of Capital Assets due to Impairment	157,664
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	<u>61,947</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Provided by Interest From Investments	3,651
Increase in Investments	<u>(240,890)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(237,239)</u>
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(169,382)
CASH, BEGINNING OF YEAR	<u>827,996</u>
CASH, END OF YEAR	<u>\$ 658,614</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the
City of Eunice, Louisiana
Statement of Cash Flows
Year Ended September 30, 2017**

Reconciliation

**RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income (Loss)	\$	(173,278)
Depreciation Expense		290,680
(Increase) Decrease in Accounts Receivable		(2,800)
(Increase) Decrease in Prepaid Insurance		(83,908)
Increase (Decrease) in Accounts Payable		(17,909)
Increase (Decrease) in Wages/Payroll Taxes Payable		2,181
Increase (Decrease) in Compensated Absences		880
Increase (Decrease) in Other Accrued Liabilities		(388)
Increase (Decrease) in Tenant Security Deposits		(5,518)
TOTAL ADJUSTMENTS		183,218
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 \$	 9,940
 LISTING OF NONCASH INVESTING, CAPITAL, & FINANCIAL ACTIVITIES		
Contributions of Capital Assets From Government	\$	-0-

The accompanying notes are an integral part of this statement.

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2017**

INTRODUCTION

The Housing Authority of the City of Eunice is an apartment complex for persons of low income located in Eunice, Louisiana. The Authority is chartered as a public corporation for the purpose of administering decent, safe and sanitary dwelling for persons of low-income.

Legal title to the Authority is held by the Housing Authority of the City of Eunice, Louisiana, a non-profit corporation. The Authority is engaged in the acquisition, modernization, and administration of low-rent housing. The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of Eunice, Louisiana. Each member serves a four-year term. Substantially all of the Authority's revenue is derived from subsidy contracts with the U. S. Department of Housing and Urban Development (HUD). The annual contributions contracts entered into by the Authority and HUD provide operating subsidies for Authority-owned public housing facilities for eligible individuals.

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

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Housing Authority is legally separated and fiscally independent, the Housing Authority is a separate governmental reporting entity. The Housing Authority includes all funds, account groups, activities, etc., that are within the oversight responsibility of the Housing Authority.

The Housing Authority is a related organization of the City of Eunice because the City of Eunice appoints a voting majority of the Housing Authority's governing board. The City of Eunice is not financially responsible for the Housing Authority, as it cannot impose its will on the Housing Authority and there is no possibility for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Eunice. According, the Housing Authority is not a component unit of the financial reporting entity of the City of Eunice.

1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES

A. BASIC FINANCIAL STATEMENTS

The basic financial statements (i.e., the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position) report information on all of the activities of the Authority.

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2017**

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION

The basic financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The accompanying financial statements include the activities of several housing programs subsidized by HUD. A summary of each significant program is provided below.

- **Low Income Housing Program** – The purpose of the low income housing program is to provide decent and affordable housing to low income families at reduced rents. The developments are owned, maintained and managed by the Authority. The developments are acquired, developed and modernized under HUD’s capital funds programs. Funding of the program operations is provided via federal annual contribution contracts (operating subsidies) and tenant rents (determined as a percentage of family income, adjusted for family composition).
- **Capital Fund Program** – The objective of these programs is to improve the physical condition of the Low-Income Public Housing units and upgrade the management of the program.

As a general rule, the effect of Interfund activity has been eliminated from the basic financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government’s enterprise operations. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund’s principal ongoing operations. The primary operating revenue of the Housing Authority is derived from tenant revenues and operating grants. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Housing Authority’s policy to use restricted resources first, then unrestricted resources as they are needed.

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2017**

C. DEPOSITS & INVESTMENTS

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Authority's investment policy allow the Housing Authority to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the Authority are reported at fair value.

