

**Housing Authority of the  
VILLAGE OF FENTON**  
Fenton, Louisiana

**Annual Financial Report  
As of and for the Year Ended December 31, 2018**

**HOUSING AUTHORITY OF THE VILLAGE OF FENTON**  
 Fenton, Louisiana  
 Basic Financial Statements  
 As of and for the Year Ended December 31, 2018  
 With Supplemental Information Schedules

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**INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
Housing Authority of the Village of Fenton  
Fenton, Louisiana

**Report on the Financial Statements**

I have audited the accompanying financial statements of the Housing Authority of the Village of Fenton (the authority) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which comprise the Authority's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

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

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

## HOUSING AUTHORITY OF THE VILLAGE OF FENTON

Fenton, Louisiana  
Independent Auditor's Report, 2018  
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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### **Opinions**

In my opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the Housing Authority of the Village of Fenton as of December 31, 2018, and the respective changes in financial position and cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the *Management's discussion and analysis* as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

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

The Financial Data Schedule and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**HOUSING AUTHORITY OF THE VILLAGE OF FENTON**

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated May 2, 2019 on my consideration of the authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the authority's internal control over financial reporting and compliance.

*William Daniel McCaskill*

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William Daniel McCaskill, CPA  
A Professional Accounting Corporation

May 2, 2019

# ***Fenton Housing Authority Management's Discussion and Analysis For the Year Ended December 31, 2018***

## **Introduction**

This Management's Discussion and Analysis (MD&A) of the Fenton Housing Authority (Authority) provides an introduction and overview to the financial statements of the Fenton Housing Authority for the fiscal year ended December 31, 2018. The Fenton Housing Authority presents this discussion and analysis of its financial performance during the fiscal year ended December 31, 2018, to assist the reader in focusing on significant financial issues.

The primary focus of the Authority's financial statements is on the statements of its single enterprise fund encompassing all programs administered by the Fenton Housing Authority. This information contained herein this MD&A should be considered in conjunction with the Authority's financial statements and related notes to the financial statements.

The Authority has two individual programs. They include the Low Rent Public Housing Program and the Capital Fund Program.

The Low Rent Program consists of 25 dwelling units. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula.

The Capital Fund Program is also a formula based program from HUD. The purpose of this program is to provide funding for the modernization and improvement of the Low Rent Public Housing Program. These resources allow the Housing Authority to provide capital improvements for the current dwelling structures and assist in their operations.

The Housing Authority is managed by the Welsh Housing Authority.

## **Overview of the Financial Statements**

This overview of the financial statement is intended to inform and introduce the reader to the Authority's financial statements. The financial statements are comprised of three individual statements. These statements include:

- The Statement of Net Position
- The Statement of Revenues, Expense, and Changes in Net Position
- The Statement of Cash Flows

## ***Management's Discussion and Analysis-Cont.***

**The Statement of Net Position** presents information on the assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the differences between them being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial situation of the Authority is improving or deteriorating. Net position is comprised of three individual components:

- *Investment in Capital Assets* consists of capital asset balances net of accumulated depreciation less any outstanding balances of related debt associated with these assets.
- *Restricted* component of net position consists of resources that are restricted by limitations placed on these resources by an external source or imposed by law through constitutional provisions.
- *Unrestricted* component of net position represents the remaining resources available that do not meet the definition of the above categories. The unrestricted component of net position is basically the amount of resources available for future year appropriations.

**The Statement of Revenues, Expenses, and Changes in Net Position** reports the operating revenues, operating expenses, non-operating revenues, and non-operating expenses of the Authority for the fiscal year ended December 31, 2018 to determine the change in net position for the fiscal year.

**The Statement of Cash Flows** reports cash activities for the fiscal year resulting from operating activities, investing activities, non-capital financing activities, and capital and related financing activities. The net result of these activities represents the increase or decrease of the cash equivalent account balance for the year ended December 31, 2018.

