

**Housing Authority of the
TOWN OF ST. MARTINVILLE**
St. Martinville, Louisiana

**Annual Financial Report
As of and for the Year Ended March 31, 2020**

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Basic Financial Statements

As of and for the Year Ended March 31, 2020

With Supplemental Information Schedules

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the Town of St. Martinville
St. Martinville, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the Housing Authority of the Town of St. Martinville (the authority) as of and for the year ended March 31, 2020, and the related notes to the financial statements, which comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Independent Auditor's Report, 2020

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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the Housing Authority of the Town of St. Martinville as of March 31, 2020, 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* as listed in the table of contents 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the authority's basic financial statements. The Financial Data Schedule and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Financial Data Schedule and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer 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 my opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana
Independent Auditor's Report, 2020
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The Schedule of Compensation of Board Members has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, I do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated July 28, 2020 on my consideration of the authority's internal control over financial reporting and on my 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 my 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 Authority'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 authority's internal control over financial reporting and compliance.

William Daniel McCaskill

William Daniel McCaskill, CPA
A Professional Accounting Corporation

July 28, 2020

The management of Housing Authority of St. Martinville, LA presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending March 31, 2020. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$2,030,075 at the close of the fiscal year ended 2020.
 - ✓ Of this amount \$1,300,498 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
 - ✓ The remainder of \$729,577 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 80% of the total operating expenses of \$916,396 for the fiscal year 2020, which means the Authority might be able to operate about 10 months using the unrestricted assets alone, compared to 11 months in the prior fiscal year.
- The Housing Authority's total net position decreased by \$204,094, a 9% decrease from the prior fiscal year 2019.
- The decrease in net position of these funds was accompanied by a decrease in unrestricted cash by \$96,491 from fiscal year 2019.
- The Authority Spent \$222,929 on capital asset additions.
- These changes led to a decrease in total assets by \$206,785 and a decrease in total liabilities by \$18,244. As related measure of financial health, there are still over \$8 of current assets covering each dollar of total current liabilities, which compares to \$8 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2020?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

The Authority accounts for all financial activity in a single enterprise fund. 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 enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net position and changes in net position. One can think of the Housing Authority's net position – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

Public Housing Capital Fund Program	\$ 28,174
Low Rent Public Housing	<u>201,906</u>
Total funding received this current fiscal year	<u>\$ 230,080</u>

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

FINANCIAL ANALYSIS

The Housing Authority's net position was \$2,030,075 as of March 31, 2020. Of this amount, \$1,300,498 was invested in capital assets and \$729,577 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general net position.

Housing Authority of St. Martinville, LA
 Management's Discussion and Analysis (MD&A)
 March 31, 2020

CONDENSED FINANCIAL STATEMENTS

**Condensed Statement of Net Position
 As of March 31, 2020**

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets	\$ 846,594	\$ 999,010
Capital assets, net of depreciation	<u>1,300,499</u>	<u>1,358,018</u>
Total assets	<u>2,147,093</u>	<u>2,357,028</u>
LIABILITIES		
Current liabilities	100,921	122,447
Non-current liabilities	<u>16,097</u>	<u>15,965</u>
Total liabilities	<u>117,018</u>	<u>138,412</u>
NET POSITION		
Invested in capital assets, net of depreciation	1,300,498	1,358,018
Unrestricted net position	<u>729,577</u>	<u>860,598</u>
Total net position	<u>\$ 2,030,075</u>	<u>\$ 2,218,616</u>

The net position of these funds decreased by \$188,541, or by 9%, from those of fiscal year 2019, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Housing Authority of St. Martinville, LA
 Management's Discussion and Analysis (MD&A)
 March 31, 2020

CONDENSED FINANCIAL STATEMENTS (Continued)

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position
 Fiscal Year Ended March 31, 2020**