D. RECEIVABLES & PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of Interfund loans) or "advances to/from other funds" (i.e., the non-current portion of Interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the accompanying financial statements, are offset by a restriction on net assets. All trade and other receivables are shown net of an allowance for uncollectables.

E. INVENTORIES & PREPAID ITEMS

All inventories are valued at cost using the first-in/first out method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both basic and fund financial statements.

F. CAPITAL ASSETS

Capital assets, which include land, buildings, improvements, and equipment, are reported in columns in the basic financial statements. Capital assets are capitalized at historical cost. The PHA maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2017**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings	20 Years
Buildings Improvements	10 Years
Nondwelling Structures	10 Years
Vehicles	5 Years

G. COMPENSATED ABSENCES

The Authority follows the civil service guidelines for vacation and sick leave. Employee's time is accumulated in accordance to hours worked per month. At year-end, time not used is accumulated.

At September 30, 2017, employees of the PHA had accumulated and vested \$44,717 of employee leave benefits, computed in accordance with GASB Codification Section C60. The balance of accrued compensated absences at September 30, 2017, was \$3,875 recorded as current obligation and \$40,842 recorded as non-current obligation.

H. EQUITY CLASSIFICATIONS

In the government-wide financial statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2017**

I. EXTRAORDINARY & SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Housing Authority, which are either unusual in nature or infrequent in occurrence.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

At September 30, 2017, the Housing Authority had cash and investments (bank balances) totaling \$1,478,762 as follows:

Description	St. Landry Bank & Trust	Jeff Davis Bank	St. Landry Homestead Bank	Basile State Bank	State Farm Bank	Total
Demand Deposits	\$ 768,193	\$ -0-	\$ 65,137	\$ -0-	\$ 222,126	\$ 1,055,456
Time Deposits	-0-	34,795	242,302	146,209	-0-	423,306
Total Securities	\$ 768,193	\$ 34,795	\$ 307,439	\$ 146,209	\$ 222,126	\$ 1,478,762

These deposits are stated at cost, which approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2017**

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

Deposits

It is the housing authority's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The housing authority's deposits are categorized to give an indication of the level of risk assumed by the housing authority at year end. The categories are described as follows:

- **Category 1** – Insured or collateralized with securities held by the housing authority or by its agent in the housing authority's name.
- **Category 2** – Collateralized with securities held by the pledging financial institution's trust department or agent in the housing authority's name.
- **Category 3** – Uncollateralized.

Amounts on deposit are secured by the following pledges:

Description	St. Landry Bank & Trust	Jeff Davis Bank	St. Landry Homestead Bank	Basile State Bank	State Farm Bank	Total
FDIC (Category 1)	\$ 250,000	\$ 34,795	\$ 250,000	\$ -0-	\$ 222,126	\$ 756,921
Securities (Category 2)	994,466	-0-	108,515	146,209	-0-	1,249,190
Total Securities	\$ 1,244,466	\$ 34,795	\$ 358,515	\$ 146,209	\$ 222,126	\$ 2,006,111

All deposits were fully secured as of September 30, 2017.

3. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2017, was as follows:

Capital Assets	Beginning Balance	Additions	Deletions	Ending Balance
Land *	\$ 382,412	\$ -0-	\$ -0-	\$ 382,412
Building & Improvements	9,510,192	421,952	(938,168)	8,993,976
Furniture & Equipment	332,726	-0-	(21,000)	311,726
Total Capital Assets	10,225,330	421,952	(959,168)	9,688,114
Less Accumulated Depreciation	(6,060,824)	(290,680)	801,504	(5,550,000)
Capital Assets, Net of Accumulated Depreciation	\$ 4,164,506	\$ 131,272	\$ (157,664)	\$ 4,138,114

* Land in the amount of \$382,412 is not being depreciated.

