

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED MARCH 31, 2018

Mike Estes, P.C.
A Professional Accounting Corporation

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AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners
Housing Authority of Natchitoches
Natchitoches, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the Housing Authority of the City of Natchitoches, Louisiana as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise the Housing Authority of Natchitoches, Louisiana basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Housing Authority of the City of Natchitoches, Louisiana, as of March 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2018 on our consideration of the Housing Authority of the City of Natchitoches, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the City of Natchitoches, Louisiana's internal control over financial reporting and compliance.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
September 26, 2018

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

MARCH 31, 2018

Housing Authority of the City of Natchitoches

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Housing Authority of the City of Natchitoches

Management's Discussion and Analysis (MD&A)
March 31, 2018

As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended March 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5 - 7 of this report. All amounts, unless otherwise indicated, are rounded to nearest dollar.

FINANCIAL HIGHLIGHTS

- X The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$15,275,313 (net position). Of this amount, \$3,630,261 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- X The Housing Authority's total net position increased by \$224,593. This increase is attributable in large part to capital contributions from the U.S. Department of Housing and Urban Development was more than depreciation taken.
- X At the end of the current fiscal year, unrestricted net assets for the general fund was \$3,538,627 or 150 percent of the general fund total operating expenses.
- X The Housing Authority continues to operate without the need for debt borrowings during the current fiscal year.

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

COMPARATIVE CONDENSED FINANCIAL STATEMENTS (THOUSANDS)

	<u>BALANCE SHEET</u> <u>MARCH 31, 2018</u>	
	<u>2017</u>	<u>2018</u>
<u>ASSETS</u>		
Current Assets	\$ 3,659	\$ 3,878
Capital Assets, Net	11,620	11,625
<u>Total Assets</u>	<u>15,279</u>	<u>15,503</u>
<u>LIABILITIES</u>		
Current Liabilities	108	121
Non-Current Liabilities	120	107
<u>Total Liabilities</u>	<u>228</u>	<u>228</u>
<u>NET ASSETS</u>		
Invested in capital assets	11,620	11,625
Restricted	34	20
Unrestricted	3,396	3,630
<u>Total Net Position</u>	<u>15,050</u>	<u>15,275</u>

Housing Authority of the City of Natchitoches

**Management's Discussion and Analysis (MD&A)
March 31, 2018**

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
(THOUSANDS)
YEAR ENDED MARCH 31, 2018

<u>OPERATING REVENUES</u>	<u>2017</u>	<u>2018</u>
Rental and other	\$ 3,428,400	\$ 3,472,974
<u>OPERATING EXPENSES</u>		
Administration	682,794	704,426
Tenant Services	1,708	1,800
Utilities	21,511	26,235
Ordinary Maintenance & Operations	772,923	761,950
General	364,422	427,510
Depreciation	627,825	640,717
Housing Assistance Payments	1,256,578	1,270,069
Port Ins	12,903	4,092
Total Operating Expenses	<u>3,740,664</u>	<u>3,836,799</u>
Income (Loss) from Operations	<u>(312,264)</u>	<u>(363,825)</u>
<u>NON OPERATING REVENUES</u>		
Interest earnings & other	<u>9,631</u>	<u>10,440</u>
Total Non-Operating Revenues	<u>9,631</u>	<u>10,440</u>
Capital Contributions	<u>312,475</u>	<u>577,978</u>
Net Change in Position	<u>9,842</u>	<u>224,593</u>
Net Position at Beginning of Year	15,040,878	15,050,720
Net Position at End of Year	<u>15,050,720</u>	<u>15,275,313</u>

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

The General Fund net position increased from \$14,935,450 at March 31, 2017 to \$15,163,550 at March 31, 2018, an increase of \$228,100. Net assets invested in capital assets, net of related debt, increased from \$11,620,448 at March 31, 2017 to \$11,624,923 at March 31, 2018, and an increase of \$4,475. The increase was because capital fund improvements exceeded depreciation for the year.

The Housing choice voucher fund net position decreased from \$115,270 at March 31, 2017 to \$111,763 at March 31, 2018 a decrease of \$3,507.

USING THIS ANNUAL REPORT

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

Reporting the Housing Authority's Most Significant Funds

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

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

FINANCIAL ANALYSIS

The Housing Authority's net position was \$15,275,313 at March 31, 2018, an increase of \$224,593 or 1.49% above the \$15,050,720 at March 31, 2017. Of this amount, \$3,396,358 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limits the Housing Authority's ability to use that net position for day-to-day operations.

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

Total revenues and capital grants increased \$310,886 mainly due to:

- Capital grants from HUD increased \$265,503 due to formula funding changes.
- Operating grants from HUD increased \$42,509 due to formula funding changes.
- Other income decreased \$15,486.
- Dwelling rental and rental related charges increased \$21,032 principally due to increase in late charges and non-rental charges to tenants.
- Decrease in interest income of \$809, principally due to a decrease in Investments interest rates paid.

Total operating expenses increased \$96,135 due mainly to:

- Increase in housing assistance in Section 8 of \$13,491.
- Increase in insurance, depreciation, maintenance and general operating expenses.

Housing Authority of the City of Natchitoches

**Management's Discussion and Analysis (MD&A)
March 31, 2018**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At March 31, 2018, the Housing Authority had \$11,624,923 invested in a broad range of capital assets, including land, buildings, furniture, and equipment. This amount represents a net increase (including additions, deductions and depreciation) of approximately \$4,476 from the prior year.