### **Financial Highlights**

- The Fenton Housing Authority's total net position decreased from \$459,039 in 2017 to \$427,233 in 2018, for a decrease of \$31,806. The total assets decreased by \$33,214 or 7% from the previous year.
- The unrestricted component of net position's balance is \$15,475 at December 31, 2018. This represents an increase of \$3,169, or 26% from the previous year.
- Total revenues increased from \$131,947 in 2017 to \$158,446 in 2018, representing an increase of \$26,499 or 20%.
- Total expenses decreased by \$25,986 from \$216,238 to \$190,252 for the current year.

## *Management's Discussion and Analysis-Cont.*

### *Housing Authority Activities & Highlights*

The Housing Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements. The table below lists the asset and liability comparisons for the year ended December 31, 2018 and December 31, 2017.

#### *Summary Statement of Net Position Years Ended December 31, 2018 and 2017*

| <b>Category</b>                    | <b>12/31/2018</b> | <b>12/31/2017</b> | <b>Change \$</b> | <b>Change %</b> |
|------------------------------------|-------------------|-------------------|------------------|-----------------|
| Current Assets                     | \$ 29,196         | \$ 27,435         | \$ 1,761         | 6%              |
| Fixed Assets (Net of Depreciation) | \$ 411,758        | \$ 446,733        | \$ (34,975)      | -8%             |
| Total Assets                       | \$ 440,954        | \$ 474,168        | \$ (33,214)      | -7%             |
|                                    |                   |                   |                  |                 |
| Current Liabilities                | \$ 13,721         | \$ 15,129         | \$ (1,408)       | -9%             |
| Total Liabilities                  | \$ 13,721         | \$ 15,129         | \$ (1,408)       | -9%             |
|                                    |                   |                   |                  |                 |
| Unrestricted                       | \$ 15,475         | \$ 12,306         | \$ 3,169         | 26%             |
| Net Investment in Capital Assets   | \$ 411,758        | \$ 446,733        | \$ (34,975)      | -8%             |
| Total Net Position                 | \$ 427,233        | \$ 459,039        | \$ (31,806)      | -7%             |

#### *Current Assets*

Current assets increased by \$1,761, from \$27,435 in 2017 to \$29,196 in 2018. Cash increased by \$1,211 primarily due to an excess of operating income over operating expenses including the amounts drawn from CFP operations.

#### *Fixed Assets*

Fixed assets decreased by \$34,975, from \$446,733 in 2017 to \$411,758 in 2018. The primary reason for the decrease is due to charging of depreciation expense.

#### *Current Liabilities*

The Authority's current liabilities decreased from \$15,129 to \$13,721, a change of \$1,408 or 9% for the current year. Accounts payable – other government decreased by \$1,087, from \$7,227 in 2017 to \$6,140 in 2018.

#### *Net Position*

The Authority's total net position decreased by \$31,806 or 7% from the previous year.

The Authority's unrestricted component of net position increased from \$12,306 to \$15,475, an increase of \$3,169, or 26% for the current year due to an excess of operating

## *Management's Discussion and Analysis-Cont.*

income over operating expenses including the amounts drawn from CFP operations. The unrestricted component of net position is the amount available for future appropriations. This balance is subject to program specific guidelines.

### *Summary Statement of Revenues & Expenses and Changes in Net Position Years Ended December 31, 2018 and 2017*

| <b>Category</b>                         | <b>12/31/2018</b> | <b>12/31/2017</b> | <b>Change \$</b> | <b>Change %</b> |
|-----------------------------------------|-------------------|-------------------|------------------|-----------------|
| Program Revenues:                       |                   |                   |                  |                 |
| Tenant Revenue                          | \$ 66,318         | \$ 74,562         | \$ (8,244)       | -11%            |
| Government Operating Grants             | \$ 75,323         | \$ 57,212         | \$ 18,111        | 32%             |
| Capital Grants                          | \$ 12,600         | \$ -              | \$ 12,600        | 100%            |
| Other Revenue                           | \$ 4,205          | \$ 173            | \$ 4,032         | 2331%           |
| Total Revenue                           | \$ 158,446        | \$ 131,947        | \$ 26,499        | 20%             |
| Expenses:                               |                   |                   |                  |                 |
| Administration                          | \$ 79,917         | \$ 54,344         | \$ 25,573        | 47%             |
| Utilities                               | \$ 3,006          | \$ 2,293          | \$ 713           | 31%             |
| Ordinary Maintenance                    | \$ 33,967         | \$ 34,272         | \$ (305)         | -1%             |
| General/Insurance Expense               | \$ 25,788         | \$ 78,245         | \$ (52,457)      | -67%            |
| Depreciation                            | \$ 47,574         | \$ 47,084         | \$ 490           | 1%              |
| Total Expenses                          | \$ 190,252        | \$ 216,238        | \$ (25,986)      | -12%            |
| Excess (Deficiency) Before Special Item | \$ (31,806)       | \$ (84,291)       | \$ 52,485        | -62%            |
| Change in Net Position                  | \$ (31,806)       | \$ (84,291)       | \$ 52,485        | -62%            |
| Net Position, Beginning of Year         | \$ 459,039        | \$ 543,330        | \$ (84,291)      | -16%            |
| Net Position, End of Year               | \$ 427,233        | \$ 459,039        | \$ (31,806)      | -7%             |