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2017**

4. CHANGES IN COMPENSATED ABSENCES PAYABLES

The following is a summary of changes in compensated absences payable at September 30, 2017:

	<u>Current</u>	<u>Noncurrent</u>	<u>Total</u>
Beginning of year	\$ 4,045	\$ 39,971	\$ 44,016
Additions/(Retirements)	(170)	871	701
End of year	<u>\$ 3,875</u>	<u>\$ 40,842</u>	<u>\$ 44,717</u>

5. BOARD OF COMMISSIONERS

<u>Name</u>	<u>Title</u>
August Courville, Jr	Chairman
Rogers Allison	Commissioner
Darrell Dies	Commissioner
Bob Soileau	Commissioner
Penny Guillory	Commissioner

The board members of the Housing Authority received no compensation for their services.

6. ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$466,926 to the Housing Authority, which represents approximately 33.7% of the Housing Authority's revenues for the year.

7. CONTINGENT LIABILITIES & SUBSEQUENT EVENTS

At September 30, 2017, the Housing Authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the Housing Authority in the current and prior years. These examinations may result in required refunds by the Housing Authority to federal grantors and/or program beneficiaries.

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2017**

8. PENSION PLAN

All current full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment with the Authority. All current full-time employees who were participants in the prior retirement plan shall automatically be participants in the Plan. Eligible employees may annually elect the level of after-tax employee contributions that they will make to the Plan for the upcoming calendar year, and the Authority will contribute a corresponding percentage of the employee's base rate of pay for that same period as indicated in the table below:

	<u>If the Employee Contributes</u>	<u>The Authority will Contribute</u>
Level 1	5%	7%
Level 2	6%	8%
Level 3	8%	10%

The normal retirement date shall be the first date of the month following or coincident with the participating Employee's 55th birthday. Participating employees who were participants in the Authority's previous plan shall retain their vested interest and transfer said vested interest as though they had participated in the Plan from the date of their initial participation in the previous plan. Participating employees shall vest in the Authority's contributions at the rate of twenty percent (20%) for each full year of continuous employment with the Employer. Notwithstanding the above, any participant shall be fully vested in the Authority's contributions if, while employed by the Authority: he or she attains normal retirement age, becomes totally and permanently disabled, or dies.

Forfeitures under the Plan for each plan year, if any, will be used to pay the Authority's administrative expenses under the Plan. Administrative expenses equal five percent of mandatory employee and employer contributions. There is no charge on voluntary contributions, loan payments, rollovers-in or funds rolled over from a prior plan. Any balance remaining after payment of expenses will either be returned to the Authority for purposes determined by the Authority and consistence with HUD Notice PIH 2005-03 (PHA), or credited to the Authority's account under the Plan and used to offset required Authority contributions for the following plan year. The Authority's contributions to the Plan for the years ended September 30, 2017 and 2016 were \$17,598 and \$15,294, respectively.

**Housing Authority of the
City of Eunice, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
SEPTEMBER 30, 2017**

9. SPECIAL ITEMS

The Authority received flood damage during 2016. Approximately 30 units were lost during the flood. Using the original cost of all the units, the impairment gain was calculated as follows:

Original Booked Cost	\$	959,168
Accumulated Depreciation		(801,504)
Asset Carrying Value at Time of Loss		<u>157,664</u>
Total Insurance Proceeds Received		123,488
FEMA Reimbursements		345,410
		<u>468,898</u>
Impairment Gain Due to Flood Loss	\$	<u><u>311,234</u></u>

Supplementary Information

**Housing Authority of the
City of Eunice, Louisiana**

**Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended September 30, 2017**

Eunice Housing Authority
Renee Fusilier, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 53,215
Benefits-Insurance	297
Benefits-Retirement	5,321
Benefits (List any other here)	-0-
Car Allowance	125
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	1,002
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