Capital Assets at Year-End

	<u>2017</u>	<u>2018</u>
Land	\$ 957,400	\$ 957,400
Buildings	23,485,567	24,060,632
Furniture and equipment	<u>1,332,127</u>	<u>1,386,498</u>
Total	<u>25,775,094</u>	<u>26,404,530</u>
Less: accumulated depreciation	<u>14,154,647</u>	<u>14,779,607</u>
Fixed assets, net	<u>\$ 11,620,447</u>	<u>\$ 11,624,923</u>

This year's additions of \$629,437 are mainly the result of the renovation work in East and West Natchitoches paid for by the capital fund program, and equipment purchased by AMP 10 and AMP 20. A vehicle was also purchased by Central Office. No debt was issued for these additions.

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

Debt

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions. The budgets for March 31, 2018 fiscal year have already been submitted to HUD for approval and no major changes are expected.

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

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
STATEMENT OF NET POSITION

MARCH 31, 2018

	General	Housing Choice Voucher	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,729,152	\$ 90,388	\$ 2,819,540
Investments	797,029	0	797,029
Accounts receivable net	1,419	6,703	8,122
Prepaid items and other assets	146,030	4,027	150,057
Inventory	11,546	0	11,546
Restricted assets - cash and cash equivalents	71,935	20,129	92,064
Total Current Assets	3,757,111	121,247	3,878,358
Capital Assets, net			
Land and other non-depreciated assets	957,400	0	957,400
Other capital assets - net of depreciation	10,667,523	0	10,667,523
Total Capital Assets, net	11,624,923	0	11,624,923
Total Assets	\$ 15,382,034	121,247	\$ 15,503,281
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 29,314	\$ 1,185	\$ 30,499
Compensated absences payable	14,152	4,129	18,281
Deposits due others	71,935	0	71,935
Total Current Liabilities	115,401	5,314	120,715
Noncurrent Liabilities			
Compensated absences payable	103,083	4,170	107,253
Total Liabilities	218,484	9,484	227,968
NET POSITION			
Net investment in capital assets	11,624,923	0	11,624,923
Restricted for:			
HAP Equity	0	20,129	20,129
Unrestricted	3,538,627	91,634	3,630,261
Net Position	\$ 15,163,550	\$ 111,763	\$ 15,275,313

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

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

YEAR ENDED MARCH 31, 2018

	General	Voucher	Total
OPERATING REVENUES			
Dwelling rental	\$ 1,147,366	\$ 0	\$ 1,147,366
Tenant revenue - other	93,269	0	93,269
Governmental operating grants	737,425	1,477,714	2,215,139
Other	10,653	6,547	17,200
Total Operating Revenues	1,988,713	1,484,261	3,472,974
OPERATING EXPENSES			
Administration	518,405	186,021	704,426
Tenant services	1,800	0	1,800
Utilities	26,235	0	26,235
Ordinary maintenance & operations	761,950	0	761,950
General expenses	399,658	27,852	427,510
Depreciation	640,717	0	640,717
Housing assistance payments	0	1,270,069	1,270,069
Port-In HAP	0	4,092	4,092
Total Operating Expenses	2,348,765	1,488,034	3,836,799
Income (Loss) from Operations	(360,052)	(3,773)	(363,825)
Non Operating Revenues (Expenses)			
Interest earnings	10,174	266	10,440
Total Non-Operating Revenues (Expenses)	10,174	266	10,440
Income (Loss) before contribution	(349,878)	(3,507)	(353,385)
Capital Contribution	577,978	0	577,978
Change in net position	228,100	(3,507)	224,593
Total net position - beginning	14,935,450	115,270	15,050,720
Total net position - ending	\$ 15,163,550	\$ 111,763	\$ 15,275,313

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2018

	General	Housing Choice Voucher	Total
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Rental receipts	\$ 1,107,748	\$ 0	\$ 1,107,748
Other receipts	92,539	5,611	98,150
Federal grants	737,425	1,472,579	2,210,004
Payments to vendors	(806,186)	(34,775)	(840,961)
Payments to employees – net	(853,732)	(173,049)	(1,026,781)
Payments to private landlords	0	(1,274,161)	(1,274,161)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operating activities	277,794	(3,795)	273,999
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(645,192)	0	(645,192)
Federal Capital Grants	577,978	0	577,978
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by capital and related financing activities	(67,214)	0	(67,214)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	10,174	266	10,440
Purchase of investments	(2,307)	0	(2,307)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by investing activities	7,867	266	8,133
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	218,447	(3,529)	214,918
CASH AND CASH EQUIVALENTS Beginning of Fiscal Year	2,582,640	114,046	2,696,686
	<u> </u>	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS End of Fiscal Year	\$ 2,801,087	\$ 110,517	\$ 2,911,604
	<u> </u>	<u> </u>	<u> </u>

Continued

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2018

	General	Housing Choice Voucher	Total
	<u> </u>	<u> </u>	<u> </u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (360,052)	\$ (3,773)	\$ (363,825)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation Expense	640,717	0	640,717
Change in assets and liabilities:			
Receivables	3,262	(5,135)	(1,873)
Inventories	877	0	877
Prepaid items	(9,812)	8,203	(1,609)
Account payables	20,128	(3,090)	17,038
Unearned income	(5,943)	0	(5,943)
Deposits due others	(2,580)	0	(2,580)
Accrued PILOT	(8,803)	0	(8,803)
Net cash provided (used) by operations	<u>\$ 277,794</u>	<u>\$ (3,795)</u>	<u>\$ 273,999</u>

Concluded

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

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HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

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

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

The Housing Authority has the following units:

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

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

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

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

HOUSING AUTHORITY OF NATCHITOCHESS LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

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

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

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

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

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

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$2,911,464. This is comprised of cash and cash equivalents of \$2,819,540 and restricted assets – cash of \$92,064, on the statement of net position.