### *Results of Operations*

Revenues of the Authority are generated principally from dwelling rents and HUD grants (including Operating and Capital Funds). The Authority's revenue increased by \$26,499 during the current fiscal year. Significant changes in revenues are as follows:

- Tenant revenue decreased by \$8,244 or 11%. The average rent charged to the tenant decreased from a previous year average of \$266 to a current year average of \$226.
- HUD Operating Grants increased by \$18,111 or 32% from the previous fiscal year total of \$57,212 to the December 31, 2018 total of \$75,323. Low Rent Program operating subsidy decreased by \$1,948, while the CFP operating grants increased by \$20,059 from the prior year.

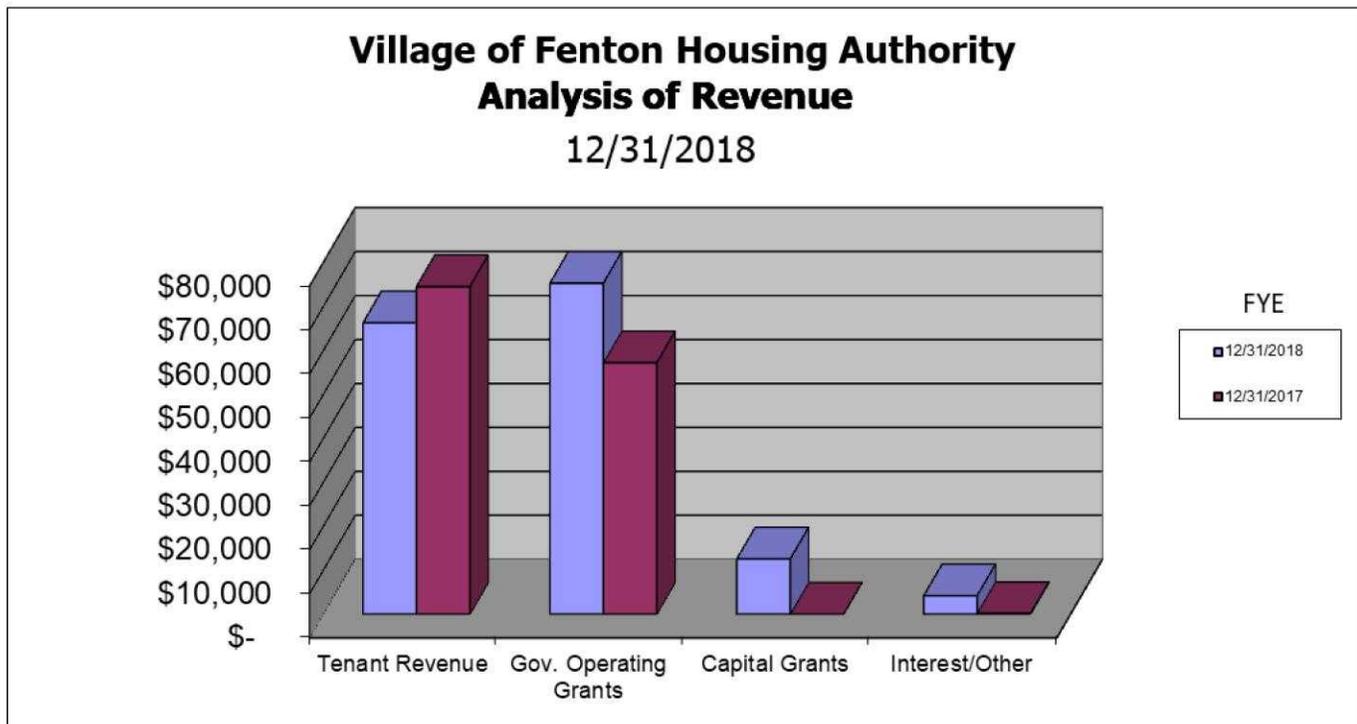
## *Management's Discussion and Analysis-Cont.*