**Housing Authority of the City of Eunice
Eunice, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2017**

Federal Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures (\$)
Other Programs		
Department of Homeland Security		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	\$ <u>345,410</u>
Total Disaster Grants – Public Assistance (Presidentially Declared Disasters)		<u>345,410</u>
Total Department of Homeland Security		<u>345,410</u>
Department of Housing and Urban Development		
Public Indian Housing		
Public and Indian Housing	14.850	<u>443,405</u>
Total Public and Indian Housing		<u>443,405</u>
Public Housing Capital Fund		
Public Housing Capital Fund	14.872	<u>23,521</u>
Total Public Housing Capital Fund		<u>23,521</u>
Total Department of Housing and Urban Development		<u>466,926</u>
Total Other Programs		<u>812,336</u>
Total Expenditures of Federal Awards		<u>\$ 812,336</u>

The accompanying notes are an integral part of this schedule

**HOUSING AUTHORITY OF THE CITY OF EUNICE
EUNICE, LOUISIANA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2017**

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A – Uniform Guidance

The Office of Management and Budget “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule” was released in the Federal Register on December 26, 2013 (2 CFR Chapter I, Chapter II, Part 200, et al.). This guidance supersedes requirements from OMB Circulars A-21, A-87, A-110, and A-122 (which have been placed in 2 C.F.R. Parts 220, 225, 215, and 230); Circulars A-89, A-102, and A-133; and the guidance in Circular A-50 on Single Audit Act follow-up.” The new requirements state that an entity expending \$750,000 or more of federal funds adhere to the Uniform Requirements.

The funds used to account for these funds use the accrual basis of accounting.

1.) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority. The Housing Authority reporting entity is defined in Note 1 to the Housing Authority’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on the schedule.

2.) Basis of Accounting

The accompanying Schedule of expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority’s basic financial statements.

3.) Relationship to Basic Financial Statements

Federal award revenues are reported in the Housing Authority’s basic financial statements as follows:

General:	
Operating Subsidy - Public & Indian Housing	\$ 443,405
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	345,410
Capital Fund Grant	<u>23,521</u>
Total	\$ <u>812,336</u>

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 U.S. generally accepted accounting principles.

4.) Federal Awards

In accordance with HUD Notice PIH 98-14, “federal awards” do not include the Housing Authority’s operating income from rents or investments (or other non-federal sources). In addition, the entire amount of operating subsidy received during the fiscal year is considered to be “expended” during the fiscal year.

Presented for purposes of additional analysis only.

**Housing Authority of the
City of Eunice, Louisiana**

**Statement & Certification of Actual Modernization Cost
Annual Contribution Contract
September 30, 2017**

		<u>Complete</u> CFP Project 2015-501		<u>Incomplete</u> CFP Project 2016-501		<u>Incomplete</u> CFP Project 2017-501	<u>Total</u>
1. The Actual Modernization Costs are as follows:							
Funds Approved Total	\$	180,093	\$	182,742	\$	182,786	\$ 545,621
Funds Expended Y-T-D		<u>(180,093)</u>		<u>(13,000)</u>		<u>-0-</u>	<u>(193,093)</u>
Excess of Funds Approved		<u>-0-</u>		<u>169,742</u>		<u>182,786</u>	<u>352,528</u>
2. Funds Advanced Y-T-D							
Funds Expended Y-T-D		<u>(180,093)</u>		<u>(13,000)</u>		<u>-0-</u>	<u>(193,093)</u>
Excess of Funds Advanced	\$	<u>-0-</u>	\$	<u>-0-</u>	\$	<u>-0-</u>	\$ <u>-0-</u>



Other Reports

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Housing Authority of the
City of Eunice
Eunice, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Eunice, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Eunice' basic financial statements, and have issued our report thereon dated March 26, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Eunice'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 Eunice's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Eunice'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 Eunice's financial statements are free from 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 test 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.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

March 26, 2018

Jena, Louisiana

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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB UNIFORM GUIDANCE

Housing Authority of the
City of Eunice
Eunice, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Eunice's compliance with the types of compliance requirements described in the *OMB Uniform Guidance Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Eunice's major federal programs for the year ended September 30, 2017. The Housing Authority of the City of Eunice'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 for 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 Eunice'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 Eunice'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 Eunice's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of the City of Eunice, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2017.