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

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

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

Definitions:

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

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

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

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

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

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

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

K. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

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

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

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

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

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

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at March 31, 2018. Deposits are stated at cost, which approximates fair value.

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

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

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

Restricted Cash: \$71,935 is restricted in the General Fund for security deposits. \$20,129 is restricted in the Housing Choice Voucher fund for HAP Equity.

At March 31, 2018, the Housing Authority's carrying amount of deposits was \$3,708,548 and the bank balance was \$4,055,413, which includes \$797,029 in certificates of deposits classified as investments. Petty cash consists of \$85. \$1,385,347 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$2,670,066 was covered by pledged securities. However, this \$2,670,066 was exposed to custodial credit risk, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

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

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at March 31, 2018, are as follows:

	General	Housing Choice Voucher	Total
<u>Class of Receivables</u>			
Local sources:			
Tenants	\$ 1,219	\$ 0	\$ 1,219
Federal sources:			
Grants	0	6,703	6,703
Other	200	0	200
Total	\$ 1,419	\$ 6,703	\$ 8,122

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

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

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 957,400	\$ 0	\$ 0	\$ 957,400
Depreciable assets:				
Buildings	23,485,566	575,065	0	24,060,631
Furniture and equipment	1,342,733	70,127	15,756	1,397,104
Total capital assets	25,785,699	645,192	15,756	26,415,135
Less: accumulated depreciation				
Buildings	13,471,143	617,209	0	14,088,352
Furniture and equipment	694,108	23,508	15,756	701,860
Total accumulated depreciation	14,165,251	640,717	15,756	14,790,212
Total capital assets, net	\$ 11,620,448	\$ 4,475	\$ 0	\$ 11,624,923

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

NOTE 5 – ACCOUNTS PAYABLE The payables at March 31, 2018 are as follows:

	General	Housing Choice Voucher	Total
Vendors	\$ 21,708	\$ 539	\$ 22,247
Payroll taxes	7,606	0	7,606
Federal sources:			
Grants	0	646	646
Total	\$ 29,314	\$ 1,185	\$ 30,499

NOTE 6 – COMPENSATED ABSENCES At March 31, 2018, employees of the Housing Authority have accumulated and vested \$125,534 of employee leave computed in accordance with GASB, Codification Section C60.

NOTE 7 – LONG-TERM OBLIGATIONS The following is a summary of the long-term obligation transactions for the year ended March 31, 2018.

	Compensated Absences	FSS Escrow	Total
Balance, beginning	\$ 126,043	\$ 936	\$ 126,979
Additions	40,840	632	41,472
Deletions	41,349	1,568	42,917
Balance, ending	125,534	0	125,534
Amounts due in one year	\$ 18,281	\$ 0	\$ 18,281

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

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

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

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

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

The Housing Authority made the required contributions of \$93,301 for the year ended March 31, 2018, of which \$50,081 was paid by the Housing Authority and \$43,220 was paid by employees. No payments were made out of the forfeiture account.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Commitments On May 15, 2017 the Authority entered into an Employment Agreement with the Executive Director. The agreement was for five years, beginning June 16, 2017. The agreement was a renewal of a similar agreement.

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

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

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

Litigation The Housing Authority is not presently involved in litigation.

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

Construction Projects There are certain renovation or construction projects in progress at March 31, 2018. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

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

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

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

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council Group Self Insured Fund (LHC) risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

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

NOTE 10 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$2,793,117 to the Housing Authority, which represents approximately 69% of the Housing Authority's total revenue and capital contributions for the year.

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2018

NOTE 11 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net position date through, September 26, 2018, of the independent auditor's report for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.



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AUDIT QUALITY CENTER

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

Independent Auditor's Report

Housing Authority of Natchitoches
Natchitoches, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund of the Housing Authority of the City of Natchitoches, Louisiana, as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Natchitoches, Louisiana's basic financial statements, and have issued our report thereon dated September 26, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
September 26, 2018



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

Independent Auditor's Report

Housing Authority of Natchitoches
Natchitoches, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Natchitoches, Louisiana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Natchitoches, Louisiana's major federal programs for the year ended March 31, 2018. The Housing Authority of the City of Natchitoches, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of the City of Natchitoches, Louisiana complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2018.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 charges with governance.

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

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

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

We have audited the financial statements of Housing Authority of the City of Natchitoches, Louisiana as of and for the year ended March 31, 2018, and have issued our report thereon dated September 26, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
September 26, 2018

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED MARCH 31, 2018

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 669,911
Capital Fund Program	14.872	645,492
Housing Choice Voucher	14.871	1,477,714
Total United States Department of Housing and Urban Development		\$ 2,793,117
Total Expenditures of Federal Awards		\$ 2,793,117

The accompanying notes are an integral part of this schedule.

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED MARCH 31, 2018

NOTE 1 – BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the City of Natchitoches, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended March 31, 2018. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority.

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

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

	Federal Sources
Enterprise Funds	
Governmental operating grants	\$ 2,215,139
Capital contributions	577,978
	2,793,117
Total	\$ 2,793,117

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2018

Section I – Summary of the Auditor’s Results

Financial Statement Audit

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

Audit of Federal Awards

1. Internal Control Over Major Programs:
 - a. Material weakness(es) identified? _____ yes ✓ no
 - b. Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes ✓ none reported
2. Type of Auditor’s Report Issued on Compliance For Major Programs – Unmodified.
3. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____ yes ✓ no
4. The programs tested as major programs include:

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

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2018

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

None

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2018

Section III – Findings and questioned costs for federal awards which are required to be reported under Uniform Guidance

None

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED MARCH 31, 2018

There were no audit findings.