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Tenant Revenue	\$ 469,790	\$ 460,394
HUD grants for operations	212,631	127,282
Other non-tenant revenue	9,961	5,999
Total operating revenues	<u>692,382</u>	<u>593,675</u>
OPERATING EXPENSES		
General	132,172	124,846
Ordinary maintenance and repairs	292,728	241,125
Administrative expenses and management fees	184,406	170,104
Utilities	116,688	124,856
Tenant services	270	270
Extraordinary maintenance and repairs	14,100	3,360
Depreciation	176,032	171,456
Total operating expenses	<u>916,396</u>	<u>836,017</u>
Income (losses) from operations	<u>(224,014)</u>	<u>(242,342)</u>
NON-OPERATING REVENUES		
Interest income	2,471	2,557
Total non-operating revenues	<u>2,471</u>	<u>2,557</u>
Income (losses) before capital contributions	(221,543)	(239,785)
CAPITAL CONTRIBUTIONS	<u>17,449</u>	<u>77,804</u>
CHANGES IN NET POSITION	<u>(204,094)</u>	<u>(161,981)</u>
NET POSITION - BEGINNING	2,234,169	2,380,597
NET POSITION - END	<u>\$ 2,030,075</u>	<u>\$ 2,218,616</u>

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and capital contributions increased \$38,352 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$9,396 from that of the prior fiscal year because the amount of rent each tenant pays is based on a sliding scale of their personal income. Included in this total is other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) which decreased by \$1,398.
- Federal revenues from HUD for operations increased by \$85,349 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- Federal Capital Funds from HUD decreased by \$60,355 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2014 through 2017 and submitted a new grant during fiscal year 2020.
- Total other operating revenue increased by \$3,962 and interest income decreased by \$86 from the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$80,379, or by 10%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense increased by \$4,576 from that of the prior fiscal year.
- Maintenance and repairs increased by \$62,343 from that of the prior fiscal year due to changes in the following: Repair staff wages increased by \$19,575 and related employee benefit contributions increased by \$18,791. Materials used increased by \$27,705 and contract labor costs decreased by \$14,468. Finally, Extraordinary maintenance increased by \$10,740 from the prior fiscal year.
- General Expenses increased by \$7,326 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) increased by \$1,667. PILOT is calculated as a percentage of rent minus utilities and therefore changed proportionately to the changes in each of these. Insurance premiums increased by \$339, other general expenses decreased by \$548 and bad debts increased by \$5,386. Lastly, compensated absences increased by \$482.
- Administrative Expenses increased by \$14,302 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries decreased by \$1,133 and related employee benefit contributions increased by \$4,025; therefore, total staff salaries and benefit costs increased. Outside professional fees changed as follows: audit fees increased by \$435. In addition, staff travel reimbursements increased by \$1,659, office expenses decreased by \$2,833 and sundry expenses increased by \$12,149.
- Utilities Expense decreased by \$8,168 from that of the prior fiscal year because water cost decreased by \$2,296, electricity cost decreased by \$2,300, gas cost decreased by \$9, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) decreased by \$3,563.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At March 31, 2020, the Housing Authority had a total cost of \$7,204,392 invested in a broad range of assets and construction in progress from projects funded in 2014 through 2017, listed below. This amount, not including depreciation, represents increases of \$558,770 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

Housing Authority of St. Martinville, LA
Management's Discussion and Analysis (MD&A)
March 31, 2020

Statement of Capital Assets
As of March 31, 2020

	<u>2020</u>	<u>2019</u>
Land	\$ 79,570	\$ 79,570
Construction in progress	-	104,415
Buildings	6,027,670	5,368,495
Leasehold improvements	840,320	840,320
Furniture and equipment	256,832	252,822
Accumulated Depreciation	<u>(5,903,893)</u>	<u>(5,287,604)</u>
Total	<u>\$ 1,300,499</u>	<u>\$ 1,358,018</u>

As of the end of the 2020 fiscal year, the Authority is still in the process of completing HUD grants of \$377,470 obtained during 2014 through 2017 fiscal years. A total remainder of \$133,565 will be received and spent for completing these projects during fiscal year 2021.

Debt

Non-current liabilities also include accrued annual leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

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 Federal budget than by local economic conditions. The capital budgets for the 2021 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs 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.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Larry Pratt, at Housing Authority of St. Martinville, LA; PO Box 913, St. Martinville, LA 70582.