Report on Internal Control Over Compliance

Management of the Housing Authority of the City of Eunice 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 Eunice'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 OMB 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 the City of Eunice'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 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 charged 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.

This report is intended solely for the information and use of management, the Legislator Auditor, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

March 26, 2018

Jena, Louisiana

**HOUSING AUTHORITY OF THE
CITY OF EUNICE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended September 30, 2017**

Section II - Financial Statement Findings

No items to report.

Section III – Federal Awards Findings and Questioned Costs.

No items to report.

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MANAGEMENT LETTER COMMENTS

During the course of our audit, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the Housing Authority's plan for corrective action.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

There are no current year management letter comments.

**HOUSING AUTHORITY OF THE
CITY OF EUNICE, LOUISIANA**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Housing Authority of the City of Eunice has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended September 30, 2017.

PRIOR YEAR FINDINGS

No findings to report.

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AGREED-UPON PROCEDURES REPORT

Eunice Housing Authority, Louisiana

Independent Accountant's Report

On Applying Agreed-Upon Procedures

For the Period of October 1, 2016- September 30, 2017

Eunice Housing Authority
Eunice, Louisiana

To the Eunice Housing Authority and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Eunice 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 October 1, 2016 through September 30, 2017. The Entity'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 the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - 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**, including receiving, recording, and preparing deposits
 - 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, and (5) monitoring card usage
 - 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. Note: Ethics requirements are not applicable to nonprofits.
 - j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Observation: We obtained a copy of the written policies and procedures manual and read it for the above items.

Exception: The policy and procedures manual did not address debt service.

Management's Response: The entity does not have any debt and is not allowed to enter into any debt.

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Observation: We read the minutes of the board meetings and found the board meets when it can get a quorum, financial statements are presented and the board chairperson approves disbursements.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Observation: We obtained a listing of bank accounts on bank confirmations and management signed the confirmations to represent the listings were complete.

- 4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Observation: We obtained a listing of bank accounts on bank confirmations and management signed the confirmations to represent the listings were complete.

A) Bank reconciliations are prepared for all bank accounts that have activity.

B) Bank reconciliations are prepared by the fee accountant and are reviewed by the executive director that has involvement with transactions associated with the bank account.

C) Inquiry found the entity reviews old outstanding checks on a regular basis.

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Observation: We obtained the listing, the office, and management's representation that the listing is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.*

For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Observation:

A) The entity does not accept cash.

B) The entity does not accept cash.

C) The entity does not accept cash.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

Observation: The entity has a policy and procedures manual that addresses collection procedures but does not require that the employee responsible for collections not be the same employee responsible for determining completeness. The entity does not accept cash.

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Observation: We obtained a general ledger from the entity and management's representation that the general ledger population is complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Observation: We randomly selected 25 disbursements and obtained supporting documentation of the following:

- A) Purchases were initiated using a purchase order system.
- B) Purchase orders are not approved by a person not initiating the purchase.
- C) Purchases are not processed without an approved invoice.

Exception: Purchases are not approved by a person not initiating the purchase.

Management's Response: Management does not have enough personnel to implement this procedure.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Observation: Inquiry found that the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Exception: The person responsible for processing payments is not prohibited from adding vendors to the Entity's purchasing/disbursement system.

Management's Response: Management does not have the personnel to implement this procedure.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Observation: A board member has the final authorization for disbursements and has no responsibility for initiating or recording purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Observation: Inquiry and observation found that unused checks are locked in the entity's file cabinet.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Observation: Not applicable.

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

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

Observation: Management provided a listing of all credit cards and management's representation that the list is complete.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Observation: The entity has (6) six Credit/Debit/Fuel cards.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, 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) Report whether finance charges and/or late fees were assessed on the selected statements.