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED MARCH 31, 2018

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

There were no prior audit findings.

SUPPLEMENTARY INFORMATION

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

YEAR ENDED MARCH 31, 2018

		2015 Capital Fund
Funds approved	\$	517,571
Funds expended		517,571
Excess of funds approved	\$	0
Funds advanced	\$	517,571
Funds expended		517,571
Excess (Deficiency) of funds advanced	\$	0

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statement of Modernization Costs dated December 6, 2017 accompanying the Actual Modernization Costs Certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED MARCH 31, 2018

CASH BASIS

	2016		2017
	Capital Fund		Capital Fund
	<u> </u>		<u> </u>
Funds approved	\$ 540,677	\$	568,785
Funds expended	385,027		8,035
Excess of funds approved	<u>\$ 155,650</u>	<u>\$</u>	<u>560,750</u>
 Funds advanced	 \$ 385,027	 \$	 8,035
Funds expended	385,027		8,035
Excess (Deficiency) of funds	<u>\$ 0</u>	<u>\$</u>	<u>0</u>

See accountant's report

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

YEAR ENDED MARCH 31, 2018

Agency Head Name: Monica Llorenc, Executive Director

Purpose	Amount
Salary	\$ 96,937
Benefits-insurance	8,251
Benefits-retirement	5,331
Benefits-<list any other here>	
Car allowance	
Vehicle provided by government	
Per diem	
Reimbursements	1,561
Travel	
Registration fees	
Conference travel	808
Continuing professional education fees	974
Housing	
Unvouchered expenses*	
Special meals	
Total	\$ 113,862

See accountant's report



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MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

AGREED UPON PROCEDURES REPORT

Independent Accountant's Report On Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the City of Natchitoches Housing Authority and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period April 1, 2017, through March 31, 2018. The City of Natchitoches Housing Authority's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving
 - d) ***Receipts***, including receiving, recording, and preparing deposits

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards** (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111- 1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results of Testing:

- a) The Authority has the above policies, except for Debt Service, which is not applicable.
- b) The notice regarding the public hearing regarding the adoption of the annual budget was timely posted and published in a local publication.

Board

2. Obtain and review the board/committee minutes for the fiscal period, and:

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

Results of Testing:

- a) The Board of Commissioners met timely, as required by the By-Laws.

- b) The minutes indicate the financial statements were reviewed at each meeting. Management asserts that these reviews include budget-to-actual comparisons of the General Fund. We recommend that in the future, the minutes specifically mention this review. We do note however, that the review does not mean that all a line by line review must be made of all budgeted to actual numbers.
- c) The minutes for each meeting referenced non-budgetary information at each meeting.

Corrective Action Response:

We will do as the auditor recommends and reference our review of budgeted-to-actual numbers in the General Fund financial statements.

Bank Reconciliations

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

Results of Testing:

We received Management's representation that the list is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;
- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results of Testing:

- a) Bank reconciliations were approved on a monthly basis.
- b) Bank reconciliations include evidence that a member of Management or a board member [with no involvement in the transactions associated with the bank account] has reviewed each bank reconciliation.
- c) Management documented that all checks outstanding for more than 6 months had been researched.

Collections

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

Results of Testing:

We obtained Management's representations that the list is complete.

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

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

Results of Testing:

- a) The employees that accept payments are bonded. The persons that accept payments do not make the bank deposits or reconcile the bank account.
- b) Written documentation exists that there is a person to reconcile cash collections to the general ledger and rental register by a person who is not responsible for cash collections.
- c) For our test period, all tenant receipts were deposited within one business day of collection. For our test period, the rental receipts, rental register, bank statement, and general ledger were satisfactorily reconciled.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Results of Testing:

Management has a procedure that defines how to determine the completeness of collections, including electronic transfers by a person not responsible for collections.

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

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

Results of Testing:

We obtained Management's representations that the list is complete.

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

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

Results of Testing:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
- b) Purchases were approved by a person who did not initiate the purchase.
- c) Payments were not processed without a person reviewing the invoice and agreeing the invoiced items to the goods purchased.

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

Results of Testing:

The person responsible for processing payments is prohibited from adding vendors to the system.

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

Results of Testing:

The persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

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

Results of Testing:

The supply of unused checks is maintained in a locked location, with access restricted to those persons who do not have signatory authority.

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

Results of Testing:

A signature stamp is used for Section Eight checks only. Adequate control is maintained for the stamp.

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

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

Results of Testing:

Management represented that the list is complete.

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

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

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.)]
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Results of Testing:

- a) The Authority does not use credit cards, but does use fuel cards. The monthly statements tested had supporting documentation that the charges were reviewed and approved in writing by someone else other than the authorized card holder. However, the documentation will be improved if the person reviewing the documentation will either sign or initial and date in roughly the same area of the monthly invoice, after the charges are agreed to detail.
- b) No finance charges and/or late fees were assessed on the statements listed.

Corrective Action Response:

We will initial and date the invoice after the monthly fuel charges are agreed to detail.

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

- a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased)
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results of Testing:

- a) The monthly statements contained itemized receipts for all goods and services tested.
- b) For each transaction tested, there was an original itemized receipt, and the business purpose documented.
- c) For each transaction tested, the transaction was in compliance with the requirements of Article 7, Section 14, of the Louisiana Constitution.