Housing Authority of the Town of St. Martinville
St. Martinville, Louisiana
Statement of Net Position
As of March 31, 2020

ASSETS**Current assets**

Cash and cash equivalents	729,091
Investments	10,000
Receivables:	
HUD	5,138
Tenant rents, net of allowance	1,960
Accrued interest receivable	136
Prepaid expenses	61,562
Inventory, net of allowance	7,241
Restricted assets - cash and cash equivalents	<u>31,466</u>
Total current assets	<u>846,594</u>

Noncurrent assets

Capital assets:	
Nondepreciable capital assets:	
Land	<u>79,570</u>
Total nondepreciable capital assets	<u>79,570</u>
Depreciable capital assets:	
Buildings and improvements	6,867,990
Furniture and equipment	256,832
Less accumulated depreciation	<u>(5,903,893)</u>
Total depreciable capital assets, net of accumulated depreciation	<u>1,220,929</u>
Total capital assets, net of accumulated depreciation	<u>1,300,499</u>
Total assets	<u>2,147,093</u>

TOTAL ASSETS**2,147,093****LIABILITIES AND NET POSITION****Current Liabilities**

Payable to other governments	33,691
Security deposit liability	<u>31,466</u>
Total current liabilities	<u>100,921</u>

Noncurrent liabilities

Accrued compensated absences	<u>16,097</u>
Total noncurrent liabilities	<u>16,097</u>

Total liabilities**117,018****TOTAL LIABILITIES****117,018****NET POSITION**

Net Investments in Capital Assets	1,300,499
Unrestricted	<u>729,576</u>
TOTAL NET POSITION	<u>\$ 2,030,075</u>

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

Housing Authority of the Town of St. Martinville
St. Martinville, Louisiana
Statement of Revenues, Expenses, and Changes In Net Position
For the Year Ended March 31, 2020

Operating Revenues	
HUD Operating Grants	\$ 212,631
Dwelling Rental	388,444
Other Operating	81,346
	<u>682,421</u>
Total operating revenues	
Operating Expenses	
General and administrative	316,578
Repairs and maintenance	306,828
Utilities	116,688
Tenant services	270
Depreciation and amortization	176,032
	<u>916,396</u>
Total operating expenses	
Operating income (loss)	(233,975)
Nonoperating Revenues (Expenses):	
Interest revenue	2,471
Miscellaneous revenues	9,961
	<u>12,432</u>
Total nonoperating revenues (expenses)	
Income (loss) before other revenues, expenses, gains, losses and transfers	(221,543)
Capital contributions (grants)	17,449
Increase (decrease) in net position	(204,094)
Net position, beginning of year	<u>2,234,169</u>
Net position, end of year	<u><u>\$ 2,030,075</u></u>

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

Housing Authority of the Town of St. Martinville
Statement of Cash Flows
For the Year Ended March 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from federal subsidies	\$ 285,016
Receipts from tenants	470,579
Payments to suppliers	(590,091)
Payments to employees	<u>(188,779)</u>
Net cash provided by operating activities	<u>(23,275)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Miscellaneous revenues	<u>9,961</u>
Net cash provided by noncapital financing activities	<u>9,961</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Proceeds from capital grants	17,449
Purchase and construction of capital assets	<u>(102,961)</u>
Net cash (used in) capital and related financing activities	<u>(85,512)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	<u>2,471</u>
Net cash provided by investing activities	<u>2,471</u>
Net increase (decrease) in cash and cash equivalents	<u>(96,355)</u>
Cash and cash equivalents - beginning of year	<u>856,912</u>
Cash and Cash equivalents - unrestricted	729,091
Cash and Cash equivalents - restricted	31,466
Total Cash and Cash Equivalents - end of year	<u>\$ 760,557</u>

Reconciliation of operating income (loss) to net cash provided by operating activities:

Operating (loss)	\$ (233,975)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:	
Depreciation and amortization	176,032
Changes in assets and liabilities:	
HUD receivable	72,385
Tenant rents, net of allowance	90
Prepaid insurance	(12,904)
Inventories	(3,507)
Accounts payable	(242)
Accrued wages payable	1,527
PILOT Payable	1,667
Accrued compensated absences	181
Unearned revenue	563
Other liability	(25,228)
Security deposit liability	<u>136</u>
Net cash provided by operating activities	<u>\$ (23,275)</u>

The accompanying notes are an integral part of the financial statements

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana
Notes to the Basic Financial Statements
March 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(1) Reporting Entity

The Housing Authority of The Town of St. Martinville (the authority) was chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of the Town of St. Martinville, Louisiana. This formation was contingent upon the approval of the town.

The authority is governed by a Board of Commissioners (Board), which is composed of five members appointed by the town and serve five-year staggered terms. The Board of the authority exercises all powers granted to the authority.

GASB Statement No. 14, as amended by GASB statement No. 39 and GASB Statement No. 61, establishes criteria for determining the governmental reporting entity. Under provisions of this statement, the authority is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in the GASB statements, fiscally independent means that the authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursements of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt. The authority has no component units, defined by the GASB statements as other legally separate organizations for which the elected authority members are financially accountable.

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2020 – Continued

The authority is a related organization of the Town of St. Martinville, Louisiana since the town appoints a voting majority of the authority's governing board. The town is not financially accountable for the authority as it cannot impose its will on the authority and there is no potential for the authority to provide financial benefit to, or impose financial burdens on, the town. Accordingly, the authority is not a component unit of the financial reporting entity of the town.

(2) Funds

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

All funds of the authority are classified as proprietary. The general fund accounts for transactions of all of the authority's programs.

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 principal operating revenues of the authority's enterprise fund are HUD operating grants and subsidies and tenant dwelling rents. Operating expenses include General and Administrative expenses, repairs and maintenance expenses, utilities and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The accompanying basic financial statements of the authority have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The GASB 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*, which was unanimously approved in June 1999 by the GASB.

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2020 – Continued

(3) Measurement focus and basis of accounting

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

(4) Assets, liabilities, and net position

(a) Deposits and Investments

The authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. HUD regulations, state law and the authority's investment policy allow the housing authority to invest in collateralized certificates of deposit and securities backed by the federal government.

(b) Inventory and prepaid items

All inventories are valued at cost on a first-in first-out (FIFO) basis. Inventories consist of expendable building materials and supplies held for consumption in the course of the authority's operations.

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

(c) Restricted Assets

Cash equal to the amount of tenant security deposits is reflected as restricted.

(d) Capital assets

Capital assets of the authority are included in the statement of net position and are recorded at actual cost. The capitalization threshold is \$2,000. Depreciation of all exhaustible fixed assets is charged as an expense against operations.

Property, plant, and equipment of the Authority is depreciated using the straight-line method over the following estimated useful lives:

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2020 – Continued

Buildings	33 years
Modernization and improvements	15 years
Furniture and equipment	3-7 years

(e) Due from/to other governments or agencies

Amounts due from/to the authority to/by other governments or agencies are generally for grants or programs under which the services have been provided by the authority. The authority also records an amount due to the various taxing districts within the region for payments in lieu of taxes.

(f) Allowance for doubtful accounts

The authority provides an allowance for doubtful accounts, as needed, for accounts deemed not collectible. At March 31, 2020, the management of the authority established an allowance for doubtful accounts of approximately \$7,967.

(g) Compensated absences

It is the authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with the provisions of GASB Statement No. 16, "*Accounting for Compensated Absences*," vacation and sick pay is accrued when incurred and reported as a liability.

Depending on length of service, employees earn from 88 to 177 hours per year in annual leave. Employees may accumulate an unlimited number of annual leave hours. Depending on their length of service, employees receive payment for up to 300 annual leave hours upon termination or retirement at their then current rate of pay. The cost of current leave privileges, computed in accordance with GASB Codification Section C60 is recognized as a current year expense when leave is earned

(h) Restricted net position

Restricted net positions are reported as restricted when constraints placed on net positions use are either:

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

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2020 – Continued

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

(i) Use of estimates

The preparation of financial statements in conformity with 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 government-wide financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B – DEPOSITS AND INVESTMENTS

Deposits are stated at cost, which approximates fair value. Under state law and/or federal regulation, these deposits, or the resulting bank balances, must be in Federal Securities, secured by federal deposit insurance or the pledge of federal 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.