Observation: We obtained the monthly statement June 2017 and tested it for the following:

A) The statement was reviewed and approved, in writing, by someone other than the authorized card holder.

B) There were no finance charges on the statement.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)
- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Observation: We tested the June 2017 statement for the following:

A) Itemized receipt, documentation of the business purpose and meals documented as to the individuals participating.

B) Compared each transaction with the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law.

C) Documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Observation: Management provided the general ledger and management's representation that the general ledger is complete.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Observation: We obtained the entity's written policies relating to travel and related expense reimbursements and compared it to the per diem and mileage rates established by the U.S. General Services Administration.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Observation: We selected (3) persons who incurred the most travel cost during the fiscal period and found they reimbursed in accordance with written policy.

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
- Other documentation as may be required by written policy (e.g., authorization for travel, Conference brochure, certificate of attendance)

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Observation: We compared the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value and found no exception.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Observation: Each reimbursed expense was reviewed and approved, in writing, by someone other than the person receiving reimbursement with the exception of the executive director's travel. This expenditure is reviewed by the board, but not in writing.

Exception: Each reimbursed expense was reviewed and approved, in writing, by someone other than the person receiving reimbursement with the exception of the executive director's travel. This expenditure is reviewed by the board, but not in writing.

Management's Response: Management does not have enough personnel to implement this procedure.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Observation: We obtained a general ledger from management and management's representation that the general ledger is complete.

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Observation: We found that the entity had 9 contracts during the fiscal year and we tested it for the following:

- A) There is a formal/written contract that supports the services arrangement and the amount paid.**
- B) One contract was subject to the Louisiana Public Bid Law and documentation show that the bids were taken and administered by the entity's architect.**
- C) The contract had not been amended.**
- D) We selected the largest payment. Obtained the invoice and compared the invoice to the contract terms.**
- E) The minutes show that the contract was approved by the council.**

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
 - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Observation: We randomly selected 5 employees and tested as follows:

A) There was one employment contract for the executive director, one other exempt employee and all other employees were subject to civil service guidelines.

B) There were no raises given during the year.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether 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) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Observation: We tested 3 employee's personnel files for the following:

A) All employees tested had daily attendance records.

B) All employees had written approval for attendance and leave.

C) Written documentation was maintained on all employees.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

Observation: There were no terminations during the year.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Observation: We reviewed forms 941 and the general ledger accrual accounts and found that the entity is current in reporting and paying payroll taxes.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under “Payroll and Personnel” above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Observation: All five employees had documentation of ethics compliance with the exception of one employee that was hired after the entity’s ethics training was completed.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management’s actions complied with the entity’s ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Observation: Inquiry found no alleged ethics violations reported to the PHA during the fiscal year.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Observation: No new debt was entered into during the fiscal year.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Observation: No debt outstanding.

30. If the entity had tax mileages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any mileages that continue to be received for debt that has been paid off.

Observation: Not applicable

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Observation: Inquiry found no reported misappropriations of public funds.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Observation: The entity has the notice posted on its' premises.

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.

The Vercher Group

Jena, Louisiana

March 26, 2018

Financial Data Schedule

Housing Authority of the City of Eunice (LA025)
EUNICE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

	Project Total	Subtotal	Total
111 Cash - Unrestricted	\$658,614	\$658,614	\$658,614
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted			
114 Cash - Tenant Security Deposits	\$46,943	\$46,943	\$46,943
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$705,557	\$705,557	\$705,557
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous	\$1,099	\$1,099	\$1,099
126 Accounts Receivable - Tenants	\$5,692	\$5,692	\$5,692
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable	\$718	\$718	\$718
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$7,509	\$7,509	\$7,509

Housing Authority of the City of Eunice (LA025)
 EUNICE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

131 Investments - Unrestricted	\$663,781	\$663,781	\$663,781
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$123,684	\$123,684	\$123,684
143 Inventories			

