

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

FINANCIAL STATEMENTS

June 30, 2018



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Housing Authority of the City of Bossier City, Louisiana
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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Housing Authority of the City of Bossier City, Louisiana
Bossier City, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, the aggregate discretely presented component units, and each major fund of the Housing Authority of the City of Bossier City, Louisiana (the "Housing Authority"), as of and for the year ended June 30, 2018, and the related notes to 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Eagle Pointe Development I, II, III and IV Limited Partnerships, which represent 100 percent of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Eagle Pointe Development I, II, III and IV Limited Partnerships, is based solely on the reports of the other auditors. 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 auditors' 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 auditors consider 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, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units and each major fund of the Housing Authority of the City of Bossier City, Louisiana, as of June 30, 2018, and the respective changes in financial position and 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 on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards 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's basic financial statements. The schedule of compensation paid board members, schedule of compensation, benefits and other payments to agency head or chief executive officer, and financial data schedule 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 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 schedule of compensation paid board members, schedule of compensation, benefits and other payments to agency head or chief executive officer, financial data schedule, and schedule of expenditures of federal awards 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 schedule of compensation paid board members, schedule of compensation, benefits and other payments to agency head or chief executive officer, financial data schedule, and schedule of expenditures of federal awards, 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 January 31, 2019, on our consideration of the Housing Authority'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 solely 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 the effectiveness of the Housing Authority of the City of Bossier City, Louisiana's 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's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 31, 2019

**Housing Authority of the City of Bossier City, Louisiana
Management's Discussion and Analysis
For the year ended June 30, 2018 (Unaudited)**

We, the management of the Housing Authority of the City of Bossier City, Louisiana (the Housing Authority), present the following discussion and analysis of the Housing Authority's financial activities for the fiscal year ended June 30, 2018. This focuses on the primary government and represents an overview of financial information. Please read this discussion and analysis in conjunction with the Housing Authority's audited financial statements, which follows.

FINANCIAL HIGHLIGHTS

- The assets of the Housing Authority exceeded its liabilities by \$10,612,658 at the close of the fiscal year ended 2018. Of this amount, \$4,073,507 of unrestricted assets may be used to meet the Housing Authority's ongoing obligations to citizens and creditors. This amount is approximately 109%, or about thirteen (13) months, of the total operating expenses for the fiscal year 2018. The remainder of \$6,539,151 represents restrictions equal to the net amount invested in land, building, furnishings, leasehold improvements, and equipment of \$5,642,704 and \$896,447 of restricted cash and investments.
- The Housing Authority's total net position increased by \$452,237 approximately a 4.45% increase from fiscal year 2017. The increase from 2017 is attributed to the following major increases and decreases in 2018 income and expense items:
 - Total operating revenues decreased \$(18,839) from 2017 due to the following:
 - Dwelling rent and other tenant revenue decreased \$(58,431) from 2017
 - Federal grant revenue received from the U. S. Department of Housing and Urban Development (HUD) increased \$39,592 from 2017
 - Total operating expenses decreased \$(65,160) from 2017 mainly due to the following:
 - Administration expenses increased \$156,800 from 2017
 - General expenses decreased \$(176,672) from 2017

USING THIS ANNUAL REPORT

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

The financial statements are designed to provide readers with a broad overview of the Housing Authority's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the Housing Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Housing Authority is improving or deteriorating, or otherwise changing in a dramatic manner.

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Management's Discussion and Analysis
For the year ended June 30, 2018 (Unaudited)**

The *statement of revenue, expenses and changes in fund net position* presents information detailing how the Housing Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The *statement of cash flows* provides information about the Housing Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities.

These financial statements report on the functions of the Housing Authority that are principally supported by intergovernmental revenues. The Housing Authority's function is to provide decent, safe, and sanitary housing to low-income and special needs populations, which is primarily funded with grant revenue received from the U. S. Department of Housing and Urban Development (HUD) and dwelling rentals.

HOUSING AUTHORITY'S SIGNIFICANT PROGRAMS

The Housing Authority has many programs that are consolidated into a single enterprise fund. The Housing Authority's significant programs consist of the following:

Low-Income Public Housing – *Under the Conventional Public Housing Program, the Housing Authority rents units it owns to low-income families. The Conventional Public Housing Program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides an Operating Subsidy to enable the Housing Authority to provide housing at a rent that is based upon 30% of adjusted gross household income.*

Capital Fund Program – *The Conventional Public Housing Program also includes the Capital Fund Program, the primary funding source for the Housing Authority's physical and management improvements. The formula funding methodology is based on size and age of the Housing Authority's units.*

Business Activities – *The Business Activities fund accounts for the activity of Riverwood Apartments, a 137-unit multifamily complex acquired by the Housing Authority from HUD in September 1995. This fund also accounts for the development activity of the Housing Authority's non-public affordable housing ventures.*

FINANCIAL ANALYSIS

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Housing Authority has only one fund type, namely an enterprise fund which is a

**Housing Authority of the City of Bossier City, Louisiana
Management's Discussion and Analysis
For the year ended June 30, 2018 (Unaudited)**

proprietary fund type. The Housing Authority maintains several significant funds. The general fund is used to account for the low rent, capital fund, and tenant assistance programs. The Business Activities fund accounts for the activities of Riverwood Apartments, a non-HUD project owned by the Housing Authority and other non-public affordable housing ventures, and the blended component units. The fund financial statements can be found on pages 12 through 18 of this report.

Notes to the Financial Statements

Notes provide additional information essential to a full understanding of the data provided in the financial statements. Notes to the financial statements can be found on pages 19 through 38 of this report.

Net Position and Changes in Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Housing Authority, assets exceeded liabilities by \$10,612,658 at June 30, 2018. By far, the largest portion of the Housing Authority's net position (53%) reflects its net investments in capital assets (e.g., land improvements, buildings, machinery, and equipment). The Housing Authority uses these capital assets to provide housing services to residents. The Housing Authority also has net position in the amount of \$776,447, the use of which has been restricted by HUD for future replacement and development costs, and \$120,000, the use of which has been restricted to settle potential claims. Consequently, these restricted assets are not available for day-to-day operations. The unrestricted net position of the Housing Authority is available for future use to provide program services. An analysis of net position and changes in net position is as follows:

Net Position		
<i>June 30,</i>	2018	2017
Current assets	\$ 2,730,098	\$ 1,838,299
Restricted assets	1,043,509	1,019,032
Noncurrent assets		
Capital assets, net	5,638,010	5,932,201
Other noncurrent assets	2,102,602	2,059,885
Total noncurrent assets	7,740,612	7,992,086
Total assets	11,514,219	10,849,417
Current liabilities	576,647	361,793
Current liabilities payable from restricted assets	77,421	79,175
Long-term liabilities	252,187	248,028
Total liabilities	906,255	688,996
Net position		
Net investment in capital assets	5,638,010	5,932,201
Restricted	896,447	885,791
Unrestricted	4,073,507	3,342,429
Total net position	\$ 10,607,964	\$ 10,160,421

**Housing Authority of the City of Bossier City, Louisiana
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Changes in Net Position

<i>For the Years Ended June 30,</i>	2018	2017	Change
Revenues			
Operating revenues			
Dwelling rental, fee revenue and other	\$ 1,692,043	\$ 1,750,474	\$ (58,431)
Federal grants	2,186,424	2,116,832	69,592
Nonoperating revenues			
Interest earnings	45,711	37,470	8,241
Gain on disposition of capital assets	-	9,553	(9,553)
Gain on casualty	-	120,000	(120,000)
Total revenues	3,924,178	4,034,329	(110,151)
Expenses			
Operating expenses			
Administration	894,949	738,149	156,800
Tenant services	86,051	35,885	50,166
Utilities	379,691	390,398	(10,707)
Ordinary maintenance and repairs	923,735	947,224	(23,489)
Protective services	-	22,007	(22,007)
General expenses	406,996	583,668	(176,672)
Housing assistance payments	491,022	518,527	(27,505)
Depreciation and amortization	555,023	562,075	(7,052)
Total operating expenses	3,737,467	3,797,933	(60,466)
Net income (loss) before contributions and transfers	186,711	236,396	(49,685)
Capital Contributions	260,832	55,375	205,457
Change in net position	447,543	291,771	155,772
Beginning net position	10,160,421	9,868,650	291,771
Ending net position	\$ 10,607,964	\$ 10,160,421	\$ 447,543

Total revenues had a net decrease of \$(140,151) due primarily to:

- Decrease in the following classifications –
 - Insurance proceeds in the amount of \$120,000 were received in the prior year related to the settlement of the lawsuit as described in Note 11.
 - Fewer dwelling rental and fee revenues were received this year in the amount of \$58,431.

**Housing Authority of the City of Bossier City, Louisiana
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- An increase in the following classification –
 - Federal grants increased by \$39,592 because more administrative fees were available related to Continuum of Care grant funds.

Total expenses, had a net decrease of \$(65,160) due primarily to:

- Decreases in the following classifications –
 - General expenses decreased \$(176,672) due to the one-time recognition of previously capitalized costs for Eagle Pointe Development V – VIII Limited Partnerships in the prior year.
 - Ordinary maintenance and repairs decreased \$(28,183) due to a Board request that all repairs to be carefully evaluated before made to assist in the overall reduction of expenses.
- Increase in the following classification –
 - Administrative expenses increased \$156,800 primarily due to expenses of \$120,000 related to the settlement of the lawsuit as described in Note 11.

Capital contributions had a net increase of \$205,457, but the contributions in 2017 were below historic levels. This is primarily due to the increase of significant construction projects and utilizing the Capital Fund Program for operations and maintenance to assist the Housing Authority in strengthening its financial condition.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2018, the Housing Authority's investment in capital assets was \$5,638,010 (net of accumulated depreciation) as reflected in the following schedule. This amount represents a net decrease (including additions, deductions, and depreciation) of \$(294,191). Depreciation expense for 2018 was \$555,023.

**Housing Authority of the City of Bossier City, Louisiana
Management's Discussion and Analysis
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There were no major capital asset purchases during the year ended June 30, 2018. The following table presents the capital assets of the Housing Authority at June 30, 2018 and 2017:

<i>June 30,</i>	2018	2017
Land	\$ 786,511	\$ 786,511
Buildings and improvements	26,464,110	26,203,278
Furniture and equipment	799,885	799,885
Totals	28,050,506	27,789,674
Less accumulated depreciation	(22,412,496)	(21,857,473)
Net capital assets	\$ 5,638,010	\$ 5,932,201

Additional information on the Housing Authority's capital assets can be found in the notes to the financial statements.

Debt/Long-Term Obligations

The Housing Authority's debt and long-term obligations at June 30, 2018, consist of \$221,019 of interim borrowing for the development of its non-federal housing projects and \$31,168 of accrued annual leave. We present more detail about our debt and long-term obligations in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions. The Housing Authority is expected to receive approximately \$1,400,000 in Operating Subsidy from HUD for the fiscal year ending June 30, 2019. The 2018 Capital Fund Program budget has already been approved by HUD and no major changes are expected. The Capital Fund Program budgets are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties, including administrative fees involved in the modernization.

As of June 30, 2018, the Housing Authority has received approval for funding in the amount of \$527,528 for its 2017 Capital Fund Program and as of June 30, 2018, there was \$466,251 available for future spending.

Future Events That Will Financially Impact the Housing Authority

The Housing Authority will continue its redevelopment of Riverwood Apartments (included in Business Activities) through the utilization of the Eagle Pointe Development Limited Partnerships [Low Income Housing Tax Credit projects].



**Housing Authority of the City of Bossier City, Louisiana
Management's Discussion and Analysis
For the year ended June 30, 2018 (Unaudited)**

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Housing 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 Executive Director, Housing Authority of the City of Bossier City, Louisiana, 805 East First Street, Bossier City, Louisiana 71111, or call (318) 549-1556.