As of March 31, 2020, the authority's carrying amount of deposits was \$760,557, which includes the following:

Cash and cash equivalents-unrestricted	\$729,091
Cash and cash equivalents- restricted	31,466
Cash and cash equivalents	760,557
Investments – U.S. Treasury Securities	10,000
Total	\$770,557

Interest Rate Risk—The authority's policy does not address interest rate risk.

Credit Rate Risk—Since all of the authority's deposits are federally insured and/or backed by federal securities, the authority does not have credit rate risk.

Custodial Credit Risk—This is the risk that in the event of a bank failure, the authority's deposits may not be returned to it. The authority does not have a policy for custodial credit risk. \$493,053 of the authority's total deposits were covered by federal depository insurance, and do not have custodial credit risk. The remaining \$338,321 of deposits have custodial credit risk but were collateralized with securities held by the pledging financial institution trust department or agent. The bank balances at March 31, 2020 totaled \$831,374.

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2020 – Continued

NOTE C - CAPITAL ASSETS

Capital assets activity for the year ended March 31, 2020 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Nondepreciable Assets:				
Land	\$ 79,570	\$ -	\$ -	\$ 79,570
Construction in Progress	104,415	-	104,415	-
Depreciable Assets:				
Building and improvements	6,208,815	659,175	-	6,867,990
Furniture and equipment	252,822	4,010	-	256,832
Total	<u>6,645,622</u>	<u>663,185</u>	<u>104,415</u>	<u>7,204,392</u>
Less accumulated depreciation				
Building and improvements	5,060,763	607,596	-	5,668,359
Furniture and equipment	226,841	8,693	-	235,534
Total accumulated depreciation	<u>5,287,604</u>	<u>616,289</u>	<u>-</u>	<u>5,903,893</u>
Net Capital Assets	<u>\$ 1,358,018</u>	<u>\$ 46,896</u>	<u>\$ 104,415</u>	<u>\$ 1,300,499</u>

NOTE D – COMPENSATED ABSENCES

At March 31, 2020, employees of the authority have accumulated and vested \$21,951 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. The leave payable is recorded in the accompanying financial statements. \$16,097 is reported in long-term debt.

NOTE E – LONG TERM OBLIGATIONS

As of March 31, 2020, long term obligations consisted of compensated absences in the amount of \$16,097. The following is a summary of the changes in the long-term obligations for the year ended March 31, 2020.

	Compensated Absences
Balance as of April 1, 2019	\$21,770
Additions	13,118
Deductions	<u>(12,937)</u>
Balance as of March 31, 2020	<u>21,951</u>
Long Term Portion	<u>16,097</u>
Amount due in one year (Short term)	<u>\$5,854</u>

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana
Notes to the Financial Statements, 2020 – Continued

NOTE F – POST EMPLOYMENT RETIREMENT BENEFITS

The authority does not provide any post employment retirement benefits. Therefore, the authority does not include any entries for unfunded actuarial accrued liability, net OPEB expense, or annual contribution required.

NOTE G - RETIREMENT PLAN

The authority participates in the Housing Agency Retirement Trust plan, administered by Mercer, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the authority provides pension benefits for all of its full-time employees. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment. Plan provisions and changes to the plan contributions are determined by the Board of the authority.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 8% percent of each participant's basic (excludes overtime) compensation. Employees are required to contribute 5.5% percent of their annual covered salary.

The authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the authority. No payments were made out of the forfeiture account.

Normal retirement date shall be the first day of the month following the employee's sixty-fifth birthday or after ten years of participation in the plan.

The authority's total payroll for the year ended March 31, 2020, was \$190,487. The authority's contributions were calculated using the base salary amount of \$173,544. The authority made the required contributions of \$13,884 for the year ended March 31, 2020.