	Project Total	Subtotal	Total
143.1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$1,500,531	\$1,500,531	\$1,500,531
161 Land	\$382,412	\$382,412	\$382,412
162 Buildings	\$8,993,976	\$8,993,976	\$8,993,976
163 Furniture, Equipment & Machinery - Dwellings	\$129,549	\$129,549	\$129,549
164 Furniture, Equipment & Machinery - Administration	\$182,177	\$182,177	\$182,177
165 Leasehold Improvements			
166 Accumulated Depreciation	-\$5,550,000	-\$5,550,000	-\$5,550,000
167 Construction in Progress			
168 Infrastructure			

Housing Authority of the City of Eunice (LA025)

EUNICE, LA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

160 Total Capital Assets, Net of Accumulated Depreciation	\$4,138,114	\$4,138,114	\$4,138,114
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$4,138,114	\$4,138,114	\$4,138,114
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$5,638,645	\$5,638,645	\$5,638,645

	Project Total	Subtotal	Total
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$21,579	\$21,579	\$21,579
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$9,554	\$9,554	\$9,554
322 Accrued Compensated Absences - Current Portion	\$3,875	\$3,875	\$3,875
324 Accrued Contingency Liability			

Housing Authority of the City of Eunice (LA025)
EUNICE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

325	Accrued Interest Payable			
331	Accounts Payable - HUD PHA Programs			
332	Account Payable - PHA Projects			
333	Accounts Payable - Other Government			
341	Tenant Security Deposits	\$35,582	\$35,582	\$35,582
342	Unearned Revenue			
343	Current Portion of Long-term Debt - Capital			
344	Current Portion of Long-term Debt - Operating Borrowings			
345	Other Current Liabilities	\$1,878	\$1,878	\$1,878
346	Accrued Liabilities - Other			
347	Inter Program - Due To			
348	Loan Liability - Current			
310	Total Current Liabilities	\$72,468	\$72,468	\$72,468
351	Long-term Debt, Net of Current - Capital Projects/Mortgage			
352	Long-term Debt, Net of Current - Operating Borrowings			
353	Non-current Liabilities - Other			
354	Accrued Compensated Absences - Non Current	\$40,842	\$40,842	\$40,842
355	Loan Liability - Non Current			
356	FASB 5 Liabilities			

Housing Authority of the City of Eunice (LA025)
 EUNICE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

	Project Total	Subtotal	Total
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	\$40,842	\$40,842	\$40,842
300 Total Liabilities	\$113,310	\$113,310	\$113,310
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets	\$4,138,114	\$4,138,114	\$4,138,114
511.4 Restricted Net Position			
512.4 Unrestricted Net Position	\$1,387,221	\$1,387,221	\$1,387,221
513 Total Equity - Net Assets / Position	\$5,525,335	\$5,525,335	\$5,525,335
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$5,638,645	\$5,638,645	\$5,638,645

Housing Authority of the City of Eunice (LA025)
 EUNICE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

	Project Total	Subtotal	Total
70300 Net Tenant Rental Revenue	\$315,733	\$315,733	\$315,733
70400 Tenant Revenue - Other	\$128,643	\$128,643	\$128,643
70500 Total Tenant Revenue	\$444,376	\$444,376	\$444,376
70600 HUD PHA Operating Grants	\$451,926	\$451,926	\$451,926
70610 Capital Grants	\$15,000	\$15,000	\$15,000
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	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$3,651	\$3,651	\$3,651
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			

Housing Authority of the City of Eunice (LA025)
 EUNICE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

71500 Other Revenue			
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$914,953	\$914,953	\$914,953
91100 Administrative Salaries	\$92,152	\$92,152	\$92,152