Travel and Expense Reimbursement

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

Results of Testing:

Management represented that the list is complete.

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

Results of Testing:

The Authority's travel and reimbursements policy is in compliance with the above.

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

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
- b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds,

credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

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

Results of Testing:

- a) Travel expenses were in compliance with written policies.
- b) Travel expenses were well documented.
- c) The expense documentation was reviewed by someone other than the person receiving reimbursement.

Contracts

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

Results of Testing:

Management represented that the list is complete.

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

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

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Results of Testing:

The results of our testing is as follows;

- a) Written contracts supported the amounts paid.
- b) The Authority complied with its Procurement Policy, which was in conformance with the federal Uniform Guidance requirements, in addition to conforming to the Louisiana Public Bid Law.
- c) The contracts were not amended.
- d) The invoices tested were in terms and conditions of the contract.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Results of Testing:

- a) Payments were made in accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Changes made to hourly pay rates/salaries during the fiscal period for the tested employees were approved in writing and in accordance with policy.

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

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Results of Testing:

- a) All selected employees documented their daily attendance and leave.
- b) There was written documentation that supervisors approved in writing the attendance and leave of the selected employees.
- c) There was written documentation that written leave records were maintained for the selected employees.

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

Results of Testing:

No employees were terminated during the year.

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

Results of Testing:

We noted no exceptions in the above tests.

Ethics (excluding nonprofits)

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

Results of Testing:

All employees tested obtained the required Ethics training during the audit year.

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

Results of Testing:

Management represents that no alleged violations were reported during the fiscal year.

Debt Service (excluding nonprofits)

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

Results of Testing:

Not applicable

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

Results of Testing:

Not applicable.

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

Results of Testing:

Not applicable.

Other

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

Results of Testing:

Management represents that they are not aware of any misappropriation of public funds or assets.

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

Results of Testing:

The notice is properly posted.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Results of Testing:

No exceptions to Management's representations were noted.

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

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

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
September 26, 2018

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Entity Wide Balance Sheet Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$1,798,871	\$90,388	\$224,199	\$706,082	\$2,819,540		\$2,819,540
112 Cash - Restricted - Modernization and Development							
113 Cash - Other Restricted		\$20,129			\$20,129		\$20,129
114 Cash - Tenant Security Deposits	\$71,935				\$71,935		\$71,935
115 Cash - Restricted for Payment of Current Liabilities							
100 Total Cash	\$1,870,806	\$110,517	\$224,199	\$706,082	\$2,911,604	\$0	\$2,911,604
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects		\$6,703			\$6,703		\$6,703
124 Accounts Receivable - Other Government				\$200	\$200		\$200
125 Accounts Receivable - Miscellaneous							
126 Accounts Receivable - Tenants	\$1,257				\$1,257		\$1,257
126.1 Allowance for Doubtful Accounts -Tenants	-\$38	\$0			-\$38		-\$38
126.2 Allowance for Doubtful Accounts - Other		\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current							
128 Fraud Recovery							
128.1 Allowance for Doubtful Accounts - Fraud							
129 Accrued Interest Receivable							
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,219	\$6,703	\$0	\$200	\$8,122	\$0	\$8,122
131 Investments - Unrestricted	\$407,217		\$38,782	\$351,030	\$797,029		\$797,029
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability							
142 Prepaid Expenses and Other Assets	\$139,699	\$4,027		\$6,331	\$150,057		\$150,057
143 Inventories	\$11,546				\$11,546		\$11,546
143.1 Allowance for Obsolete Inventories	\$0				\$0		\$0
144 Inter Program Due From							
145 Assets Held for Sale							
150 Total Current Assets	\$2,430,487	\$121,247	\$262,981	\$1,063,643	\$3,878,358	\$0	\$3,878,358

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Entity Wide Balance Sheet Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
161 Land	\$921,100		\$800	\$35,500	\$957,400		\$957,400
162 Buildings	\$23,857,970		\$27,643	\$175,018	\$24,060,631		\$24,060,631
163 Furniture, Equipment & Machinery - Dwellings	\$775,225			\$1,400	\$776,625		\$776,625
164 Furniture, Equipment & Machinery - Administration	\$532,546	\$10,605		\$77,328	\$620,479		\$620,479
165 Leasehold Improvements				\$0	\$0		\$0
166 Accumulated Depreciation	-\$14,564,502	-\$10,605	-\$22,095	-\$193,010	-\$14,790,212		-\$14,790,212
167 Construction in Progress							
168 Infrastructure							
160 Total Capital Assets, Net of Accumulated Depreciation	\$11,522,339	\$0	\$6,348	\$96,236	\$11,624,923	\$0	\$11,624,923
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	\$11,522,339	\$0	\$6,348	\$96,236	\$11,624,923	\$0	\$11,624,923
200 Deferred Outflow of Resources							
290 Total Assets and Deferred Outflow of Resources	\$13,952,826	\$121,247	\$269,329	\$1,159,879	\$15,503,281	\$0	\$15,503,281
311 Bank Overdraft							
312 Accounts Payable <= 90 Days	\$20,708	\$539	\$1,000	\$0	\$22,247		\$22,247
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable				\$7,606	\$7,606		\$7,606
322 Accrued Compensated Absences - Current Portion	\$7,862	\$4,129		\$6,290	\$18,281		\$18,281
324 Accrued Contingency Liability							
325 Accrued Interest Payable							
331 Accounts Payable - HUD PHA Programs		\$646			\$646		\$646
332 Account Payable - PHA Projects							