NOTE H – RISK MANAGEMENT

The authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2020 – Continued

natural disasters. The authority's risk management program encompasses obtaining property and liability insurance.

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

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

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, there have been no significant claims that have exceeded commercial insurance coverages in any of the past three fiscal years.

NOTE I – FEDERAL COMPLIANCE CONTINGENCIES

The authority is subject to possible examinations by federal regulators who determine compliance with terms, conditions, laws, and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refund by the entity to federal grantors and/or program beneficiaries. The authority is subject to HUD's consideration of reducing grants in order to have the authority utilize authority Equity to fund expenses.

NOTE J – SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the balance sheet date, require disclosure in the accompanying notes. Management evaluated the activity of the authority through July 28, 2020 and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

NOTE K – ECONOMIC DEPENDENCE

Financial Accounting Standards Boards Accounting Standards Codification 280-10-50-42 requires disclosure in financial statements of a situation where one

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana

Notes to the Financial Statements, 2020 – Continued

entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$230,080 to the authority, which represents approximately 33% of the authority's total revenue for the year.

Housing Auth. of The Town of St. Martinville (LA040)
 SAINT MARTINVILLE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 03/31/2020

	Project Total	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$729,091	\$729,091		\$729,091
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted				
114 Cash - Tenant Security Deposits	\$31,466	\$31,466		\$31,466
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$760,557	\$760,557	\$0	\$760,557
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects	\$5,138	\$5,138		\$5,138
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous				
126 Accounts Receivable - Tenants	\$9,927	\$9,927		\$9,927
126.1 Allowance for Doubtful Accounts -Tenants	-\$7,967	-\$7,967		-\$7,967
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable	\$136	\$136		\$136
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$7,234	\$7,234	\$0	\$7,234
131 Investments - Unrestricted	\$10,000	\$10,000		\$10,000
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$61,562	\$61,562		\$61,562
143 Inventories	\$7,622	\$7,622		\$7,622
143.1 Allowance for Obsolete Inventories	-\$381	-\$381		-\$381
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	\$846,594	\$846,594	\$0	\$846,594
161 Land	\$79,570	\$79,570		\$79,570
162 Buildings	\$6,027,670	\$6,027,670		\$6,027,670
163 Furniture, Equipment & Machinery - Dwellings	\$126,180	\$126,180		\$126,180
164 Furniture, Equipment & Machinery - Administration	\$130,652	\$130,652		\$130,652
165 Leasehold Improvements	\$840,320	\$840,320		\$840,320
166 Accumulated Depreciation	-\$5,903,893	-\$5,903,893		-\$5,903,893
167 Construction in Progress				
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,300,499	\$1,300,499	\$0	\$1,300,499
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				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$1,300,499	\$1,300,499	\$0	\$1,300,499
200 Deferred Outflow of Resources				
290 Total Assets and Deferred Outflow of Resources	\$2,147,093	\$2,147,093	\$0	\$2,147,093

Housing Auth. of The Town of St. Martinville (LA040)
SAINT MARTINVILLE, LA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 03/31/2020

	Project Total	Subtotal	ELIM	Total
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	\$10,920	\$10,920		\$10,920
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable	\$7,156	\$7,156		\$7,156
322 Accrued Compensated Absences - Current Portion	\$5,854	\$5,854		\$5,854
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government	\$33,691	\$33,691		\$33,691
341 Tenant Security Deposits	\$31,466	\$31,466		\$31,466
342 Unearned Revenue	\$3,219	\$3,219		\$3,219
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other	\$8,615	\$8,615		\$8,615
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	\$100,921	\$100,921	\$0	\$100,921
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current	\$16,097	\$16,097		\$16,097
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	\$16,097	\$16,097	\$0	\$16,097
300 Total Liabilities	\$117,018	\$117,018	\$0	\$117,018
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets	\$1,300,498	\$1,300,498		\$1,300,498
511.4 Restricted Net Position				
512.4 Unrestricted Net Position	\$729,577	\$729,577		\$729,577
513 Total Equity - Net Assets / Position	\$2,030,075	\$2,030,075	\$0	\$2,030,075
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$2,147,093	\$2,147,093	\$0	\$2,147,093