- Capital Grants increased by \$12,600 primarily due to increased utilization of current CFP Programs.
- Other revenue increased by \$4,032. This is primarily due to additional miscellaneous revenue received.

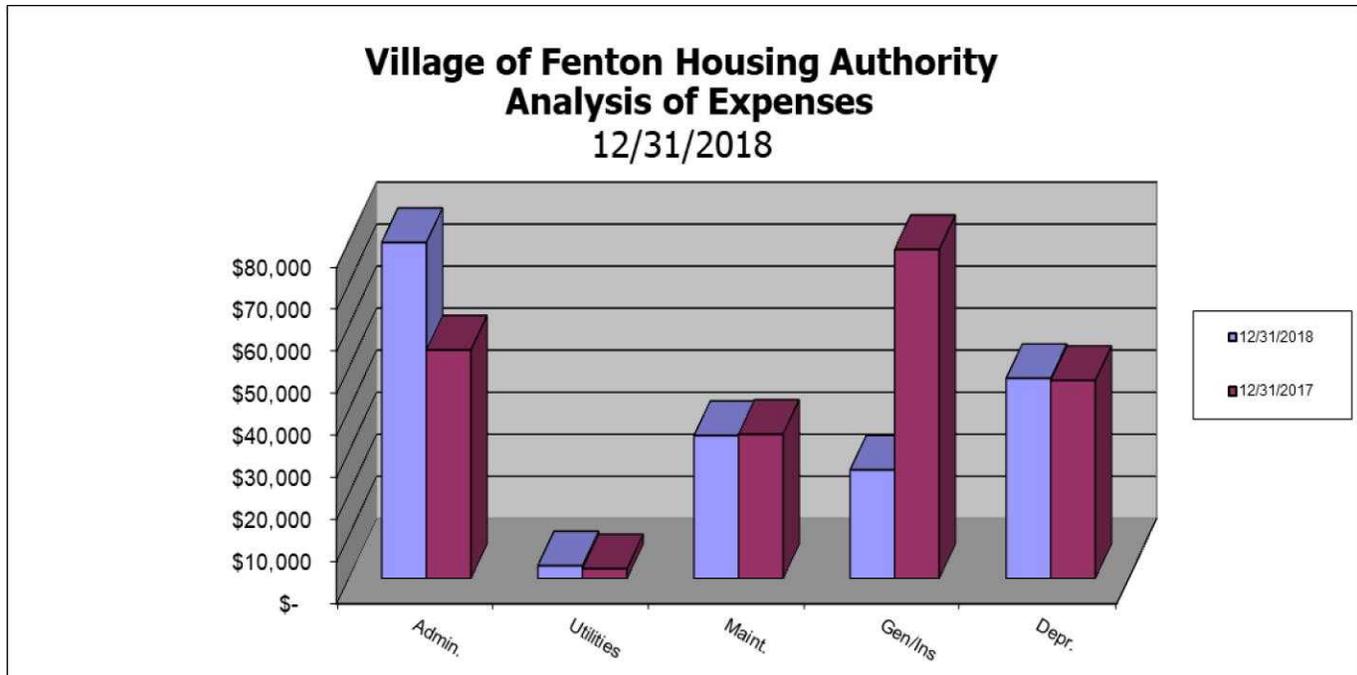
The Authority's total expenses decreased by \$25,986 from the previous year. Significant changes in expenses are as follows:

- Administrative expenses increased by \$25,573 or 47% during the current year, due to the reclassification of maintenance salaries and benefits in the amount of \$18,851 to other administrative expenses. Management fees also increased in the amount of \$6,250.
- General expenses decreased by \$52,457. Other general expenses decreased by \$38,889 while collection losses decreased by \$12,058

We have provided the following presentations to demonstrate the revenues and expenses by summarized account category:



## Management's Discussion and Analysis-Cont.



### Capital Assets

As of December 31, 2018, the Fenton Housing Authority's total capital assets were \$411,758. This investment includes land, buildings, and equipment, net of accumulated depreciation.

| Category                 | 12/31/2018     | 12/31/2017     | Change \$   | Change % |
|--------------------------|----------------|----------------|-------------|----------|
| Land                     | \$ 29,049      | \$ 29,049      | \$ -        | 0%       |
| Buildings                | \$ 1,820,082   | \$ 1,807,482   | \$ 12,600   | 1%       |
| Equipment                | \$ 40,312      | \$ 40,312      | \$ -        | 0%       |
| Accumulated Depreciation | \$ (1,477,685) | \$ (1,430,110) | \$ (47,575) | 3%       |
| Total Net Fixed Assets   | \$ 411,758     | \$ 446,733     | \$ (34,975) | -8%      |

Additions to buildings are due to the replacement of three HVAC units funded with the 2015 and 2016 Capital Fund Programs.

### Debt Administration

The Authority had no debt obligations as of December 31, 2018.

## *Management's Discussion and Analysis-Cont.*

### **Request for Information**

This financial report is designed to provide a general overview of the Authority's accountability for all those interested.

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Fenton Housing Authority  
Calena Boullard, Executive Director  
P.O. Box 299  
Fenton, LA 70640-0299

**Housing Authority of the Village of Fenton**  
**Fenton, Louisiana**  
Statement of Net Position  
As of December 31, 2018

**ASSETS****Current assets**

|                                               |              |
|-----------------------------------------------|--------------|
| Cash and cash equivalents                     | 11,447       |
| Receivables:                                  |              |
| HUD                                           | 4,917        |
| Tenant rents, net of allowance                | 2,252        |
| Prepaid expenses                              | 5,204        |
| Inventory, net of allowance                   | 603          |
| Restricted assets - cash and cash equivalents | <u>4,773</u> |

**Total current assets** 29,196

**Noncurrent assets**

## Capital assets:

## Nondepreciable capital assets:

|                                     |               |
|-------------------------------------|---------------|
| Land                                | <u>29,049</u> |
| Total nondepreciable capital assets | <u>29,049</u> |

## Depreciable capital assets:

|                                                                   |                    |
|-------------------------------------------------------------------|--------------------|
| Buildings and improvements                                        | 1,820,082          |
| Furniture and equipment                                           | 40,312             |
| Less accumulated depreciation                                     | <u>(1,477,685)</u> |
| Total depreciable capital assets, net of accumulated depreciation | <u>382,709</u>     |

    Total capital assets, net of accumulated depreciation 411,758

**TOTAL ASSETS** 440,954

**LIABILITIES AND NET POSITION****Current Liabilities**

|                              |              |
|------------------------------|--------------|
| Accounts payable             | 561          |
| Payable to other governments | 6,140        |
| Unearned revenue             | 77           |
| Other liability              | 2,170        |
| Security deposit liability   | <u>4,773</u> |

**Total current liabilities** 13,721

**TOTAL LIABILITIES** 13,721

**NET POSITION**

|                                   |               |
|-----------------------------------|---------------|
| Net Investments in Capital Assets | 411,758       |
| Restricted                        | -             |
| Unrestricted                      | <u>15,475</u> |