Basic Financial Statements

Housing Authority of the City of Bossier City, Louisiana
Statement of Net Position - Enterprise Funds

June 30, 2018	General	Business Activities	Total Primary Government	Discretely Presented Component Units	Total
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 1,657,913	\$ 365,583	\$ 2,023,496	\$ 274,580	\$ 2,298,076
Receivables (net of allowances for uncollectibles)	161,579	7,654	169,233	63,997	233,230
Interfund receivable	101,698	-	101,698	-	101,698
Due from component units	-	285,175	285,175	-	285,175
Prepaid expenses	120,826	29,670	150,496	56,501	206,997
Restricted Assets					
Cash and cash equivalents	216,996	50,066	267,062	750,977	1,018,039
Investments	776,447	-	776,447	-	776,447
Total Current Assets	3,035,459	738,148	3,773,607	1,146,055	4,919,662
Noncurrent Assets					
Due from component units	-	2,102,602	2,102,602	-	2,102,602
Capital assets					
Land	723,011	63,500	786,511	36,500	823,011
Buildings and equipment (net of accumulated depreciation)	4,297,091	554,408	4,851,499	12,581,610	17,433,109
Other assets	-	-	-	211,814	211,814
Total Noncurrent Assets	5,020,102	2,720,510	7,740,612	12,829,924	20,570,536
TOTAL ASSETS	\$ 8,055,561	\$ 3,458,658	\$ 11,514,219	\$ 13,975,979	\$ 25,490,198
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 119,275	\$ 26,922	\$ 146,197	\$ 55,769	\$ 201,966
Accrued wages and payroll taxes	12,652	2,393	15,045	-	15,045
Interfund payable	92,098	10,202	102,300	-	102,300
Due to primary government	-	-	-	317,700	317,700
Unearned revenues	5,353	2,952	8,305	50,316	58,621
Due to other governments	113,896	-	113,896	-	113,896
Notes payable	-	-	-	345,587	345,587
Accrued compensated absences - current portion	9,063	5,783	14,846	-	14,846
Accrued claims payable	120,000	-	120,000	-	120,000
Accrued interest payable	-	-	-	77,552	77,552
Current liabilities payable from restricted assets -					
tenant security deposits	63,821	13,600	77,421	43,594	121,015
Other current liabilities	56,058	-	56,058	-	56,058
Total Current Liabilities	592,216	61,852	654,068	890,518	1,544,586
Noncurrent Liabilities					
Notes payable	-	221,019	221,019	7,568,091	7,789,110
Due to primary government	-	-	-	2,045,136	2,045,136
Accrued compensated absences - net of current portion	15,607	15,561	31,168	-	31,168
Other noncurrent liabilities	-	-	-	497,243	497,243
Total Noncurrent Liabilities	15,607	236,580	252,187	10,110,470	10,362,657
Total Liabilities	607,823	298,432	906,255	11,000,988	11,907,243
NET POSITION					
Net investment in capital assets	5,020,102	617,908	5,638,010	4,704,432	10,342,442
Restricted	896,447	-	896,447	681,894	1,578,341
Unrestricted	1,531,189	2,542,318	4,073,507	(2,411,335)	1,662,172
Total Net Position	7,447,738	3,160,226	10,607,964	2,974,991	13,582,955
TOTAL LIABILITIES AND NET POSITION	\$ 8,055,561	\$ 3,458,658	\$ 11,514,219	\$ 13,975,979	\$ 25,490,198

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

Housing Authority of the City of Bossier City, Louisiana
Statement of Revenues, Expenses and Changes in Fund Net Position - Enterprise Funds

<i>For the year ended June 30, 2018</i>	General	Business Activities	Total Primary Government	Discretely Presented Component Units	Total
OPERATING REVENUES					
Dwelling rental	\$ 918,875	\$ 419,146	\$ 1,338,021	\$ 1,524,622	\$ 2,862,643
Fee revenue	-	132,181	132,181	-	132,181
Other	129,358	92,483	221,841	18,854	240,695
Federal grants	2,186,424	-	2,186,424	-	2,186,424
Total Operating Revenues	3,234,657	643,810	3,878,467	1,543,476	5,421,943
OPERATING EXPENSES					
Administration	753,621	141,328	894,949	302,086	1,197,035
Tenant services	85,964	87	86,051	-	86,051
Utilities	307,752	71,939	379,691	216,784	596,475
Ordinary maintenance and repairs	729,785	193,950	923,735	193,199	1,116,934
General expenses	315,101	91,895	406,996	75,628	482,624
Housing assistance payments	491,022	-	491,022	-	491,022
Depreciation and amortization	521,714	33,309	555,023	494,911	1,049,934
Total Operating Expenses	3,204,959	532,508	3,737,467	1,282,608	5,020,075
OPERATING INCOME (LOSS)	29,698	111,302	141,000	260,868	401,868
NONOPERATING REVENUES (EXPENSES)					
Interest earnings	11,348	34,363	45,711	1,210	46,921
Interest expense	-	-	-	(480,647)	(480,647)
Total Nonoperating Revenues (Expenses)	11,348	34,363	45,711	(479,437)	(433,726)
NET INCOME (LOSS) BEFORE CONTRIBUTIONS					
	41,046	145,665	186,711	(218,569)	(31,858)
Capital contributions	260,832	-	260,832	228,271	489,103
CHANGE IN NET POSITION	301,878	145,665	447,543	9,702	457,245
TOTAL NET POSITION - BEGINNING	7,145,860	3,014,561	10,160,421	2,965,289	13,125,710
TOTAL NET POSITION - ENDING	\$ 7,447,738	\$ 3,160,226	\$ 10,607,964	\$ 2,974,991	\$ 13,582,955

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

Housing Authority of the City of Bossier City, Louisiana Statement of Cash Flows – Enterprise Funds

<i>For the year ended June 30, 2018</i>	General	Business Activities	Total Primary Government	Total Discretely Presented Component Units	Total
Cash Flows From Operating Activities					
Dwelling rent receipts	\$ 860,277	\$ 390,808	\$ 1,251,085	\$ 1,523,646	\$ 2,774,731
Fee receipts (payments)	220,556	132,181	352,737	(106,252)	246,485
Other receipts	157,674	76,711	234,385	18,854	253,239
Payments to vendors	(1,836,536)	(433,725)	(2,270,261)	(551,384)	(2,821,645)
Payments to employees	(304,391)	(31,671)	(336,062)	(110,391)	(446,453)
Housing assistance payments	57,781	-	57,781	-	57,781
Federal grants	1,416,731	-	1,416,731	-	1,416,731
Net Cash Provided by Operating Activities	572,092	134,304	706,396	774,473	1,480,869
Cash Flows From Noncapital Financing Activities					
Net advances to other funds	(8,375)	(31,807)	(40,182)	-	(40,182)
Net Cash Used by Noncapital Financing Activities	(8,375)	(31,807)	(40,182)	-	(40,182)
Cash Flows From Capital and Related Financing Activities					
Acquisition and construction of capital assets	(260,832)	-	(260,832)	-	(260,832)
Principal payment on capital debt	-	-	-	(333,272)	(333,272)
Interest paid on capital debt	-	-	-	(382,572)	(382,572)
Payment of advances to or from related parties	-	-	-	(41,379)	(41,379)
Contributed capital	263,533	-	263,533	228,271	491,804
Net Cash Used by Capital and Related Financing Activities	2,701	-	2,701	(528,952)	(526,251)
Cash Flows From Investing Activities					
Investments earnings	10,701	18,856	29,557	1,210	30,767
Deposits to reserves	-	-	-	(79,503)	(79,503)
Withdrawals from replacement reserves	-	-	-	(242)	(242)
Net Cash Provided (Used) by Investing Activities	10,701	18,856	29,557	(78,535)	(48,978)
Net Increase in Cash and Cash Equivalents	577,119	121,353	698,472	166,986	865,458
Cash and Cash Equivalents, Beginning of Year	1,080,795	244,230	1,325,025	107,594	1,432,619
Cash and Cash Equivalents, End of Year	\$ 1,657,914	\$ 365,583	\$ 2,023,497	\$ 274,580	\$ 2,298,077

(CONTINUED)

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

Housing Authority of the City of Bossier City, Louisiana Statement of Cash Flows – Enterprise Funds

<i>For the year ended June 30, 2018</i>	General	Business Activities	Total Primary Government	Total Discretely Presented Component Units	Total
Reconciliation of Operating Income to Net Cash Provided					
by Operating Activities					
Operating income (loss)	\$ 29,698	\$ 111,302	\$ 141,000	\$ 260,868	\$ 401,868
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization expense	521,714	33,309	555,023	494,911	1,049,934
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable, net	(90,443)	24	(90,419)	(27,921)	(118,340)
(Increase) decrease in prepaid items	(5,978)	(873)	(6,851)	292	(6,559)
(Increase) decrease in tax & insurance escrow	-	-	-	(1,434)	(1,434)
Increase (decrease) in accounts payable	11,681	(4,429)	7,252	(1,472)	5,780
Increase (decrease) in accrued wages and taxes	3,020	42	3,062	-	3,062
Increase (decrease) in unearned revenues	(2,406)	109	(2,297)	32,483	30,186
Increase (decrease) in due to other governments	(3,150)	-	(3,150)	-	(3,150)
Increase (decrease) in management fees payable	(25,306)	-	(25,306)	22,284	(3,022)
Increase (decrease) in accrued claims payable	120,000	-	120,000	-	120,000
Increase (decrease) in other current liabilities	6,928	-	6,928	-	6,928
Increase (decrease) in tenant security deposits	8,641	(6,926)	1,715	(5,538)	(3,823)
Increase (decrease) in compensated absences	2,386	1,746	4,132	-	4,132
Total Adjustments	547,087	23,002	570,089	513,605	1,083,694
Net Cash Provided by Operating Activities	\$ 576,785	\$ 134,304	\$ 711,089	\$ 774,473	\$ 1,485,562

(CONCLUDED)

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

Housing Authority of the City of Bossier City, Louisiana Combining Statement of Net Position – Discretely Presented Component Units

<i>December 31, 2017</i>	Eagle Pointe Development I Limited Partnership	Eagle Pointe Development II Limited Partnership	Eagle Pointe Development III Limited Partnership	Eagle Pointe Development IV Limited Partnership	Total Discretely Presented Component Units
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 80,746	\$ 109,048	\$ 19,530	\$ 65,256	\$ 274,580
Receivables (net of allowances for uncollectibles)	9,865	15,896	31,357	6,879	63,997
Prepaid expenses	12,587	13,426	16,782	13,706	56,501
Restricted Assets					
Cash and cash equivalents	263,390	117,286	169,264	201,037	750,977
Total Current Assets	366,588	255,656	236,933	286,878	1,146,055
Noncurrent Assets					
Capital assets					
Land	10,000	10,500	16,000	-	36,500
Buildings and equipment (net of accumulated depreciation)	2,160,612	2,940,583	3,387,656	4,092,759	12,581,610
Other assets	133,279	47,000	-	31,535	211,814
Total Non Current Assets	2,303,891	2,998,083	3,403,656	4,124,294	12,829,924
TOTAL ASSETS	\$ 2,670,479	\$ 3,253,739	\$ 3,640,589	\$ 4,411,172	\$ 13,975,979
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 11,767	\$ 7,618	\$ 23,256	\$ 13,128	\$ 55,769
Due to primary government	21,550	17,067	271,157	7,926	317,700
Unearned revenues	7,798	21,192	14,565	6,761	50,316
Notes payable, <i>current portion</i>	20,534	28,335	49,118	247,600	345,587
Accrued interest payable	4,247	7,293	12,446	53,566	77,552
Current liabilities payable from restricted assets - tenant security deposits	9,501	11,343	12,250	10,500	43,594
Total Current Liabilities	75,397	92,848	382,792	339,481	890,518
Non Current Liabilities					
Notes payable, <i>long term portion</i>	1,041,525	1,210,611	2,292,815	3,023,140	7,568,091
Due to primary government	388,947	294,280	916,789	445,120	2,045,136
Other non current liabilities	269,079	-	228,164	-	497,243
Total Non Current Liabilities	1,699,551	1,504,891	3,437,768	3,468,260	10,110,470
Total Liabilities	1,774,948	1,597,739	3,820,560	3,807,741	11,000,988
NET POSITION					
Net investment in capital assets	1,108,553	1,712,137	1,061,723	822,019	4,704,432
Restricted	248,901	99,946	145,598	187,449	681,894
Unrestricted	(461,923)	(156,083)	(1,387,292)	(406,037)	(2,411,335)
Total Net Position	895,531	1,656,000	(179,971)	603,431	2,974,991
TOTAL LIABILITIES AND NET POSITION	\$ 2,670,479	\$ 3,253,739	\$ 3,640,589	\$ 4,411,172	\$ 13,975,979