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Entity Wide Balance Sheet Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
333 Accounts Payable - Other Government							
341 Tenant Security Deposits	\$71,935				\$71,935		\$71,935
342 Unearned Revenue							
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue							
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities							
346 Accrued Liabilities - Other							
347 Inter Program - Due To							
348 Loan Liability - Current							
310 Total Current Liabilities	\$100,505	\$5,314	\$1,000	\$13,896	\$120,715	\$0	\$120,715
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	\$33,008	\$4,170		\$70,075	\$107,253		\$107,253
355 Loan Liability - Non Current							
356 FASB 5 Liabilities							
357 Accrued Pension and OPEB Liabilities							
350 Total Non-Current Liabilities	\$33,008	\$4,170	\$0	\$70,075	\$107,253	\$0	\$107,253
300 Total Liabilities	\$133,513	\$9,484	\$1,000	\$83,971	\$227,968	\$0	\$227,968
400 Deferred Inflow of Resources							
508.4 Net Investment in Capital Assets	\$11,522,339		\$6,348	\$96,236	\$11,624,923	\$0	\$11,624,923
511.4 Restricted Net Position		\$20,129		\$0	\$20,129	\$0	\$20,129
512.4 Unrestricted Net Position	\$2,296,974	\$91,634	\$261,981	\$979,672	\$3,630,261	\$0	\$3,630,261
513 Total Equity - Net Assets / Position	\$13,819,313	\$111,763	\$268,329	\$1,075,908	\$15,275,313	\$0	\$15,275,313
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$13,952,826	\$121,247	\$269,329	\$1,159,879	\$15,503,281	\$0	\$15,503,281

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Single Project Revenue and Expense			
East Natchitoches Amp #10			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$675,789		\$675,789
70400 Tenant Revenue - Other	\$46,953		\$46,953
70500 Total Tenant Revenue	\$722,742	\$0	\$722,742
70600 HUD PHA Operating Grants	\$306,142	\$67,514	\$373,656
70610 Capital Grants		\$577,978	\$577,978
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$3,909		\$3,909
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue			
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$1,032,793	\$645,492	\$1,678,285
91100 Administrative Salaries	\$71,572		\$71,572
91200 Auditing Fees	\$6,845		\$6,845
91300 Management Fee	\$179,659		\$179,659
91310 Book-keeping Fee	\$4,964		\$4,964
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$28,131		\$28,131
91600 Office Expenses	\$10,479		\$10,479
91700 Legal Expense			
91800 Travel	\$937		\$937
91810 Allocated Overhead			
91900 Other	\$36,714		\$36,714
91000 Total Operating - Administrative	\$339,301	\$0	\$339,301
92000 Asset Management Fee	\$9,928		\$9,928
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$838		\$838
92500 Total Tenant Services	\$838	\$0	\$838
93100 Water			
93200 Electricity	\$9,803		\$9,803
93300 Gas	\$4,571		\$4,571
93400 Fuel			
93500 Labor			

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Single Project Revenue and Expense			
East Natchitoches Amp #10			
	Low Rent	Capital Fund	Total Project
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$14,374	\$0	\$14,374
94100 Ordinary Maintenance and Operations - Labor	\$167,882		\$167,882
94200 Ordinary Maintenance and Operations - Materials and Other	\$92,434		\$92,434
94300 Ordinary Maintenance and Operations Contracts	\$86,534		\$86,534
94500 Employee Benefit Contributions - Ordinary Maintenance	\$66,015		\$66,015
94000 Total Maintenance	\$412,865	\$0	\$412,865
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$48,928		\$48,928
96120 Liability Insurance	\$26,683		\$26,683
96130 Workmen's Compensation	\$14,190		\$14,190
96140 All Other Insurance	\$9,392		\$9,392
96100 Total insurance Premiums	\$99,193	\$0	\$99,193
96200 Other General Expenses			
96210 Compensated Absences	\$6,271		\$6,271
96300 Payments in Lieu of Taxes	\$66,141		\$66,141
96400 Bad debt - Tenant Rents	\$14,822		\$14,822
96500 Bad debt - Mortgages			
96600 Bad debt - Other	\$0		\$0
96800 Severance Expense			
96000 Total Other General Expenses	\$87,234	\$0	\$87,234
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$963,733	\$0	\$963,733
97000 Excess of Operating Revenue over Operating Expenses	\$69,060	\$645,492	\$714,552
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$382,463		\$382,463
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$1,346,196	\$0	\$1,346,196

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Single Project Revenue and Expense			
East Natchitoches Amp #10			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$67,514		\$67,514
10020 Operating transfer Out		-\$67,514	-\$67,514
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)	\$67,514	-\$67,514	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$245,889	\$577,978	\$332,089
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$7,326,762	\$0	\$7,326,762
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$0
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	2592		2592
11210 Number of Unit Months Leased	2482		2482
11270 Excess Cash	\$892,046		\$892,046
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$576,766	\$576,766
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$1,212	\$1,212
11640 Furniture & Equipment - Administrative Purchases	\$34,323	\$0	\$34,323
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Single Project Revenue and Expense			
Brahma Drive/Blanchard Amp #20			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$463,677		\$463,677
70400 Tenant Revenue - Other	\$46,316		\$46,316
70500 Total Tenant Revenue	\$509,993	\$0	\$509,993
70600 HUD PHA Operating Grants	\$363,769		\$363,769
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$4,215		\$4,215
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	\$3,544		\$3,544
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$881,521	\$0	\$881,521
91100 Administrative Salaries	\$50,048		\$50,048
91200 Auditing Fees	\$6,845		\$6,845
91300 Management Fee	\$109,257		\$109,257
91310 Book-keeping Fee	\$4,218		\$4,218
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$27,976		\$27,976
91600 Office Expenses	\$6,889		\$6,889
91700 Legal Expense			
91800 Travel	\$1,547		\$1,547
91810 Allocated Overhead			
91900 Other	\$10,747		\$10,747
91000 Total Operating - Administrative	\$217,527	\$0	\$217,527
92000 Asset Management Fee	\$8,436		\$8,436
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$838		\$838
92500 Total Tenant Services	\$838	\$0	\$838
93100 Water			
93200 Electricity	\$3,765		\$3,765
93300 Gas	\$2,743		\$2,743
93400 Fuel			
93500 Labor			