Housing Auth. of The Town of St. Martinville (LA040)
SAINT MARTINVILLE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single

Fiscal Year End: 03/31/2020

	Project Total	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$388,444	\$388,444		\$388,444
70400 Tenant Revenue - Other	\$81,346	\$81,346		\$81,346
70500 Total Tenant Revenue	\$469,790	\$469,790	\$0	\$469,790
70600 HUD PHA Operating Grants	\$212,631	\$212,631		\$212,631
70610 Capital Grants	\$17,449	\$17,449		\$17,449
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue		\$0	\$0	\$0
70800 Other Government Grants				
71100 Investment Income - Unrestricted	\$2,471	\$2,471		\$2,471
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	\$9,961	\$9,961		\$9,961
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	\$712,302	\$712,302	\$0	\$712,302
91100 Administrative Salaries	\$91,241	\$91,241		\$91,241
91200 Auditing Fees	\$14,250	\$14,250		\$14,250
91300 Management Fee				
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative	\$36,735	\$36,735		\$36,735
91600 Office Expenses	\$15,337	\$15,337		\$15,337
91700 Legal Expense				
91800 Travel	\$6,503	\$6,503		\$6,503
91810 Allocated Overhead				
91900 Other	\$20,340	\$20,340		\$20,340
91000 Total Operating - Administrative	\$184,406	\$184,406	\$0	\$184,406
92000 Asset Management Fee				
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other	\$270	\$270		\$270
92500 Total Tenant Services	\$270	\$270	\$0	\$270

Housing Auth. of The Town of St. Martinville (LA040)
SAINT MARTINVILLE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single

Fiscal Year End: 03/31/2020

	Project Total	Subtotal	ELIM	Total
93100 Water	\$15,712	\$15,712		\$15,712
93200 Electricity	\$87,039	\$87,039		\$87,039
93300 Gas	\$427	\$427		\$427
93400 Fuel				
93500 Labor				
93600 Sewer	\$13,510	\$13,510		\$13,510
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense				
93000 Total Utilities	\$116,688	\$116,688	\$0	\$116,688
94100 Ordinary Maintenance and Operations - Labor	\$99,246	\$99,246		\$99,246
94200 Ordinary Maintenance and Operations - Materials and Other	\$86,777	\$86,777		\$86,777
94300 Ordinary Maintenance and Operations Contracts	\$72,693	\$72,693		\$72,693
94500 Employee Benefit Contributions - Ordinary Maintenance	\$34,012	\$34,012		\$34,012
94000 Total Maintenance	\$292,728	\$292,728	\$0	\$292,728
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$38,423	\$38,423		\$38,423
96120 Liability Insurance	\$9,310	\$9,310		\$9,310
96130 Workmen's Compensation	\$9,702	\$9,702		\$9,702
96140 All Other Insurance	\$7,082	\$7,082		\$7,082
96100 Total insurance Premiums	\$64,517	\$64,517	\$0	\$64,517
96200 Other General Expenses				
96210 Compensated Absences	\$13,299	\$13,299		\$13,299
96300 Payments in Lieu of Taxes	\$33,691	\$33,691		\$33,691
96400 Bad debt - Tenant Rents	\$20,665	\$20,665		\$20,665
96500 Bad debt - Mortgages				
96600 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	\$67,655	\$67,655	\$0	\$67,655
96710 Interest of Mortgage (or Bonds) Payable				
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$726,264	\$726,264	\$0	\$726,264
97000 Excess of Operating Revenue over Operating Expenses	-\$13,962	-\$13,962	\$0	-\$13,962

Housing Auth. of The Town of St. Martinville (LA040)
SAINT MARTINVILLE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single