**TOTAL NET POSITION** \$ 427,233

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

**Housing Authority of the Village of Fenton**  
 Fenton, Louisiana  
 Statement of Revenues, Expenses, and Changes In Net Position  
 For the Year ended December 31, 2018

|                                                                                   |                          |
|-----------------------------------------------------------------------------------|--------------------------|
| <b>Operating Revenues</b>                                                         |                          |
| HUD Operating Grants                                                              | \$ 75,323                |
| Dwelling Rental                                                                   | 64,405                   |
| Other Operating                                                                   | <u>1,913</u>             |
| <b>Total operating revenues</b>                                                   | <u>141,641</u>           |
| <b>Operating Expenses</b>                                                         |                          |
| General and administrative                                                        | 105,705                  |
| Repairs and maintenance                                                           | 33,967                   |
| Utilities                                                                         | 3,006                    |
| Depreciation and amortization                                                     | <u>47,574</u>            |
| <b>Total operating expenses</b>                                                   | <u>190,252</u>           |
| <b>Operating income (loss)</b>                                                    | (48,611)                 |
| <b>Nonoperating Revenues (Expenses):</b>                                          |                          |
| Miscellaneous revenues                                                            | <u>4,205</u>             |
| <b>Total nonoperating revenues (expenses)</b>                                     | <u>4,205</u>             |
| <b>Income (loss) before other revenues, expenses, gains, losses and transfers</b> | (44,406)                 |
| Capital contributions (grants)                                                    | 12,600                   |
| <b>Increase (decrease) in net position</b>                                        | (31,806)                 |
| <b>Net position, beginning of year</b>                                            | <u>459,039</u>           |
| <b>Net position, end of year</b>                                                  | <u><u>\$ 427,233</u></u> |

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

**Housing Authority of the Village of Fenton**  
**Statement of Cash Flows**  
For the Year ended December 31, 2018

|                                                                                                |                   |
|------------------------------------------------------------------------------------------------|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                    |                   |
| Receipts from federal subsidies                                                                | \$ 70,406         |
| Receipts from tenants                                                                          | 71,455            |
| Payments to suppliers                                                                          | <u>(144,855)</u>  |
| <b>Net cash provided by operating activities</b>                                               | <u>(2,994)</u>    |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                                         |                   |
| Miscellaneous revenues                                                                         | <u>4,205</u>      |
| <b>Net cash provided by noncapital financing activities</b>                                    | <u>4,205</u>      |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                                |                   |
| Proceeds from capital grants                                                                   | 12,600            |
| Purchase and construction of capital assets                                                    | <u>(12,600)</u>   |
| <b>Net cash (used in) capital and related financing activities</b>                             | <u>-</u>          |
| Net increase (decrease) in cash and cash equivalents                                           | <u>1,211</u>      |
| <b>Cash and cash equivalents - beginning of year</b>                                           | <u>15,009</u>     |
| Cash and Cash equivalents - unrestricted                                                       | 11,447            |
| Cash and Cash equivalents - restricted                                                         | 4,773             |
| <b>Total Cash and Cash Equivalents - end of year</b>                                           | <u>\$ 16,220</u>  |
| <b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b> |                   |
| Operating (loss)                                                                               | \$ (48,611)       |
| Adjustments to reconcile operating (loss) to net cash provided by operating activities:        |                   |
| Depreciation and amortization                                                                  | 47,574            |
| Changes in assets and liabilities:                                                             |                   |
| HUD receivable                                                                                 | (4,917)           |
| Tenant rents, net of allowance                                                                 | 5,137             |
| Prepaid insurance                                                                              | (167)             |
| Inventories                                                                                    | (603)             |
| Accounts payable                                                                               | (2,098)           |
| Accrued wages payable                                                                          | (519)             |
| PILOT Payable                                                                                  | (1,087)           |
| Unearned revenue                                                                               | (173)             |
| Other liability                                                                                | 2,170             |
| Security deposit liability                                                                     | <u>300</u>        |
| Net cash provided by operating activities                                                      | <u>\$ (2,994)</u> |

The accompanying notes are an integral part of the financial statements

## HOUSING AUTHORITY OF THE VILLAGE OF FENTON

Fenton, Louisiana

Notes to the Basic Financial Statements

December 31, 2018

### *NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

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

#### (1) Reporting Entity

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

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

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

## HOUSING AUTHORITY OF THE VILLAGE OF FENTON

Fenton, Louisiana

Notes to the Financial Statements, 2018 – Continued

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

### (2) Funds

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

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the authority's enterprise fund are HUD operating grants and subsidies, and tenant dwelling rents. Operating expenses include General and Administrative expenses, repairs and maintenance expenses, utilities and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The accompanying basic financial statements of the authority have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis—For State and Local Governments*, which was unanimously approved in June 1999 by the GASB.