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

Housing Authority of the City of Bossier City, Louisiana
Combining Statement of Revenues, Expenses and Changes in Fund Net Position –
Discretely Presented Component Units

<i>For the year ended December 31, 2016</i>	Eagle Pointe Development I Limited Partnership	Eagle Pointe Development II Limited Partnership	Eagle Pointe Development III Limited Partnership	Eagle Pointe Development IV Limited Partnership	Total Discretely Presented Component Units
OPERATING REVENUES					
Dwelling rental	\$ 310,156	\$ 368,158	\$ 503,805	\$ 342,503	\$ 1,524,622
Other	4,553	4,560	7,055	2,686	18,854
Total Operating Revenues	314,709	372,718	510,860	345,189	1,543,476
OPERATING EXPENSES					
Administration	53,906	77,204	86,199	84,777	302,086
Utilities	41,108	51,199	85,675	38,802	216,784
Ordinary maintenance and repairs	51,611	44,677	64,046	32,865	193,199
General expenses	16,848	17,971	22,464	18,345	75,628
Depreciation and amortization	84,534	127,933	122,241	160,203	494,911
Total Operating Expenses	248,007	318,984	380,625	334,992	1,282,608
OPERATING INCOME (LOSS)	66,702	53,734	130,235	10,197	260,868
NONOPERATING REVENUES (EXPENSES)					
Interest earnings	481	184	71	474	1,210
Interest expense	(83,356)	(98,756)	(193,220)	(105,315)	(480,647)
Total Nonoperating Revenues (Expenses)	(82,875)	(98,572)	(193,149)	(104,841)	(479,437)
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(16,173)	(44,838)	(62,914)	(94,644)	(218,569)
Capital contributions	-	-	-	228,271	228,271
CHANGE IN NET POSITION	(16,173)	(44,838)	(62,914)	133,627	9,702
TOTAL NET POSITION - BEGINNING	911,704	1,700,838	(117,057)	469,804	2,965,289
TOTAL NET POSITION - ENDING	\$ 895,531	\$ 1,656,000	\$ (179,971)	\$ 603,431	\$ 2,974,991

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

Housing Authority of the City of Bossier City, Louisiana Combining Statement of Cash Flows – Discretely Presented Component Units

<i>For the year ended December 31, 2017</i>	Eagle Pointe Development I Limited Partnership	Eagle Pointe Development II Limited Partnership	Eagle Pointe Development III Limited Partnership	Eagle Pointe Development IV Limited Partnership	Total Discretely Presented Component Units
Cash Flows From Operating Activities					
Dwelling rent receipts	\$ 315,204	\$ 376,269	\$ 491,856	\$ 340,317	\$ 1,523,646
Fee receipts (payments)	(26,805)	(33,968)	(11,826)	(33,653)	(106,252)
Other receipts	4,553	4,560	7,055	2,686	18,854
Payments to vendors	(118,010)	(128,508)	(181,849)	(123,017)	(551,384)
Payments to employees	(26,273)	(28,661)	(35,825)	(19,632)	(110,391)
Net Cash Provided by Operating Activities	148,669	189,692	269,411	166,701	774,473
Cash Flows From Capital and Related Financing Activities					
Principal payments on capital debt	(18,387)	(25,208)	(43,567)	(246,110)	(333,272)
Interest payments on capital debt	(51,467)	(90,956)	(150,430)	(89,719)	(382,572)
Payment of advances to or from related parties	2,310	2,520	(46,209)	-	(41,379)
Contributed capital	-	-	-	228,271	228,271
Net Cash Used by Capital and Related Financing Activities	(67,544)	(113,644)	(240,206)	(107,558)	(528,952)
Cash Flows From Investing Activities					
Investments earnings	481	184	71	474	1,210
Deposits to reserves	(20,568)	(19,674)	(24,660)	(14,601)	(79,503)
Withdrawals from replacement reserves	-	-	-	(242)	(242)
Net Cash Provided (Used) by Investing Activities	(20,087)	(19,490)	(24,589)	(14,369)	(78,535)
Net Increase in Cash and Cash Equivalents	61,038	56,558	4,616	44,774	166,986
Cash and Cash Equivalents, Beginning of Year	19,708	52,490	14,914	20,482	107,594
Cash and Cash Equivalents, End of Year	\$ 80,746	\$ 109,048	\$ 19,530	\$ 65,256	\$ 274,580
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities					
Operating income (loss)	\$ 66,702	\$ 53,734	\$ 130,235	\$ 10,197	\$ 260,868
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation and amortization expense	84,534	127,933	122,241	160,203	494,911
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable, net	5,199	(10,682)	(15,809)	(6,629)	(27,921)
(Increase) decrease in prepaid items	65	69	87	71	292
(Increase) decrease in tax & insurance escrow	(196)	(98)	(625)	(515)	(1,434)
Increase (decrease) in accounts payable	3,324	(3,709)	149	(1,236)	(1,472)
Increase (decrease) in unearned revenues	1,591	20,105	6,093	4,694	32,483
Increase (decrease) in management fees payable	(10,808)	3,652	29,273	167	22,284
Increase (decrease) in tenant security deposits	(1,742)	(1,312)	(2,233)	(251)	(5,538)
Total Adjustments	81,967	135,958	139,176	156,504	513,605
Net Cash Provided (Used) by Operating Activities	\$ 148,669	\$ 189,692	\$ 269,411	\$ 166,701	\$ 774,473

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



Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Housing Authority of the City of Bossier City, Louisiana (the “Housing Authority”) was chartered as a public corporation for the purpose of providing safe and sanitary housing, as authorized by Louisiana Revised Statute 40:391. The Housing Authority is governed by a five-member board of commissioners, who are appointed by the Honorable Mayor of the City of Bossier City, Louisiana (the City). The members of the Board of Commissioners serve staggered five-year terms without benefit of compensation.

The Housing Authority has the following residential rental units:

	<u>Number of Units</u>
PHA Owned Housing	437
Non HUD Programs:	
Riverwood	73

Governmental Accounting Standards Board (GASB) Statements establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority of the City of Bossier City, Louisiana, is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As defined by GASB Statements, fiscally independent means that the Housing Authority may, without approval or consent of another governmental entity, determine or modify its own budget, set rates or charges, and issue bonded debt.

GASB Statements define a related organization as an organization for which a primary government is accountable because that government appoints a voting majority of the board, but is not financially accountable. According to this definition, the Housing Authority is a related organization of the City of Bossier City, Louisiana since the City appoints a voting majority of the Housing Authority’s governing board. The City is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Bossier City, Louisiana. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Bossier City, Louisiana.

GASB Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability, which includes:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.

2. Organizations which are fiscally dependent on the government and there is a potential for the organization to provide specific benefits to, or impose specific burdens on the primary government regardless of whether the organization has:
 - a. A separately elected governing board
 - b. A governing board appointed by a higher level of government or
 - c. A jointly appointed board

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that the following component units should be considered as part of the Housing Authority reporting unit:

Bossier Housing Corporation, Inc.
Bossier Affordable Housing, LLC
Bossier Yard Builders, LLC
Eagle Pointe Development I Limited Partnership (Eagle Pointe I)
Eagle Pointe Development II Limited Partnership (Eagle Pointe II)
Eagle Pointe Development III Limited Partnership (Eagle Pointe III)
Eagle Pointe Development IV Limited Partnership (Eagle Pointe IV)
Eagle Pointe Development V Limited Partnership (Eagle Pointe V)
Eagle Pointe Development VI Limited Partnership (Eagle Pointe VI)
Eagle Pointe Development VII Limited Partnership (Eagle Pointe VII)
Eagle Pointe Development VIII Limited Partnership (Eagle Pointe VIII)

These entities are legally separate entities. The Managing General Partner of each partnership and the Managing Member of each limited liability company is Bossier Housing Corporation, Inc., a not-for-profit corporation. The Board of Directors of Bossier Housing Corporation, Inc. consists entirely of the Board of Commissioners of the Housing Authority, which provides the Housing Authority with a voting majority of the governing bodies of each of the Eagle Pointe partnerships and limited liability companies. In addition, there is the potential for each of the Eagle Pointe partnerships to impose a financial burden on the Housing Authority. Based on the above, Bossier Housing Corporation, Inc., Bossier Affordable Housing, LLC, Bossier Yard Builders, LLC, and each of the Eagle Pointe partnerships are considered to be component units of the Housing Authority.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The governing body of the Housing Authority is considered to have complete control over Bossier Housing Corporation, Inc., Bossier Affordable Housing, LLC, Bossier Yard Builders, LLC and Eagle Pointe V, VI, VII, and VIII but not complete control over Eagle Pointe I, II, III, and IV. As a result, Bossier Housing Corporation, Inc., Bossier Affordable Housing, LLC, Bossier Yard Builders, LLC and Eagle Pointe V, VI, VII, and VIII are included in the Housing Authority's financial statements as blended entities, and Eagle Pointe I, II, III, and IV are included in the Housing Authority's financial statements through discrete presentation. The financial position and changes in net position of Eagle Pointe I, Eagle Pointe II, Eagle Pointe III, and Eagle Pointe IV are presented as of and for the year ended December 31, 2017.

The separate financial statements of Eagle Pointe Development I Limited Partnership, Eagle Pointe Development II Limited Partnership, Eagle Pointe Development III Limited Partnership and Eagle Pointe Development IV Limited Partnership can be obtained from the Housing Authority of the City of Bossier City, Louisiana, 805 East First Street, Bossier City, LA 71111. Bossier Housing Corporation, Inc., Bossier Affordable Housing, LLC, Bossier Yard Builders, LLC, Eagle Pointe Development V Limited Partnership, Eagle Pointe Development VI Limited Partnership, Eagle Pointe Development VII Limited Partnership, and Eagle Pointe Development VIII Limited Partnership do not issue separate financial statements.

B. BASIS OF PRESENTATION AND FUNDS

The accounts of the Housing Authority are organized and operated on a fund basis whereby a self-balancing set of accounts, which comprise the Housing Authority's assets, liabilities, deferred outflows/inflows of resources, net position, revenues, and expenses, is maintained. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

All funds of the Housing Authority are classified as proprietary. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which together with the maintenance of equity is an important financial indicator. The general fund accounts for the transactions of the public housing low rent program, capital funds program, tenant assistance program, and central office cost center. The other fund reported by the Housing Authority is Business Activities, which is comprised of Riverwood Apartments, a market rate multi-family complex acquired by the Housing Authority from the United States Department of Housing and Urban Development in September 1995, and the Housing Authority's non-public affordable housing ventures and the blended component units.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The Housing Authority's principal operating revenues include HUD operating grants and subsidies, tenant dwelling rents, charges, and other revenues paid by the tenants of the Housing Authority's projects. Operating expenses include administrative expenses, tenant services, utilities, repairs and maintenance expenses, protective services, general expenses, housing assistance payments and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition and not classified as operating revenues or expenses, including specific federal program revenues, are presented as nonoperating revenues, capital contributions or nonoperating expenses depending on the purpose of the revenue or expense.