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Single Project Revenue and Expense			
Brahma Drive/Blanchard Amp #20			
	Low Rent	Capital Fund	Total Project
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$6,508	\$0	\$6,508
94100 Ordinary Maintenance and Operations - Labor	\$131,423		\$131,423
94200 Ordinary Maintenance and Operations - Materials and Other	\$66,939		\$66,939
94300 Ordinary Maintenance and Operations Contracts	\$68,063		\$68,063
94500 Employee Benefit Contributions - Ordinary Maintenance	\$68,494		\$68,494
94000 Total Maintenance	\$334,919	\$0	\$334,919
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$46,038		\$46,038
96120 Liability Insurance	\$12,343		\$12,343
96130 Workmen's Compensation	\$11,352		\$11,352
96140 All Other Insurance	\$2,100		\$2,100
96100 Total insurance Premiums	\$71,833	\$0	\$71,833
96200 Other General Expenses			
96210 Compensated Absences	\$16,951		\$16,951
96300 Payments in Lieu of Taxes	\$45,717		\$45,717
96400 Bad debt - Tenant Rents	\$22,115		\$22,115
96500 Bad debt - Mortgages			
96600 Bad debt - Other	\$0		\$0
96800 Severance Expense			
96000 Total Other General Expenses	\$84,783	\$0	\$84,783
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$724,844	\$0	\$724,844
97000 Excess of Operating Revenue over Operating Expenses	\$156,677	\$0	\$156,677
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$248,219		\$248,219
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$973,063	\$0	\$973,063

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Single Project Revenue and Expense			
Brahma Drive/Blanchard Amp #20			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$91,542	\$0	-\$91,542
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$6,252,004	\$0	\$6,252,004
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	2184		2184
11210 Number of Unit Months Leased	2132		2132
11270 Excess Cash	\$1,145,977		\$1,145,977
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$34,592	\$0	\$34,592
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$1,139,466		\$7,900		\$1,147,366		\$1,147,366
70400 Tenant Revenue - Other	\$93,269				\$93,269		\$93,269
70500 Total Tenant Revenue	\$1,232,735	\$0	\$7,900	\$0	\$1,240,635	\$0	\$1,240,635
70600 HUD PHA Operating Grants	\$737,425	\$1,477,714			\$2,215,139		\$2,215,139
70610 Capital Grants	\$577,978				\$577,978		\$577,978
70710 Management Fee				\$288,916	\$288,916	-\$288,916	\$0
70720 Asset Management Fee				\$18,364	\$18,364	-\$18,364	\$0
70730 Book Keeping Fee				\$11,167	\$11,167	-\$11,167	\$0
70740 Front Line Service Fee							
70750 Other Fees							
70700 Total Fee Revenue				\$318,447	\$318,447	-\$318,447	\$0
70800 Other Government Grants							
71100 Investment Income - Unrestricted	\$8,124	\$266	\$304	\$1,746	\$10,440		\$10,440
71200 Mortgage Interest Income							
71300 Proceeds from Disposition of Assets Held for Sale							
71310 Cost of Sale of Assets							
71400 Fraud Recovery		\$2,023			\$2,023		\$2,023
71500 Other Revenue	\$3,544	\$4,524	\$1,694	\$5,415	\$15,177		\$15,177
71600 Gain or Loss on Sale of Capital Assets							
72000 Investment Income - Restricted							
70000 Total Revenue	\$2,559,806	\$1,484,527	\$9,898	\$325,608	\$4,379,839	-\$318,447	\$4,061,392
91100 Administrative Salaries	\$121,620	\$102,748		\$143,468	\$367,836		\$367,836
91200 Auditing Fees	\$13,690	\$3,330		\$2,385	\$19,405		\$19,405
91300 Management Fee	\$288,916				\$288,916	-\$288,916	\$0
91310 Book-keeping Fee	\$9,182		\$1,985		\$11,167	-\$11,167	\$0
91400 Advertising and Marketing							
91500 Employee Benefit contributions - Administrative	\$56,107	\$54,643		\$54,466	\$165,216		\$165,216
91600 Office Expenses	\$17,368	\$11,449		\$20,255	\$49,072		\$49,072