## HOUSING AUTHORITY OF THE VILLAGE OF FENTON

Fenton, Louisiana

Notes to the Financial Statements, 2018 – Continued

### (3) Measurement focus and basis of accounting

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

### (4) Assets, liabilities, and net position

#### (a) Deposits

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

#### (b) Inventory and prepaid items

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

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

#### (c) Restricted Assets

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

#### (d) Capital assets

Capital assets of the authority are included in the statement of net position and are recorded at actual cost. The capitalization threshold is \$1,000. Depreciation of all exhaustible fixed assets is charged as an expense against operations.

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

**HOUSING AUTHORITY OF THE VILLAGE OF FENTON**

Fenton, Louisiana

Notes to the Financial Statements, 2018 – Continued

|                                |          |
|--------------------------------|----------|
| Buildings                      | 33 years |
| Modernization and improvements | 15 years |
| Furniture and equipment        | 5 years  |

(e) Due from/to other governments or agencies

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

(f) Allowance for doubtful accounts

The authority provides an allowance for doubtful accounts, as needed, for accounts deemed not collectible. At December 31, 2018, the management of the authority established an allowance for doubtful accounts of approximately \$3,373.

(g) Restricted net position

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

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

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

(h) Use of estimates

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

**HOUSING AUTHORITY OF THE VILLAGE OF FENTON**

Fenton, Louisiana

Notes to the Financial Statements, 2018 – Continued

**NOTE B – DEPOSITS**

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

As of December 31, 2018, the authority's carrying amount of deposits was \$16,220, which includes the following:

|                                        |          |
|----------------------------------------|----------|
| Cash and cash equivalents-unrestricted | \$11,447 |
| Cash and cash equivalents- restricted  | 4,773    |
| Total                                  | \$16,220 |

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

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

Custodial Credit Risk—This is the risk that in the event of a bank failure, the authority's deposits may not be returned to it. The authority does not have a policy for custodial credit risk. \$25,449 of the authority's total deposits were covered by federal depository insurance, and do not have custodial credit risk. The bank balances at December 31, 2018 totaled \$25,449.

## HOUSING AUTHORITY OF THE VILLAGE OF FENTON

Fenton, Louisiana

Notes to the Financial Statements, 2018 – Continued

### NOTE C - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2018 was as follows:

|                                | <u>12 31 2017</u> | <u>Additions</u>  | <u>Deletions</u> | <u>12 31 2018</u> |
|--------------------------------|-------------------|-------------------|------------------|-------------------|
| <b>Nondepreciable Assets:</b>  |                   |                   |                  |                   |
| Land                           | \$ 29,049         |                   |                  | \$ 29,049         |
| Construction in Progress       | -                 | -                 | -                | -                 |
| <b>Depreciable Assets:</b>     |                   |                   |                  |                   |
| Building and improvements      | 1,807,482         | 12,600            | -                | 1,820,082         |
| Furniture and equipment        | <u>40,312</u>     | <u>17,623</u>     | <u>17,623</u>    | <u>40,312</u>     |
| Total                          | <u>1,876,843</u>  | <u>30,223</u>     | <u>17,623</u>    | <u>1,889,443</u>  |
| Less accumulated depreciation  |                   |                   |                  |                   |
| Building and improvements      | 1,396,687         | 43,374            | -                | 1,440,061         |
| Furniture and equipment        | <u>33,424</u>     | <u>4,200</u>      | <u>-</u>         | <u>37,624</u>     |
| Total accumulated depreciation | <u>1,430,111</u>  | <u>47,574</u>     | <u>-</u>         | <u>1,477,685</u>  |
| Net Capital Assets             | <u>\$ 446,732</u> | <u>\$(17,351)</u> | <u>\$ 17,623</u> | <u>\$ 411,758</u> |

### NOTE D – POST EMPLOYMENT RETIREMENT BENEFITS

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

### NOTE E – RISK MANAGEMENT

The authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The authority's risk management program encompasses obtaining property and liability insurance.