The accompanying basic financial statements of the Housing Authority have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* (the Statement).

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The proprietary funds are accounted for on the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred. With this measurement focus, all assets, liabilities, and deferred outflows/inflows of resources of the proprietary funds are included on the balance sheet.

D. BUDGET PRACTICES

The Housing Authority adopted budgets for all funds. Budgets for the Capital Funds Programs are multiple-year budgets.

Budgets are approved by the Board of Commissioners and, in certain instances, by HUD. Such budgets are controlled by fund at the function level. Budgetary amendments require approval of the Board of Commissioners and, in certain instances, HUD; however, the Executive Director is authorized to transfer amounts between line items within the low rent program provided such transfer does not change the total of any function. Monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

Formal budgetary integration is employed as a management control device during the year.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits (including interest-bearing), time deposits and other financial instruments having an original maturity of ninety days or less, and cash with the fiscal agent.

F. INVESTMENTS

Investments are limited by LSA-RS 33:2955 and the Housing Authority's investment policy. Financial instruments having original maturities exceeding ninety days are classified as investments; however, if the original maturities are ninety days or less, they are classified as cash equivalents. Investments are reported at either fair value or amortized cost.

GASB Statement No. 72, establishes a hierarchy of inputs to valuation techniques used to measure fair value. The Housing Authority measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles using a market approach technique. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1 - Investments reflect prices quoted in active markets.

Level 2 - Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 - Investments reflect prices based upon unobservable sources.

As of June 30, 2018, the Housing Authority's investments were invested with LAMP which is not categorized by fair value level. See Note 2.

G. BAD DEBTS

Uncollectible amounts due from tenants are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate that the amount of the particular receivable is uncollectible.

H. INTERNAL BALANCES

During the course of operations, numerous transactions occur between individual funds and programs for services rendered or for reimbursement of costs paid by one fund or program on behalf of another fund or program. Generally, these receivables and payables are eliminated at the primary government level in the balance sheet.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. PREPAID EXPENSES

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

J. TENANTS' REFUNDABLE SECURITY DEPOSITS

The Housing Authority requires tenants to place a deposit before moving into a unit. These deposits are considered restricted and are held until the tenant moves out.

K. CAPITAL ASSETS

Capital assets of the Housing Authority are included on the balance sheet of the enterprise fund and are recorded at actual cost. The capitalization threshold is \$1,000. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over estimated useful lives as shown:

Buildings	40 years
Building and site improvements	15 years
Furniture and fixtures	5-10 years
Equipment	3-10 years

L. VACATION AND SICK LEAVE

The Housing Authority follows Louisiana Civil Service regulations for accumulated annual leave, compensatory time, and sick leave. Employees may accumulate up to three hundred hours (300) of annual leave and three hundred sixty hours (360) of compensatory time which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by the employee's retirement or termination date.

M. RESTRICTED NET POSITION

Net position is reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

N. RISK MANAGEMENT

The Housing Authority is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the Housing Authority maintains commercial insurance policies covering property, employee liability, and public official's liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2018.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

P. NEW ACCOUNTING AND REPORTING PRONOUNCEMENTS

GASB issued Statement No. 79, Certain External Investment Pools and Pool Participants, in December 2015. The Statement establishes accounting and reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized costs. The Housing Authority reports its investments at fair market value; therefore, GASB Statement No. 79 had no impact on the financial statements.

Q. FUTURE ACCOUNTING AND REPORTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued several pronouncements that have effective dates that may impact future presentations. The Housing Authority is currently evaluating the potential impacts of the following GASB statements on its accounting practices and financial statements.

- GASB Statement No. 87, *Leases*.
- GASB Statement No. 88, *Certain Disclosures Related to Debt*.
- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.
- GASB Statement No. 90, *Majority Equity Interest*.

R. MANAGEMENT'S REVIEW

The Housing Authority has evaluated subsequent events through January 31, 2019, the date which financial statements were available to be issued, concluding there were no events requiring disclosure

NOTE 2: DEPOSITS AND INVESTMENTS

Under state law, the Housing Authority may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Housing Authority may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Deposits are stated at cost, which approximates fair value. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Housing Authority of the City of Bossier City, Louisiana
Notes to Financial Statements

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2018, the Housing Authority's carrying amount of deposits was \$3,067,005 which includes the following:

Cash and cash equivalents - unrestricted	\$ 2,023,496
Cash and cash equivalents - restricted	267,062
Restricted investments in replacement reserve	776,447
<hr/>	
Total	\$ 3,067,005

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2018, the Housing Authority's bank (deposit) balance totaled \$3,077,659, none of which is exposed to custodial credit risk.

At June 30, 2018, the Housing Authority held investments of \$776,447 in the Louisiana Asset Management Pool, Inc. (LAMP). LAMP is a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana for the purpose of operating a local government investment pool. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

Credit risk: LAMP is rated AAAM by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

Foreign currency risk: Not applicable.

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP is subject to the regulatory oversight of the State Treasurer and its board of directors. LAMP is not registered with the SEC as an investment company.

The carrying amount of the deposits for Eagle Pointe Development I Limited Partnership, Eagle Pointe Development II Limited Partnership, Eagle Pointe Development III Limited Partnership and Eagle Pointe Development IV Limited Partnership, the Housing Authority's discretely presented component units, were \$344,136; \$226,334; \$188,794; and \$266,293, respectively. At December 31, 2017, Eagle Pointe Development I and IV Limited Partnerships had \$94,422 and \$16,573, respectively, in excess of federally insured limits. The other entities' deposits were fully insured.

NOTE 3: RESTRICTED ASSETS

Restricted assets at June 30, 2018, are as follows:

General:	
Cash and cash equivalent - tenants' deposits	\$ 216,996
Investments – replacement reserve	776,447
Business activities:	
Cash and cash equivalents - tenants' deposits	50,066
<hr/>	
Total restricted assets	\$ 1,043,509

Restricted assets at December 31, 2017, for the discretely presented component units are as follows:

Component units:	
Tenant security deposits	\$ 69,083
Operating reserves	286,685
Real estate tax and insurance escrow	9,367
Replacement reserves	385,842
<hr/>	
Total restricted assets	\$ 750,977

Housing Authority of the City of Bossier City, Louisiana
Notes to Financial Statements

NOTE 4: RECEIVABLES

The following is a summary of receivables, net of allowance for doubtful accounts, at June 30, 2018:

	General	Business Activities	Total
Tenants - rents and other charges	\$ 33,921	\$ 26,190	\$ 60,111
Federal grant programs	145,364	-	145,364
Subtotal	179,285	26,190	205,475
Less allowance for doubtful accounts	(17,706)	(18,536)	(36,242)
Total	\$ 161,579	\$ 7,654	\$ 169,233

Eagle Pointe Development I Limited Partnership, Eagle Pointe Development II Limited Partnership, Eagle Pointe Development III Limited Partnership and Eagle Pointe Development IV Limited Partnership accounts receivable consisted of tenant rents and other charges totaling \$9,865, \$15,896, \$31,357, and \$6,879, respectively.

NOTE 5: CAPITAL ASSETS

The following presents the changes in capital assets:

Primary Government

	Balance at July 1, 2017	Additions	Deletions	Balance at June 30, 2018
Nondepreciable assets:				
Land	\$ 786,511	\$ -	\$ -	\$ 786,511
Construction in progress	-	-	-	-
Depreciable assets:				
Buildings and improvements	26,203,278	260,832	-	26,464,110
Furniture and equipment	799,885	-	-	799,885
Total	27,789,674	260,832	-	28,050,506
Less accumulated depreciation:				
Buildings and improvements	21,091,411	552,946	-	21,644,357
Furniture and equipment	766,062	2,077	-	768,139
Total accumulated depreciation	21,857,473	555,023	-	22,412,496
Net capital assets	\$ 5,932,201	\$ (294,191)	\$ -	\$ 5,638,010

Housing Authority of the City of Bossier City, Louisiana
Notes to Financial Statements

NOTE 5: CAPITAL ASSETS (Continued)

Discretely Presented Component Units

	Balance at January 1, 2017	Additions	Deletions	Balance at December 31, 2017
Nondepreciable assets:				
Land	\$ 36,500	\$ -	\$ -	\$ 36,500
Depreciable assets:				
Buildings and improvements	17,102,890	-	-	17,102,890
Furniture and equipment	735,577	-	-	735,577
Total	17,874,967	-	-	17,874,967
Less accumulated depreciation	4,767,494	489,363	-	5,256,857
Net capital assets	\$ 13,107,473	\$ (489,363)	\$ -	\$ 12,618,110

NOTE 6: ACCOUNTS PAYABLE

Accounts payable at June 30, 2018, consisted of trade payables in the amount of \$146,197 for the Housing Authority. Accounts payable at December 31, 2017, consisted of trade payables in the amount of \$55,769 for the discretely presented component units.

NOTE 7: RETIREMENT SYSTEM

The employees of the Housing Authority of the City of Bossier City, Louisiana participate in the Housing-Renewal and Local Agency Retirement Plan (the Plan), which is a defined contribution plan. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. All regular, full-time employees are eligible to participate in the Plan on the first day of the month following completion of six months of continuous uninterrupted employment. Each participant in the Plan is required to make a monthly contribution equal to 6.0% of his basic compensation. The Housing Authority makes a monthly contribution equal to 8.5% of each participant's basic compensation. Employees are considered fully vested in the Plan after five years of continuous participation. Forfeitures of Housing Authority's contributions and interest earnings by employees who leave before being fully vested are used to offset future contributions by the Housing Authority.

For the year ended June 30, 2018, employee contributions to the Plan totaled \$17,716, and the Housing Authority's contributions to the Plan totaled \$11,719. At June 30, 2018, the Housing Authority's liability to the Plan was \$5,074, which is included in accounts payable.

NOTE 8: COMPENSATED ABSENCES

At June 30, 2018, employees of the Housing Authority had accumulated and vested \$46,014 of employee leave benefits, computed in accordance with GASB Codification C60. These amounts are recorded as liabilities within the fund from which payment will be made. The cost of leave privileges expecting to require current resources is considered a current obligation, while the cost of leave privileges not requiring current resources is considered a long-term obligation.

NOTE 9: NOTES PAYABLE

Housing Authority

Note Payable – Chase Bank USA, NA - On April 13, 2011, the Housing Authority entered into a loan agreement with Chase Bank USA, NA in the amount of \$250,000. The loan serves as a permanent source of funding for Eagle Pointe Development IV Limited Partnership for development of the property. The loan is noninterest bearing and is collateralized by a mortgage on the property of Eagle Pointe Development IV Limited Partnership. The loan matures at the end of the Retention Period (the period commencing on the date of completion of the project as determined by the Federal Home Loan Bank (FHLB) and ending fifteen years after the same date) or April 13, 2026, at which time all unpaid principal shall be due and payable. The principal balance due at June 30, 2018, totaled \$221,019.

Component Units

Eagle Pointe Development I Limited Partnership

First Mortgage - Construction financing was acquired through Home Federal Bank (formerly Home Federal Savings and Loan Association of Shreveport) at an annual interest rate of 7.375%. The construction loan matured on July 1, 2004. At such time Home Federal Bank loaned \$842,818 to Eagle Pointe I for the purpose of paying the balance due on the construction loan. Under the terms of the loan, Eagle Pointe I will make monthly principal and interest payments of \$5,821 (7.375% per annum) until December 31, 2023, at which time the note matures and all unpaid balances on the note are due and payable. The balance due as of December 31, 2017, was \$678,020 and accrued interest was \$4,247. Debt issuance costs, net of accumulated amortization, of \$15,877 as of December 31, 2017 are amortized using an imputed interest rate of 2.63%. The Home Federal Bank loan is nonrecourse debt and is collateralized primarily by a first mortgage on Eagle Pointe I's land and buildings and an assignment of all rents and leases of Eagle Pointe I.