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
91700 Legal Expense				\$4,800	\$4,800		\$4,800
91800 Travel	\$2,484	\$4,407		\$9,557	\$16,448		\$16,448
91810 Allocated Overhead							
91900 Other	\$47,461	\$9,444	\$4,832	\$19,912	\$81,649		\$81,649
91000 Total Operating - Administrative	\$556,828	\$186,021	\$6,817	\$254,843	\$1,004,509	-\$300,083	\$704,426
92000 Asset Management Fee	\$18,364				\$18,364	-\$18,364	\$0
92100 Tenant Services - Salaries							
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services							
92400 Tenant Services - Other	\$1,676			\$124	\$1,800		\$1,800
92500 Total Tenant Services	\$1,676	\$0	\$0	\$124	\$1,800	\$0	\$1,800
93100 Water							
93200 Electricity	\$13,568			\$4,414	\$17,982		\$17,982
93300 Gas	\$7,314			\$939	\$8,253		\$8,253
93400 Fuel							
93500 Labor							
93600 Sewer							
93700 Employee Benefit Contributions - Utilities							
93800 Other Utilities Expense		\$0			\$0		\$0
93000 Total Utilities	\$20,882	\$0	\$0	\$5,353	\$26,235	\$0	\$26,235
94100 Ordinary Maintenance and Operations - Labor	\$299,305				\$299,305		\$299,305
94200 Ordinary Maintenance and Operations - Materials and Other	\$159,373		\$192	\$3,594	\$163,159		\$163,159
94300 Ordinary Maintenance and Operations Contracts	\$154,597			\$10,380	\$164,977		\$164,977
94500 Employee Benefit Contributions - Ordinary Maintenance	\$134,509				\$134,509		\$134,509
94000 Total Maintenance	\$747,784	\$0	\$192	\$13,974	\$761,950	\$0	\$761,950
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs							

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$94,966			\$8,269	\$103,235		\$103,235
96120 Liability Insurance	\$39,026	\$5,883	\$1,189	\$7,624	\$53,722		\$53,722
96130 Workmen's Compensation	\$25,542	\$7,471		\$8,108	\$41,121		\$41,121
96140 All Other Insurance	\$11,492			\$600	\$12,092		\$12,092
96100 Total insurance Premiums	\$171,026	\$13,354	\$1,189	\$24,601	\$210,170	\$0	\$210,170
96200 Other General Expenses		\$1,533			\$1,533		\$1,533
96210 Compensated Absences	\$23,222	\$12,965		\$30,825	\$67,012		\$67,012
96300 Payments in Lieu of Taxes	\$111,858				\$111,858		\$111,858
96400 Bad debt - Tenant Rents	\$36,937				\$36,937		\$36,937
96500 Bad debt - Mortgages							
96600 Bad debt - Other	\$0				\$0		\$0
96800 Severance Expense							
96000 Total Other General Expenses	\$172,017	\$14,498	\$0	\$30,825	\$217,340	\$0	\$217,340
96710 Interest of Mortgage (or Bonds) Payable							
96720 Interest on Notes Payable (Short and Long Term)							
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$1,688,577	\$213,873	\$8,198	\$329,720	\$2,240,368	-\$318,447	\$1,921,921
97000 Excess of Operating Revenue over Operating Expenses	\$871,229	\$1,270,654	\$1,700	-\$4,112	\$2,139,471	\$0	\$2,139,471
97100 Extraordinary Maintenance							
97200 Casualty Losses - Non-capitalized							
97300 Housing Assistance Payments		\$1,270,069			\$1,270,069		\$1,270,069
97350 HAP Portability-In		\$4,092			\$4,092		\$4,092

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
97400 Depreciation Expense	\$630,682		\$567	\$9,468	\$640,717		\$640,717
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
90000 Total Expenses	\$2,319,259	\$1,488,034	\$8,765	\$339,188	\$4,155,246	-\$318,447	\$3,836,799
10010 Operating Transfer In	\$67,514				\$67,514		\$67,514
10020 Operating transfer Out	-\$67,514				-\$67,514		-\$67,514
10030 Operating Transfers from/to Primary Government							
10040 Operating Transfers from/to Component Unit							
10050 Proceeds from Notes, Loans and Bonds							
10060 Proceeds from Property Sales							
10070 Extraordinary Items, Net Gain/Loss							
10080 Special Items (Net Gain/Loss)							
10091 Inter Project Excess Cash Transfer In							
10092 Inter Project Excess Cash Transfer Out							
10093 Transfers between Program and Project - In							
10094 Transfers between Project and Program - Out							
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$240,547	-\$3,507	\$1,133	-\$13,580	\$224,593	\$0	\$224,593
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$13,578,766	\$115,270	\$267,196	\$1,089,488	\$15,050,720	\$0	\$15,050,720
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0				\$0	\$0	\$0
11050 Changes in Compensated Absence Balance							
11060 Changes in Contingent Liability Balance							
11070 Changes in Unrecognized Pension Transition Liability							
11080 Changes in Special Term/Severance Benefits Liability							
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents							

HOUSING AUTHORITY OF NATCHITOCHEs LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED MARCH 31, 2018

Entity Wide Revenue and Expense Summary							
	Project Total	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
11100 Changes in Allowance for Doubtful Accounts - Other							
11170 Administrative Fee Equity		\$91,634			\$91,634		\$91,634
11180 Housing Assistance Payments Equity		\$20,129			\$20,129		\$20,129
11190 Unit Months Available	4776	4399	12		9187	0	9187
11210 Number of Unit Months Leased	4614	4375	11		9000	0	9000
11270 Excess Cash	\$2,038,023				\$2,038,023		\$2,038,023
11610 Land Purchases	\$0			\$0	\$0		\$0
11620 Building Purchases	\$576,766			\$0	\$576,766		\$576,766
11630 Furniture & Equipment - Dwelling Purchases	\$35,804			\$0	\$35,804		\$35,804
11640 Furniture & Equipment - Administrative Purchases	\$34,323			\$0	\$34,323		\$34,323
11650 Leasehold Improvements Purchases	\$0			\$0	\$0		\$0
11660 Infrastructure Purchases	\$0			\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0			\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0			\$0	\$0		\$0