	Project Total	Subtotal	Total
91200 Auditing Fees	\$5,990	\$5,990	\$5,990
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$22,639	\$22,639	\$22,639
91600 Office Expenses	\$11,260	\$11,260	\$11,260
91700 Legal Expense	\$6,700	\$6,700	\$6,700
91800 Travel	\$12,148	\$12,148	\$12,148
91810 Allocated Overhead			
91900 Other	\$16,002	\$16,002	\$16,002
91000 Total Operating - Administrative	\$166,891	\$166,891	\$166,891
92000 Asset Management Fee			

Housing Authority of the City of Eunice (LA025)
 EUNICE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$30,373	\$30,373	\$30,373
92500 Total Tenant Services	\$30,373	\$30,373	\$30,373
93100 Water	\$38,208	\$38,208	\$38,208
93200 Electricity	\$133,948	\$133,948	\$133,948
93300 Gas	\$22,619	\$22,619	\$22,619
93400 Fuel			
93500 Labor			
93600 Sewer	\$15,528	\$15,528	\$15,528
93700 Employee Benefit Contributions - Utilities			

	Project Total	Subtotal	Total
93800 Other Utilities Expense			
93000 Total Utilities	\$210,303	\$210,303	\$210,303
94100 Ordinary Maintenance and Operations - Labor	\$109,328	\$109,328	\$109,328
94200 Ordinary Maintenance and Operations - Materials and	\$97,608	\$97,608	\$97,608
94300 Ordinary Maintenance and Operations Contracts	\$13,397	\$13,397	\$13,397

Housing Authority of the City of Eunice (LA025)
EUNICE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

94500 Employee Benefit Contributions - Ordinary Maintenance	\$24,526	\$24,526	\$24,526
94000 Total Maintenance	\$244,859	\$244,859	\$244,859
95100 Protective Services - Labor	\$20,160	\$20,160	\$20,160
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$20,160	\$20,160	\$20,160
96110 Property Insurance	\$57,173	\$57,173	\$57,173
96120 Liability Insurance	\$18,150	\$18,150	\$18,150
96130 Workmen's Compensation	\$15,427	\$15,427	\$15,427
96140 All Other Insurance			
96100 Total insurance Premiums	\$90,750	\$90,750	\$90,750
96200 Other General Expenses	\$4,333	\$4,333	\$4,333
96210 Compensated Absences	\$881	\$881	\$881
96300 Payments in Lieu of Taxes	\$8,000	\$8,000	\$8,000
96400 Bad debt - Tenant Rents	\$2,350	\$2,350	\$2,350
96500 Bad debt - Mortgages			

Housing Authority of the City of Eunice (LA025)
EUNICE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

	Project Total	Subtotal	Total
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$15,564	\$15,564	\$15,564
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	\$778,900	\$778,900	\$778,900
97000 Excess of Operating Revenue over Operating Expenses	\$136,053	\$136,053	\$136,053
97100 Extraordinary Maintenance	\$4,030	\$4,030	\$4,030
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$290,680	\$290,680	\$290,680
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			

Housing Authority of the City of Eunice (LA025)
EUNICE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$1,073,610	\$1,073,610	\$1,073,610
10010 Operating Transfer In	\$8,521	\$8,521	\$8,521
10020 Operating transfer Out	-\$8,521	-\$8,521	-\$8,521

	Project Total	Subtotal	Total
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)	\$311,234	\$311,234	\$311,234
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)	\$311,234	\$311,234	\$311,234
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$152,577	\$152,577	\$152,577

Housing Authority of the City of Eunice (LA025)
 EUNICE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$5,372,758	\$5,372,758	\$5,372,758
11040 Prior Period Adjustments, Equity Transfers and Correction			
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			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			

	Project Total	Subtotal	Total
11190 Unit Months Available	1800	1800	1800
11210 Number of Unit Months Leased	1394	1394	1394
11270 Excess Cash	\$1,239,471	\$1,239,471	\$1,239,471
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0

Housing Authority of the City of Eunice (LA025)
 EUNICE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$15,000	\$15,000	\$15,000
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0