Second Mortgage - The Louisiana Housing Corporation (LHC), formerly the Louisiana Housing Finance Agency, committed loan proceeds of \$510,000 to Eagle Pointe I, of which the partnership received \$399,916. The loan bears interest at a rate of 5.34%, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest will not begin until the earlier of, the first mortgage with Home Federal Bank is paid in full or April 1, 2023, (commencement of amortization) at which time, the note will be payable in monthly principal and interest installments. In addition to the monthly installment, the accrued interest from inception of the note through commencement of amortization will be payable in equal monthly installments through April 1, 2037, which is the date all unpaid sums under the note are due and payable.

NOTE 9: NOTES PAYABLE (Continued)

The loan also details that payments shall be made only out of and to the extent of the cash flow of Eagle Pointe I after payment of all operating expenses approved by the LHFA. As a condition to obtaining this financing, Eagle Pointe I has entered into a regulatory agreement with LHFA. Rentals to tenants of low income and restrictions of rents charged are two major conditions of the regulatory agreement. Should the LHFA issue a written notice to Eagle Pointe I of an instance of noncompliance with the regulatory agreement, Eagle Pointe I has thirty days from the issuance of such notice to correct the noncompliance. Should the noncompliance not be corrected within the thirty days, LHFA has the authority to declare the entire amount of mortgage immediately due and payable. As of December 31, 2017, the balance of the loan was \$399,916 and accrued interest amounted to \$269,079.

Third Mortgage - Eagle Pointe Development I Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City, Louisiana on November 5, 2003, in the amount of \$175,000. The loan bears interest at a rate of 5.00%, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest shall be made only after payment of all of Eagle Pointe I's operating expenses, the funding of adequate reserves, and the payment of any payments due or outstanding under any Construction or Permanent Financing from an institutional lender and as set forth in Eagle Pointe I's Limited Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on December 31, 2043. The note payable is reported in the balance sheet in noncurrent liabilities in due to primary government. As of December 31, 2017, the balance of the loan was \$175,000 and accrued interest amounted to \$122,363.

Maturities of Long-Term Debt

Aggregate maturities of long-term debt for the next five years and thereafter are as follows:

Year Ending December 31,	Amount
2018	\$ 20,534
2019	22,101
2020	23,787
2021	25,602
2022	27,556
Thereafter	1,133,356
Total	\$ 1,252,936

NOTE 9: NOTES PAYABLE (Continued)

Eagle Pointe Development II Limited Partnership

First Mortgage - Construction financing for the development of the project was acquired through JP Morgan Chase Bank, N. A. of Houston Texas in the principal sum of up to \$1,500,000. Interest on the construction loan will be computed using the adjusted LIBOR Rate which shall mean a per annum rate equal to this rate plus 2.50%. During February 2008, the Partnership paid off the construction loan using the second installment of equity received from the Investor Limited Partner as well as permanent financing obtained through Home Federal Bank in the amount of \$1,455,000. Under the terms of the loan, the Partnership will make monthly principal and interest payments of \$9,680 (7.0% per annum) until February 1, 2026, at which time the note matures and all unpaid balances on the note are due and payable. The balance due as of December 31, 2017, was \$1,267,486 and accrued interest was \$7,293. Debt issuance costs, net of accumulated amortization, of \$28,540 as of December 31, 2017 are amortized using an imputed interest rate of 2.06%. The Home Federal Bank loan is non-recourse debt and is collateralized primarily by a first mortgage on the Partnership's land and buildings and an assignment of all rents and leases of the Partnership.

Second Mortgage - Eagle Pointe Development II Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City, Louisiana on January 10, 2007, in the amount of \$264,000. The loan bears interest at the Applicable Federal Rate, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest shall be made only after payment of all of Eagle Pointe II's operating expenses, the funding of adequate reserves, and the payment of any payments due or outstanding under any construction or permanent financing from an institutional lender and as set forth in Eagle Pointe II's Limited Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on December 31, 2046. As of December 31, 2017, the outstanding principal balance on the loan was \$252,548, and accrued interest amounted to \$41,732, included in noncurrent liabilities in due to primary government.

Maturities of Long-Term Debt

Aggregate maturities of long-term debt for the next five years and thereafter are as follows:

Year Ending December 31,	Amount
2018	\$ 28,335
2019	30,384
2020	32,580
2021	34,935
2022	37,461
Thereafter	1,356,339
Total	\$ 1,520,034

NOTE 9: NOTES PAYABLE (Continued)

Eagle Pointe Development III Limited Partnership

First Mortgage - Construction financing for the development of the project was acquired through JP Morgan Chase Bank, N. A. of Houston Texas in the principal sum of up to \$3,118,643. Interest on the construction loan will be computed using the adjusted LIBOR Rate which shall mean a per annum rate equal to this rate plus 2.50%. During February 2006, the construction loan had an outstanding balance of \$3,044,442. At such time Eagle Pointe III paid off the construction loan using the second installment of equity received from the Investor Limited Partner as well as permanent financing obtained through Home Federal Bank in the amount of \$2,312,083. Under the terms of the loan, Eagle Pointe III will make monthly principal and interest payments of \$16,166 (7.50% per annum) until March 31, 2036, at which time the note matures and all unpaid balances on the note are due and payable. The balance due as of December 31, 2017, was \$1,953,924 and accrued interest was \$12,446. Debt issuance costs, net of accumulated amortization, of \$32,276 as of December 31, 2017 are amortized using an imputed interest rate of 1.67%. The Home Federal Bank loan is non-recourse debt and is collateralized primarily by a first mortgage on Eagle Pointe III's land and buildings and an assignment of all rents and leases of Eagle Pointe III.

Second Mortgage - The Louisiana Housing Corporation (LHC), formerly Louisiana Housing Finance Agency, has committed loan proceeds of \$422,785 to Eagle Pointe III. Of this amount, Eagle Pointe III has received \$420,285. The loan bears interest at a rate of 4.68%, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest will not begin until the earlier of, the first mortgage with Home Federal Bank is paid in full or April 1, 2037, (commencement of amortization) at which time, the note will be payable in monthly principal and interest installments. In addition to the monthly installment, the accrued interest from inception of the note through commencement of amortization will be payable in equal monthly installments through April 1, 2051, which is the date all unpaid sums under the note are due and payable. The loan also details that payments shall be made only out of and to the extent of the cash flow of Eagle Pointe III after payment of all operating expenses approved by the LHC. As a condition to obtaining this financing, the partnership has entered into a regulatory agreement with LHC. Rentals to tenants of low income and restrictions of rents charged are two major conditions of the regulatory agreement. Should the LHC issue a written notice to the partnership of an instance of noncompliance with the regulatory agreement, Eagle Pointe III has thirty days from the issuance of such notice to correct the noncompliance. Should the noncompliance not be corrected within the thirty days, LHC has the authority to declare the entire amount of mortgage immediately due and payable. The balance due as of December 31, 2017, was \$420,285, and accrued interest amounted to \$228,164.

Housing Authority of the City of Bossier City, Louisiana
Notes to Financial Statements

NOTE 9: NOTES PAYABLE (Continued)

Third Mortgage - Eagle Pointe Development III Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City, Louisiana on December 17, 2004, in the amount of \$190,000. The loan bears interest at a rate of 5.00%, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest shall be made only after payment of all Borrowers' operating expenses and the funding of adequate reserves, and the payment of any payments due or outstanding under any construction or permanent financing from an institutional lender and as set forth in the Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on December 31, 2044. The balance due as of December 31, 2017, was \$190,000, and accrued interest amounted to \$121,917, included in noncurrent liabilities due to primary government.

Fourth Mortgage - Eagle Pointe Development III Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City, Louisiana on December 17, 2004, in the amount of \$412,785. The loan bears interest at the Applicable Federal Rate which accrues on the outstanding principal. Amortization of the note and payment of accrued interest shall be made only after payment of all Borrowers' operating expenses and the funding of adequate reserves, and the payment of any payments due or outstanding under any construction or permanent financing from an institutional lender and as set forth in the Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on December 31, 2044. The balance due as of December 31, 2017, was \$8,291, and the amount of accrued interest payable was \$1,155, included in noncurrent liabilities due to primary government.

Maturities of Long-Term Debt

Aggregate maturities of long-term debt for the next five years and thereafter are as follows:

Year Ending December 31,	Amount
2018	\$ 49,118
2019	52,932
2020	57,041
2021	61,469
2022	66,241
Thereafter	2,285,699
Total	\$ 2,572,500

NOTE 9: NOTES PAYABLE (Continued)

Eagle Pointe Development IV Limited Partnership

First Mortgage - Permanent financing was provided by Ouachita Independent Bank as a fifteen year mortgage with a thirty year amortization period in the original amount of \$1,345,000. The loan bears interest at 6.918% with a monthly principal and interest installment of \$8,963 with one final irregular payment of \$999,338 in 2028. The nonrecourse note is collateralized by a first mortgage on the partnership's land and buildings. During 2017, the Partnership paid \$14,963 in principal and \$92,595 in interest. At December 31, 2017, the balance of this loan was \$1,284,110 and accrued interest was \$6,571. Debt issuance costs, net of accumulated amortization, of \$67,813 as of December 31, 2017 are amortized using an imputed interest rate of 3.69%.

Note Payable - 1602 Loan - The Partnership obtained an interest-free U.S. Treasury 1602 Exchange Program Loan (the 1602 Loan) for an amount not to exceed \$3,424,072 issued through the Louisiana Housing Corporation for the rehabilitation of the project. At the end of each year during the Compliance Period and so long as no Recapture Event has occurred, the principal amount of this 1602 Loan shall be reduced by 1/15th of the unpaid principal balance as of the first day of the Compliance Period. During the year ended December 31, 2017 the principal was reduced by \$228,271 and included as other income in the financial statements. At December 31, 2017, the balance of this loan was \$2,054,443.

Note Payable - HABC (AHP Loan) - The Partnership has a note with the Housing Authority of the City of Bossier City, Louisiana in the principal amount of \$250,000 bearing interest at a rate equal to 4.5% per annum. Interest on the AHP loan shall begin accruing on the date of the first disbursement of funds and compounded semi-annually on the last day of June and December each year. Interest and principal shall be deferred and shall be due and payable as the income and cash flow permits, as set forth in the Second Amended and Restated Limited Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on April 13, 2027. At December 31, 2017, the balance of this loan was \$250,000 and accrued interest was \$46,995, included in noncurrent liabilities due to primary government.

Maturities of Long-Term Debt

Aggregate maturities of long-term debt for the next five years and thereafter are as follows:

Year Ending December 31,	Amount
2018	\$ 247,600
2019	248,981
2020	250,460
2021	252,044
2022	253,742
Thereafter	2,335,726
Total	\$ 3,588,553

NOTE 9: NOTES PAYABLE (Continued)

LONG-TERM OBLIGATIONS

Long-term obligations of the Housing Authority (primary government) totaling \$31,168 at June 30, 2018, consist of accrued compensated absences. The following is a summary of the change in long-term obligations for the year ended June 30, 2018:

Balance at July 1, 2017	\$	41,879
Additions		33,749
Retirements		(29,614)
<hr/>		
Balance at June 30, 2018		46,014
Less current portion of long-term obligations		(14,846)
<hr/>		
Long-term obligations	\$	31,168
<hr/>		

NOTE 10: DUE FROM COMPONENT UNITS/ DUE TO PRIMARY GOVERNMENT

The Eagle Pointe Partnerships were organized by the Housing Authority for the purpose of acquiring and rehabilitating Riverwood Apartments in accordance with the Low-Income Housing Tax Credit program. The funds advanced to the Eagle Pointe Partnerships were derived from non-federal sources and were utilized for the payment of construction and development costs and reimbursable operating costs incurred by the Eagle Pointe Partnerships. The Due from Component Units/Due to Primary Government balances reported in the Balance Sheet include the notes payable due to the Housing Authority by the Eagle Pointes.