Fiscal Year End: 03/31/2020

97100	Extraordinary Maintenance	\$14,100	\$14,100		\$14,100
97200	Casualty Losses - Non-capitalized				
97300	Housing Assistance Payments				
97350	HAP Portability-In				
97400	Depreciation Expense	\$176,032	\$176,032		\$176,032
97500	Fraud Losses				
97600	Capital Outlays - Governmental Funds				
97700	Debt Principal Payment - Governmental Funds				
97800	Dwelling Units Rent Expense				
90000	Total Expenses	\$916,396	\$916,396	\$0	\$916,396
10010	Operating Transfer In	\$10,725	\$10,725	-\$10,725	\$0
10020	Operating transfer Out	-\$10,725	-\$10,725	\$10,725	\$0
10030	Operating Transfers from/to Primary Government				
10040	Operating Transfers from/to Component Unit				
10050	Proceeds from Notes, Loans and Bonds				
10060	Proceeds from Property Sales				
10070	Extraordinary Items, Net Gain/Loss				
10080	Special Items (Net Gain/Loss)				
10091	Inter Project Excess Cash Transfer In				
10092	Inter Project Excess Cash Transfer Out				
10093	Transfers between Program and Project - In				
10094	Transfers between Project and Program - Out				
10100	Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$204,094	-\$204,094	\$0	-\$204,094
11020	Required Annual Debt Principal Payments	\$0	\$0		\$0
11030	Beginning Equity	\$2,218,616	\$2,218,616		\$2,218,616
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$15,553	\$15,553		\$15,553
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	1488	1488		1488
11210	Number of Unit Months Leased	1421	1421		1421
11270	Excess Cash	\$616,348	\$616,348		\$616,348
11610	Land Purchases	\$0	\$0		\$0
11620	Building Purchases	\$114,503	\$114,503		\$114,503
11630	Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0
11640	Furniture & Equipment - Administrative Purchases	\$4,010	\$4,010		\$4,010
11650	Leasehold Improvements Purchases	\$0	\$0		\$0
11660	Infrastructure Purchases	\$0	\$0		\$0
13510	CFFP Debt Service Payments	\$0	\$0		\$0
13901	Replacement Housing Factor Funds	\$0	\$0		\$0

Housing Authority of St. Martinville

Schedule of Compensation, Benefits and Other Payments to Agency Head

or Chief Executive Officer

For the Year Ended March 31, 2020

Larry Pratt, Executive Director

Purpose	Amount
Salary	\$50,217
Benefits-insurance	12,816
Benefits-retirement	4,017
Car allowance	1,500
Travel	1,748
Registration fees	275

**HOUSING AUTHORITY OF THE
TOWN OF ST. MARTINVILLE**
St. Martinville, Louisiana

Schedule of Compensation Paid to Board Members
Fiscal Year Ended March 31, 2020

Board members serve without compensation.

William Daniel McCaskill, CPA
A Professional Accounting Corporation
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American Institute of CPA's

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

Board of Commissioners
Housing Authority of the Town of St. Martinville
St. Martinville, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the Town of St. Martinville, as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise the authority's basic financial statements, and have issued my report thereon dated July 28, 2020.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control. Accordingly, I do not express an opinion on the effectiveness of the 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.

HOUSING AUTHORITY OF THE TOWN OF ST. MARTINVILLE

St. Martinville, Louisiana
Report on Internal Control... *Government*
Auditing Standards, 2020
Page Two

My 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 my audit I did not identify any deficiencies in internal control that I 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 authority's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

William Daniel McCaskill

William Daniel McCaskill, CPA
A Professional Accounting Corporation

July 28, 2020

**HOUSING AUTHORITY OF THE
TOWN OF ST. MARTINVILLE**

St. Martinville, Louisiana

Schedule of Findings
Fiscal Year Ended March 31, 2020

Section I—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____yes X no
- Significant deficiency(ies) identified? _____yes X none reported

Noncompliance material to financial statements
noted? _____yes X no

SECTION II - FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**HOUSING AUTHORITY OF THE
TOWN OF ST. MARTINVILLE**

St. Martinville, Louisiana

Schedule of Prior Year Audit Findings
Fiscal Year Ended March 31, 2020

There were no findings in the prior audit.