The Housing Authority is the managing agent for Eagle Pointe I, II, III, and IV. The Housing Authority receives Management Fees at a rate of 5% of operating revenue from Eagle Pointe I and III and at a rate of 6% of operating revenue from Eagle Pointe II and IV. For the year ended June 30, 2018, Management Fee income earned from Eagle Pointe I, II, III, and IV totaled \$81,531. Accrued Management Fees receivable at June 30, 2018, totaled \$144,637 for the Eagle Pointe Partnerships. The Housing Authority also earns Subordinate Management Fees at a rate of 5% of operating revenue from Eagle Pointe I, 4% of operating revenue from Eagle Pointe II and IV, and 3% of operating revenue from Eagle Pointe III. For the year ended June 30, 2018, Subordinate Management Fee income earned from Eagle Pointe I, II, III, and IV totaled \$42,273. Accrued Subordinate Management Fees receivable at June 30, 2018, totaled \$90,668 for the Eagle Pointe Partnerships.

During initial construction, the Housing Authority paid for development costs on behalf of Eagle Pointe I Limited Partnership. As of June 30, 2018 reimbursable development costs receivable from Eagle Pointe I totaled \$91,584. Some operating expenses are also paid by the Housing Authority on behalf of the Eagle Pointe Partnerships. As of June 30, 2018, reimbursable operating expenses receivable from Eagle Pointe I, II, III and IV totaled \$57,645.

NOTE 10: DUE FROM COMPONENT UNITS/ DUE TO PRIMARY GOVERNMENT (Continued)

During the year ended June 30, 2018, the Housing Authority earned no additional developer fees from the Eagle Pointe Developments. As of June 30, 2018, Housing Authority developer fees receivable from Eagle Point III and IV were \$468,126 and \$146,165, respectively. As of June 30, 2018, interest receivable related to developer fees from Eagle Pointe I, II, III, and IV totaled \$549,869.

The difference in the amounts of the due from component units and the due to primary government, as reflected in the balance sheet, is attributable to reporting the financial position, changes in net position, and cash flows of Eagle Pointe I, Eagle Pointe II, Eagle Pointe III and Eagle Pointe IV as of and for the year ended December 31, 2017.

NOTE 11: COMMITMENTS AND CONTINGENCIES

The Housing Authority operates in accordance with the requirements of two Annual Contribution Contracts. The Housing Authority's noncompliance with such contracts may result in a reduction of funding from HUD.

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

In August 2015, the Housing Authority was notified that the United States Department of Justice (the DOJ) has been granted authority to file a complaint against the Housing Authority alleging discriminatory practices when filling vacancies dating back to 1968. On October 6, 2016, a consent order was filed that required the Housing Authority place \$120,000 into escrow to settle potential claims. The Housing Authority has denied all allegations made by the DOJ. In June 2018, the Housing Authority was notified by the DOJ of claims by individuals requiring settlement from the escrow account. \$120,000 related to these claims is included in Accrued Claims Payable at June 30, 2018. The \$120,000 being held in is escrow is reported included with Restricted Cash and Cash Equivalents at June 30, 2018.

On February 9, 2016, the Housing Authority entered into an inter-agency management agreement with the Housing Authority of the City of Shreveport (Management Agent). The Management Agent will provide management services to the Housing Authority to ensure continued operation of its properties. The initial term of the agreement was for a twelve month period beginning February 15, 2016. Prior to year-end, the agreement was amended and the restated term of the agreement is for a thirty-six month period beginning July 1, 2016. For the year ended June 30, 2018, the Housing Authority paid the Management Agent \$45,600 in management fees. Future payments under this agreement as of June 30, 2018, are: 2019 \$45,600 and 2020 \$45,600.

NOTE 11: COMMITMENTS AND CONTINGENCIES (Continued)

The Housing Authority has entered into a Guaranty of Obligations of Entity General Partners (the Guaranty) with respect to Eagle Pointe Development I Limited Partnership, Eagle Pointe Development II Limited Partnership, Eagle Pointe Development III Limited Partnership and Eagle Pointe Development IV Limited Partnership. Under the terms of each Guaranty, the Housing Authority unconditionally guarantees the due payment, performance, and fulfillment to Eagle Pointe I, Eagle Pointe II, Eagle Pointe III and Eagle Pointe IV, their limited partners, and specified affiliates of the limited partners, and certain guaranteed obligations of Bossier Housing Corporation. Such obligations shall be the payment and performance of each and every guaranteed obligation of the Bossier Housing Corporation arising under the Amended and Restated Agreement of Limited Partnership and under the General Partner Closing Certificate of each partnership. Each guaranty includes all the assets of the Housing Authority now owned or hereafter acquired, except for: (i) the property of the Housing Authority located at 805 East First Street, Bossier City, Louisiana, (ii) the property and funds controlled by the Consolidated Annual Contributions Contract No. FW 1144, including amendments, (the ACC), and (iii) the funds received by the Housing Authority as proceeds directly pursuant to the ACC. Each guaranty will remain in force until all of the guaranteed obligations of the Bossier Housing Corporation have expired or been fully performed in accordance with each Limited Partnership's Amended and Restated Agreement of Limited Partnership.

The Housing Authority leases copiers under operating lease agreements that call for monthly payments of \$790. The future lease payments under these non-cancelable agreements as of June 30, 2018, is: 2019 - \$2,600.

NOTE 12: ECONOMIC DEPENDENCY

The Department of Housing and Urban Development provided \$2,447,256 to the Housing Authority, including the federal capital contributions, which represents approximately 58% of the Housing Authority's total revenue for the year.



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**Independent Auditors' 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***

To the Board of Commissioners
Housing Authority of the City of Bossier City, Louisiana
Bossier City, 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, the discretely presented component units and each major fund of the Housing Authority of the City of Bossier City, Louisiana (the "Housing Authority"), as of and for the year ended June 30, 2018, and the related notes to financial statements, which collectively comprise the Housing Authority's basic financial statements and have issued our report thereon dated January 31, 2019. Our report includes a reference to other auditors who audited the financial statements of Eagle Pointe Development I, II, III and IV Limited Partnerships, discretely presented component units, as described in our report on the Housing Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or 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'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 tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2018-001.

Housing Authority of the City of Bossier City, Louisiana's Responses to Findings

The Housing Authority of the City of Bossier City, Louisiana's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Bossier City, Louisiana's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 management and federal awarding agencies, pass-through entities and the State of Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 31, 2019



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Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Commissioners
Housing Authority of the City of Bossier City, Louisiana
Bossier City, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Bossier City, Louisiana's (the "Housing Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended June 30, 2018. The Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The Housing Authority's basic financial statements include the operations of the Eagle Pointe Development I, II, III and IV Limited Partnerships, discretely presented component units, which did not receive any federal awards during the year ended June 30, 2018. Our audit, described below, did not include the operations of Eagle Pointe Development I, II, III and IV Limited Partnerships, discretely presented component units, because the discretely presented component units did not require an audit in accordance with the Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Housing Authority'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'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's compliance.

Opinion on Each Major Federal Program

In our opinion, Housing Authority of the City of Bossier City, Louisiana, 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 June 30, 2018.

Report on Internal Control Over Compliance

Management of the Housing Authority 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's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority'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 and federal awarding agencies, pass-through entities and the State of Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 31, 2019

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements

The auditors' report expresses an unmodified opinion on the financial statements.

Internal control over financial reporting:

- Material weaknesses identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to the financial statements noted? _____ yes X no

Federal Awards

Type of auditors' report issued on compliance for major programs:

Unmodified

Internal control over major programs:

- Material weaknesses identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X no

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? _____ yes X no

The programs tested as major programs included:

- CFDA #14.850 Public and Indian Housing

Dollar threshold used to distinguish between Type A and B programs: \$750,000

Auditee qualified as a low-risk auditee? X yes _____ no

SECTION II - FINANCIAL STATEMENT FINDINGS IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

Current Year Finding and Responses

2018-001 Late Submission of Audit Report to the Legislative Auditor

Criteria: R.S. 24:513 A (5)(a)(i) requires that "...audits shall be completed within six months of the close of the entity's fiscal year." The Housing Authority's audit report should be submitted to the Louisiana Legislative Auditor by December 31st each year.

Condition: The Housing Authority's audit report for the fiscal year ending June 30, 2018 was not completed within the six month deadline as per R.S. 24:513 A (5)(a)(i).

Cause: The engagement partner of the independent CPA firm had a family medical emergency prior to the completion of the audit.

Effect or Possible Effect: The Housing Authority's audit report was not submitted within the six month deadline as required by R.S. 24:513 (5)(a)(i).

Recommendation: We recommend that the Housing Authority submit its audit report within the six month deadline as required by R.S. 24:513 (5)(a)(i).

Management's Response and Corrective Action Planned: We are in agreement with the finding. Going forward, annual audits will be completed timely.

Person responsible for corrective actions:
Bobby R. Collins, Executive Director
Housing Authority of the City of Bossier City, Louisiana
805 East First Street, Bossier City, Louisiana 71111

Prior Year Finding and Responses

None

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Current Year Finding and Responses

None

Prior Year Finding and Responses

None

FINANCIAL STATEMENT FINDINGS IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

2018-001 Late Submission of Audit Report to the Legislative Auditor

Condition: The Housing Authority's audit report for the fiscal year ending June 30, 2018 was not completed within the six month deadline as per R.S. 24:513 A (5)(a)(i).

Corrective Action Planned: Going forward, annual audits will be completed timely.

Person responsible for corrective actions:

Bobby R. Collins, Executive Director

Housing Authority of the City of Bossier City, Louisiana

805 East First Street, Bossier City, Louisiana 71111

Anticipated Completion Date: January 31, 2019.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

Supplemental Information Schedules

**Housing Authority of the City of Bossier City, Louisiana
Schedule of Compensation Paid Board Members
For the year ended June 30, 2018**

The members of the Board of Commissioners serve a staggered five-year term without compensation. The Board consists of the following members for the year ended June 30, 2018:

Ms. Pam Glorioso
405 Wilhelmina Street
Bossier City, LA 71111
(318) 747-0671

Ms. Terrilyn Hooks
402 North Circle Street
Bossier City, LA 71111
(318) 518-3431

Ms. Clara M. Taylor
1785 South View Drive
Bossier City, LA 71112
(318) 747-9763

Mr. Thomas Chandler
2416 Tilman Circle
Bossier City, LA 71111
(318) 218-8886

Ms. Robin Harvill
2117 Shed Road
Bossier City, LA 71111
(318) 752-0012

See Independent Auditors' Report.

Housing Authority of the City of Bossier City, Louisiana
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer
For the year ended June 30, 2018

Agency Head Name: Bobby R. Collins
 Executive Director

Purpose	Amount*
Salary	-
Bonus	-
Benefits - insurance	-
Benefits - retirement	-
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
Total	-

* No payments are made directly to Bobby R. Collins. Management fees are paid to the Housing Authority of the City of Shreveport.

Housing Authority of the City of Bossier City, Louisiana
Schedule of Expenditures of Federal Awards
June 30, 2018

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM OR CLUSTER TITLE	CFDA NUMBER	PASS-THROUGH TO SUBRECIPIENTS	EXPENDITURES
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Programs:			
Public and Indian Housing	14.850	\$ -	\$ 1,462,724
Public Housing Capital Fund (CFP)	14.872	-	352,592
Continuum of Care Program	14.267	-	631,940
Total U.S. Department of Housing and Urban Development - Direct Programs			- 2,447,256
Total Expenditures of Federal Awards		\$ -	\$ 2,447,256

See accompanying Notes to Schedule of Expenditures of Federal Awards.

Housing Authority of the City of Bossier City, Louisiana
Notes to Schedule of Expenditures of Federal Awards
June 30, 2018

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 are included on the schedule. The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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. INDIRECT COST RATE

The Housing Authority has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal awards revenues are reported in the Housing Authority's basic financial statements as follows:

General:	
Federal Grants	\$2,186,424
Capital Contributions	<u>260,832</u>
Total	<u>\$2,447,256</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.

5. 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.

6. SUBRECIPIENTS

During the year ended June 30, 2018, the Housing Authority had no subrecipients.

7. LOANS AND LOAN GUARANTEES

As of and for the year ended June 30, 2018, the Housing Authority had no federally funded loans or loan guarantee programs.

8. FEDERALLY FUNDED INSURANCE

The Housing Authority has no federally funded insurance.

Financial Data Schedule

HOUSING AUTHORITY of the CITY of BOSSIER CITY (LA042)

BOSSIER CITY, LA

Entity Wide Financial Statements

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2018

	Project Total	1 Business Activities	6.1 Component Unit - Discretely Presented	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	1,547,222	365,583	274,580	13,899	96,793	2,298,077		2,298,077
112 Cash - Restricted - Modernization and Development	776,447	-	-	-	-	776,447		776,447
113 Cash - Other Restricted	-	-	681,894	-	120,000	801,894		801,894
114 Cash - Tenant Security Deposits	96,996	50,066	69,083	-	-	216,145		216,145
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-		-
100 Total Cash	2,420,665	415,649	1,025,557	13,899	216,793	4,092,563	-	4,092,563
121 Accounts Receivable - PHA Projects	-	-	-	-	-	-		-
122 Accounts Receivable - HUD Other Projects	89,335	-	-	56,029	-	145,364		145,364
124 Accounts Receivable - Other Government	-	-	-	-	-	-		-
125 Accounts Receivable - Miscellaneous	-	-	-	-	-	-		-
126 Accounts Receivable - Tenants	25,211	20,688	73,404	-	-	119,303		119,303
126.1 Allowance for Doubtful Accounts - Tenants	(10,738)	(14,134)	(9,407)	-	-	(34,279)		(34,279)
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	-	-		-
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-		-
128 Fraud Recovery	8,710	5,503	-	-	-	14,213		14,213
128.1 Allowance for Doubtful Accounts - Fraud	(6,968)	(4,402)	-	-	-	(11,370)		(11,370)
129 Accrued Interest Receivable	-	-	-	-	-	-		-
120 Total Receivables, Net of Allowances for Doubtful Accounts	105,550	7,655	63,997	56,029	-	233,231	-	233,231
131 Investments - Unrestricted	-	-	-	-	-	-		-
132 Investments - Restricted	-	-	-	-	-	-		-
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-		-
142 Prepaid Expenses and Other Assets	108,485	29,670	56,501	-	12,342	206,998		206,998
143 Inventories	89,107	4,552	-	-	-	93,659		93,659
143.1 Allowance for Obsolete Inventories	(89,107)	(4,552)	-	-	-	(93,659)		(93,659)
144 Inter Program Due From	-	285,174	-	-	101,699	386,873	(398,326)	(11,453)
145 Assets Held for Sale	-	-	-	-	-	-		-
150 Total Current Assets	2,634,700	738,148	1,146,055	69,928	330,834	4,919,665	(398,326)	4,521,339
161 Land	723,011	63,500	36,500	-	-	823,011		823,011
162 Buildings	23,068,234	1,252,832	16,238,851	-	4,499	40,564,416		40,564,416
163 Furniture, Equipment & Machinery - Dwellings	354,320	49,834	735,577	-	-	1,139,731		1,139,731
164 Furniture, Equipment & Machinery - Administration	75,028	85,455	-	-	199,467	359,950		359,950
165 Leasehold Improvements	2,061,960	112,366	864,039	-	-	3,038,365		3,038,365
166 Accumulated Depreciation	(21,269,769)	(946,079)	(5,256,857)	-	(196,648)	(27,669,353)		(27,669,353)
167 Construction in Progress	-	-	-	-	-	-		-
168 Infrastructure	-	-	-	-	-	-		-
160 Total Capital Assets, Net of Accumulated Depreciation	5,012,784	617,908	12,618,110	-	7,318	18,256,120	-	18,256,120

(continued)

See Independent Auditors' Report.

HOUSING AUTHORITY of the CITY of BOSSIER CITY (LA042)

BOSSIER CITY, LA

Entity Wide Financial Statements

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2018

	Project Total	1 Business Activities	6.1 Component Unit - Discretely Presented	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-	-	-
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	-	-	-	-	-	-	-	-
173 Grants Receivable - Non Current	-	-	-	-	-	-	-	-
174 Other Assets	-	2,102,602	211,814	-	-	2,314,416	-	2,314,416
176 Investments in Joint Ventures	-	-	-	-	-	-	-	-
180 Total Non-Current Assets	5,012,784	2,720,510	12,829,924	-	7,318	20,570,536	-	20,570,536
200 Deferred Outflow of Resources	-	-	-	-	-	-	-	-
290 Total Assets and Deferred Outflow of Resources	7,647,484	3,458,658	13,975,979	69,928	338,152	25,490,201	(398,326)	25,091,875
311 Bank Overdraft	-	-	-	-	-	-	-	-
312 Accounts Payable <= 90 Days	90,979	26,922	55,769	10,226	18,071	201,967	-	201,967
313 Accounts Payable >90 Days Past Due	-	-	-	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	10,144	2,393	-	-	2,508	15,045	-	15,045
322 Accrued Compensated Absences - Current Portion	7,664	5,783	-	-	1,399	14,846	-	14,846
324 Accrued Contingency Liability	-	-	-	-	-	-	-	-
325 Accrued Interest Payable	-	-	77,552	-	-	77,552	-	77,552
331 Accounts Payable - HUD PHA Programs	-	-	-	40,413	-	40,413	-	40,413
332 Account Payable - PHA Projects	-	-	-	-	-	-	-	-
333 Accounts Payable - Other Government	73,484	-	-	-	-	73,484	-	73,484
341 Tenant Security Deposits	63,821	13,600	43,594	-	-	121,015	-	121,015
342 Unearned Revenue	5,353	2,952	50,316	-	-	58,621	-	58,621
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	345,587	-	-	345,587	-	345,587
344 Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-	-	-	-	-
345 Other Current Liabilities	15,435	-	-	-	120,000	135,435	-	135,435
346 Accrued Liabilities - Other	40,623	-	-	-	-	40,623	-	40,623
347 Inter Program - Due To	72,808	10,203	317,700	19,289	-	420,000	(398,326)	21,674
348 Loan Liability - Current	-	-	-	-	-	-	-	-
310 Total Current Liabilities	380,311	61,853	890,518	69,928	141,978	1,544,588	(398,326)	1,146,262
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	7,568,091	-	-	7,568,091	-	7,568,091
352 Long-term Debt, Net of Current - Operating Borrowings	-	-	875,839	-	-	875,839	-	875,839
353 Non-current Liabilities - Other	-	221,019	1,666,540	-	-	1,887,559	-	1,887,559
354 Accrued Compensated Absences - Non Current	15,038	15,561	-	-	569	31,168	-	31,168
355 Loan Liability - Non Current	-	-	-	-	-	-	-	-
356 FASB 5 Liabilities	-	-	-	-	-	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-	-	-	-	-	-
350 Total Non-Current Liabilities	15,038	236,580	10,110,470	-	569	10,362,657	-	10,362,657
300 Total Liabilities	395,349	298,433	11,000,988	69,928	142,547	11,907,245	(398,326)	11,508,919

(continued)

See Independent Auditors' Report.

HOUSING AUTHORITY of the CITY of BOSSIER CITY (LA042)

BOSSIER CITY, LA

Entity Wide Financial Statements

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2018

	Project Total	1 Business Activities	6.1 Component Unit - Discretely Presented	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total
400 Deferred Inflow of Resources								
508.4 Net Investment in Capital Assets	5,012,784	617,908	4,704,432	-	7,318	10,342,442		10,342,442
511.4 Restricted Net Position	776,447	-	681,894	-	120,000	1,578,341		1,578,341
512.4 Unrestricted Net Position	1,462,904	2,542,317	(2,411,335)	-	68,287	1,662,173		1,662,173
513 Total Equity - Net Assets / Position	7,252,135	3,160,225	2,974,991	-	195,605	13,582,956		13,582,956
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	7,647,484	3,458,658	13,975,979	69,928	338,152	25,490,201	(398,326)	25,091,875
70300 Net Tenant Rental Revenue	918,874	419,146	1,524,622	-	-	2,862,642	-	2,862,642
70400 Tenant Revenue - Other	105,914	16,412	18,854	-	-	141,180	-	141,180
70500 Total Tenant Revenue	1,024,788	435,558	1,543,476	-	-	3,003,822	-	3,003,822
70600 HUD PHA Operating Grants	1,554,483	-	-	631,940	-	2,186,423	-	2,186,423
70610 Capital Grants	260,831	-	-	-	-	260,831	-	260,831
70710 Management Fee	-	-	-	-	337,797	337,797	(337,797)	-
70720 Asset Management Fee	-	-	-	-	52,440	52,440	(52,440)	-
70730 Book Keeping Fee	-	-	-	-	38,475	38,475	(38,475)	-
70740 Front Line Service Fee	-	-	-	-	-	-	-	-
70750 Other Fees	-	-	-	-	-	-	-	-
70700 Total Fee Revenue	-	-	-	-	428,712	428,712	(428,712)	-
70800 Other Government Grants								
71100 Investment Income - Unrestricted	646	34,363	485	-	45	35,539	-	35,539
71200 Mortgage Interest Income	-	-	-	-	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-	-
71310 Cost of Sale of Assets	-	-	-	-	-	-	-	-
71400 Fraud Recovery	-	-	-	-	-	-	-	-
71500 Other Revenue	22,308	208,252	228,271	-	1,136	459,967	-	459,967
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-
72000 Investment Income - Restricted	10,656	-	725	-	-	11,381	-	11,381
70000 Total Revenue	2,873,712	678,173	1,772,957	631,940	429,893	6,386,675	(428,712)	5,957,963
91100 Administrative Salaries	179,863	25,171	44,417	-	32,120	281,571	-	281,571
91200 Auditing Fees	32,889	10,311	25,000	-	4,800	73,000	-	73,000
91300 Management Fee	271,599	-	134,536	66,198	-	472,333	(337,797)	134,536
91310 Book-keeping Fee	38,476	-	-	-	-	38,476	(38,476)	-
91400 Advertising and Marketing	1,426	-	-	-	133	1,559	-	1,559
91500 Employee Benefit contributions - Administrative	55,915	13,754	16,915	-	13,082	99,666	-	99,666
91600 Office Expenses	42,316	15,637	12,256	-	15,435	85,644	-	85,644
91700 Legal Expense	1	927	2,030	-	127,630	130,588	-	130,588
91800 Travel	-	-	-	-	-	-	-	-
91810 Allocated Overhead	-	-	-	-	-	-	-	-
91900 Other	100,129	75,524	40,001	-	147,882	363,536	-	363,536
91000 Total Operating - Administrative	722,614	141,324	275,155	66,198	341,082	1,546,373	(376,273)	1,170,100

(continued)

See Independent Auditors' Report.

HOUSING AUTHORITY of the CITY of BOSSIER CITY (LA042)

BOSSIER CITY, LA

Entity Wide Financial Statements

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2018

	Project Total	1 Business Activities	6.1 Component Unit- Discretely Presented	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total
92000 Asset Management Fee	52,440	-	26,928	-	-	79,368	(52,440)	26,928
92100 Tenant Services - Salaries	-	-	-	-	-	-	-	-
92200 Relocation Costs	-	-	-	-	-	-	-	-
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-	-
92400 Tenant Services - Other	11,244	87	-	74,720	-	86,051	-	86,051
92500 Total Tenant Services	11,244	87	-	74,720	-	86,051	-	86,051
93100 Water	93,405	21,764	63,491	-	351	179,011	-	179,011
93200 Electricity	20,858	19,121	32,456	-	13,846	86,281	-	86,281
93300 Gas	3,835	1,154	-	-	1,473	6,462	-	6,462
93400 Fuel								
93500 Labor								
93600 Sewer	120,281	20,900	61,138	-	971	203,290	-	203,290
93700 Employee Benefit Contributions - Utilities								
93800 Other Utilities Expense	52,439	9,000	24,452	-	292	86,183	-	86,183
93000 Total Utilities	290,818	71,939	181,537	-	16,933	561,227	-	561,227
94100 Ordinary Maintenance and Operations - Labor	144,006	21,588	37,384	-		202,978	-	202,978
94200 Ordinary Maintenance and Operations - Materials and Other	66,661	19,106	28,203	-	737	114,707	-	114,707
94300 Ordinary Maintenance and Operations Contracts	468,648	138,447	142,158	-	4,544	753,797	-	753,797
94500 Employee Benefit Contributions - Ordinary Maintenance	45,190	14,810	20,704	-		80,704	-	80,704
94000 Total Maintenance	724,505	193,951	228,449	-	5,281	1,152,186	-	1,152,186
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs								
95300 Protective Services - Other								
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	-	-	-	-	-	-	-	-
96110 Property Insurance	92,468	25,308	51,271	-	9,604	178,651	-	178,651
96120 Liability Insurance	21,487	6,155	16,294	-	2,171	46,107	-	46,107
96130 Workmen's Compensation	11,972	5,099	-	-	2,376	19,447	-	19,447
96140 All Other Insurance	35,054	5,856	8,063	-	4,337	53,310	-	53,310
96100 Total insurance Premiums	160,981	42,418	75,628	-	18,488	297,515	-	297,515
96200 Other General Expenses	-	-	-	-	-	-	-	-
96210 Compensated Absences	18,680	12,253	-	-	2,520	33,453	-	33,453
96300 Payments in Lieu of Taxes	73,484	-	-	-	-	73,484	-	73,484
96400 Bad debt - Tenant Rents	40,942	37,229	-	-	-	78,171	-	78,171
96500 Bad debt - Mortgages	-	-	-	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-	-	-	-
96800 Severance Expense	-	-	-	-	-	-	-	-
96000 Total Other General Expenses	133,106	49,482	-	-	2,520	185,108	-	185,108

(continued)

See Independent Auditors' Report.

HOUSING AUTHORITY of the CITY of BOSSIER CITY (LA042)

BOSSIER CITY, LA

Entity Wide Financial Statements

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2018

	Project Total	1 Business Activities	6.1 Component Unit - Discretely Presented	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total
96710 Interest of Mortgage (or Bonds) Payable	-	-	480,647	-	-	480,647	-	480,647
96720 Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-
96730 Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-
96700 Total Interest Expense and Amortization Cost	-	-	480,647	-	-	480,647	-	480,647
96900 Total Operating Expenses	2,095,708	499,201	1,268,344	140,918	384,304	4,388,475	(428,713)	3,959,762
97000 Excess of Operating Revenue over Operating Expenses	778,004	178,972	504,613	491,022	45,589	1,998,200	1	199,821
97100 Extraordinary Maintenance	-	-	-	-	-	-	-	-
97200 Casualty Losses - Non-capitalized	-	-	-	-	-	-	-	-
97300 Housing Assistance Payments	-	-	-	491,022	-	491,022	-	491,022
97350 HAP Portability-In	-	-	-	-	-	-	-	-
97400 Depreciation Expense	520,314	33,309	494,911	-	1,400	1,049,934	-	1,049,934
97500 Fraud Losses	-	-	-	-	-	-	-	-
97600 Capital Outlays - Governmental Funds	-	-	-	-	-	-	-	-
97700 Debt Principal Payment - Governmental Funds	-	-	-	-	-	-	-	-
97800 Dwelling Units Rent Expense	-	-	-	-	-	-	-	-
90000 Total Expenses	2,616,022	532,510	1,763,255	631,940	385,704	5,929,431	(428,713)	5,500,718
10010 Operating Transfer In	30,000	-	-	-	-	30,000	(30,000)	-
10020 Operating transfer Out	(30,000)	-	-	-	-	(30,000)	30,000	-
10030 Operating Transfers from/to Primary Government	-	-	-	-	-	-	-	-
10040 Operating Transfers from/to Component Unit	-	-	-	-	-	-	-	-
10050 Proceeds from Notes, Loans and Bonds	-	-	-	-	-	-	-	-
10060 Proceeds from Property Sales	-	-	-	-	-	-	-	-
10070 Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-	-	-
10080 Special Items (Net Gain/Loss)	-	-	-	-	-	-	-	-
10091 Inter Project Excess Cash Transfer In	110,000	-	-	-	-	110,000	(110,000)	-
10092 Inter Project Excess Cash Transfer Out	(110,000)	-	-	-	-	(110,000)	110,000	-
10093 Transfers between Program and Project - In	-	-	-	-	-	-	-	-
10094 Transfers between Project and Program - Out	-	-	-	-	-	-	-	-
10100 Total Other financing Sources (Uses)	-	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	257,690	145,663	9,702	-	44,189	457,244	1	457,245

(continued)

See Independent Auditors' Report.

HOUSING AUTHORITY of the CITY of BOSSIER CITY (LA042)

BOSSIER CITY, LA

Entity Wide Financial Statements

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2018

	Project Total	1 Business Activities	6.1 Component Unit - Discretely Presented	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total
11020 Required Annual Debt Principal Payments	-	-	337,707	-	-	337,707		337,707
11030 Beginning Equity	6,994,445	3,014,562	2,965,289	-	151,416	13,125,712		13,125,712
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	-	-	-	-
11050 Changes in Compensated Absence Balance	-	-	-	-	-	-	-	-
11060 Changes in Contingent Liability Balance	-	-	-	-	-	-	-	-
11070 Changes in Unrecognized Pension Transition Liability	-	-	-	-	-	-	-	-
11080 Changes in Special Term/Severance Benefits Liability	-	-	-	-	-	-	-	-
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-	-	-	-	-
11100 Changes in Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-
11170 Administrative Fee Equity	-	-	-	-	-	-	-	-
11180 Housing Assistance Payments Equity	-	-	-	-	-	-	-	-
11190 Unit Months Available	5,220	876	2,400	970	-	9,466		9,466
11210 Number of Unit Months Leased	5,130	813	2,358	970	-	9,271		9,271
11270 Excess Cash	1,199,962	-	-	-	-	1,199,962		1,199,962
11610 Land Purchases	-	-	-	-	-	-		-
11620 Building Purchases	260,831	-	-	-	-	260,831		260,831
11630 Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	-		-
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-		-
11650 Leasehold Improvements Purchases	-	-	-	-	-	-		-
11660 Infrastructure Purchases	-	-	-	-	-	-		-
13510 CFFP Debt Service Payments	-	-	-	-	-	-		-
13901 Replacement Housing Factor Funds	-	-	-	-	-	-		-
								(conclude)

See Independent Auditors' Report.

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

AGREED-UPON PROCEDURES REPORT

June 30, 2018



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners
Housing Authority of the City of Bossier City, Louisiana
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Housing Authority of the City of Bossier City, Louisiana (the "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 Year 2 ("SAUPs") for the fiscal period July 1, 2017 through June 30, 2018. The Housing Authority 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. Obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Results: No formal written policies and procedures are in place.
 - 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.
Results: No exceptions were found as a result of applying the procedure.
 - c) ***Disbursements***, including processing, reviewing, and approving.
Results: No formal written policies and procedures are in place.
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all

collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Results: No formal written policies and procedures are in place.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Results: No formal written policies and procedures are in place.

- 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.

Results: Except for the lack of a legal review, policies and procedures appropriately address the required elements above.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: No formal written policies and procedures are in place.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: No exceptions were found as a result of applying the procedure.

- 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.

Results: Except for the lack of written policy relating to monitoring ethics violations and annually attesting to reading the ethics policy, policies and procedures appropriately address the required elements above.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: Debt service is not applicable to the Housing Authority.

Bank Reconciliations

- 2. Obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Asked management to identify the entity's main operating account. Selected the entity's main operating account and randomly selected 4 additional accounts. Randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for each selected account, and observed that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Results: There was one instance of a bank reconciliation being prepared 6 months after the statement closing date. The account is dormant, and the bank discontinued providing monthly statements.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Results: The bank reconciliations inspected did not include evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation. Bank reconciliations are prepared by a partner at the fee accounting firm utilized by the Housing Authority. Management views this as a mitigating control, since the fee accounting firm has no access, authority, or control over the spending or collection of funds.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: Three of five reconciliations inspected contained outstanding reconciling items with no evidence of research by management.

Collections

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

Results: Management identified two deposit sites. All deposit sites were selected.

- 4. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.

Results: No exceptions were found as a result of applying the procedure.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

Results: Each person responsible for collecting cash is responsible for depositing the cash in the bank as well as reconciling collection documentation to the deposit.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results: No exceptions were found as a result of applying the procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Results: No exceptions were found as a result of applying the procedure.

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

Results: Employees who have access to cash are covered by an insurance policy for theft.

- 6. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #2 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). Obtained supporting documentation for each of the 10 deposits and:

- a) Observed that receipts are sequentially pre-numbered.
Results: No exceptions were found as a result of applying the procedure.
- b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
Results: No exceptions were found as a result of applying the procedure.
- c) Traced the deposit slip total to the actual deposit per the bank statement.
Results: No exceptions were found as a result of applying the procedure.
- d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
Results: There was one instance of a collection being deposited 2 business days after receipt. No other exceptions were found.
- e) Traced the actual deposit per the bank statement to the general ledger.
Results: No exceptions were found as a result of applying the procedure.

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

- 7. Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing was complete.
Results: A listing of all active cards for the fiscal period and management's representation that the listing was complete was obtained.
- 8. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
 - a) Observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, 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].
Results: Two of five monthly statements did not have evidence they had been reviewed or approved.
 - b) Observed that finance charges and late fees were not assessed on the selected statements.
Results: No exceptions were found as a result of applying the procedure.
- 9. Using the monthly statements or combined statements selected under #8 above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observed that it was supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Results: One transaction selected was not supported by an original itemized receipt containing documentation of the business/public purpose. No other exceptions were found.

Other

10. Obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results: Management represented there were no misappropriations of public funds and assets during the fiscal period.

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

Results: No exceptions were found as a result of applying the procedure.

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.

This report is intended solely for the information and use of the Board of Directors and Management of the Housing Authority of the City of Bossier City. The purpose of this report is solely to describe the scope of procedures performed on those C/C areas identified in the SAUPs, and the result of the procedures performed, 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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC
Shreveport, Louisiana
January 31, 2019

HOUSING AUTHORITY OF THE
CITY OF BOSSIER CITY, LOUISIANA

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January 31, 2019

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and

Carr, Riggs & Ingram, LLC
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RE: Management's Response to Agreed-Upon Procedures

Management of the Housing Authority of the City of Bossier City, Louisiana has reviewed the Independent Accountants' Report on Applying Agreed-Upon Procedures. We are in agreement with the report of Carr, Riggs & Ingram, LLC. The Housing Authority of the City of Bossier City, Louisiana will add policies and procedures and implement changes where necessary to meet the expectations identified in the report.

HOUSING AUTHORITY OF THE
CITY OF BOSSIER CITY, LOUISIANA


Bobby R. Collins
Executive Director