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

## **HOUSING AUTHORITY OF THE VILLAGE OF FENTON**

Fenton, Louisiana

Notes to the Financial Statements, 2018 – Continued

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

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

### *NOTE F – FEDERAL COMPLIANCE CONTINGENCIES*

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

### *NOTE G – CONTINGENCIES*

Management has not recorded contingent amounts for potential recoveries from the FHA bonding company for claims related to actions by a former staff member. As well, management has not recorded contingent amounts for possible recoveries from a former staff member.

### *NOTE H – RELATED PARTY TRANSACTIONS*

Effective November 7, 2017, the Authority (FHA) entered into an annual agreement with Welsh Housing Authority (WHA) whereby WHA will manage FHA operations. The current WHA Executive Director is assigned the Acting Executive Director role for FHA. The agreement is automatically annually renewed and was encouraged by HUD. FHA indemnifies WHA board and employees. Compensation includes a monthly management fee which includes actual cost reimbursement including salary and employee benefit costs to WHA.

## **HOUSING AUTHORITY OF THE VILLAGE OF FENTON**

Fenton, Louisiana

Notes to the Financial Statements, 2018 – Continued

### *NOTE I – SUBSEQUENT EVENTS*

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the balance sheet date, require disclosure in the accompanying notes. Management evaluated the activity of the authority through May 2, 2019 and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

### *NOTE J – ECONOMIC DEPENDENCE*

Financial Accounting Standards Boards Accounting Standards Codification 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$87,923 to the authority, which represents approximately 55% of the authority's total revenue for the year.

# Financial Data Schedule

## Village of Fenton Housing Authority (LA261) Fenton, LA

### Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2018

|                                                                   | Project Total | Subtotal     | ELIM | Total        |
|-------------------------------------------------------------------|---------------|--------------|------|--------------|
| 111 Cash - Unrestricted                                           | \$11,447      | \$11,447     | \$0  | \$11,447     |
| 112 Cash - Restricted - Modernization and Development             | \$0           | \$0          | \$0  | \$0          |
| 113 Cash - Other Restricted                                       | \$0           | \$0          | \$0  | \$0          |
| 114 Cash - Tenant Security Deposits                               | \$4,773       | \$4,773      | \$0  | \$4,773      |
| 115 Cash - Restricted for Payment of Current Liabilities          | \$0           | \$0          | \$0  | \$0          |
| 100 Total Cash                                                    | \$16,220      | \$16,220     | \$0  | \$16,220     |
| 121 Accounts Receivable - PHA Projects                            | \$0           | \$0          | \$0  | \$0          |
| 122 Accounts Receivable - HUD Other Projects                      | \$4,917       | \$4,917      | \$0  | \$4,917      |
| 124 Accounts Receivable - Other Government                        | \$0           | \$0          | \$0  | \$0          |
| 125 Accounts Receivable - Miscellaneous                           | \$0           | \$0          | \$0  | \$0          |
| 126 Accounts Receivable - Tenants                                 | \$5,625       | \$5,625      | \$0  | \$5,625      |
| 126.1 Allowance for Doubtful Accounts - Tenants                   | -\$3,373      | -\$3,373     | \$0  | -\$3,373     |
| 126.2 Allowance for Doubtful Accounts - Other                     | \$0           | \$0          | \$0  | \$0          |
| 127 Notes, Loans, & Mortgages Receivable - Current                | \$0           | \$0          | \$0  | \$0          |
| 128 Fraud Recovery                                                | \$0           | \$0          | \$0  | \$0          |
| 128.1 Allowance for Doubtful Accounts - Fraud                     | \$0           | \$0          | \$0  | \$0          |
| 129 Accrued Interest Receivable                                   | \$0           | \$0          | \$0  | \$0          |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts    | \$7,169       | \$7,169      | \$0  | \$7,169      |
| 131 Investments - Unrestricted                                    | \$0           | \$0          | \$0  | \$0          |
| 132 Investments - Restricted                                      | \$0           | \$0          | \$0  | \$0          |
| 135 Investments - Restricted for Payment of Current Liability     | \$0           | \$0          | \$0  | \$0          |
| 142 Prepaid Expenses and Other Assets                             | \$5,204       | \$5,204      | \$0  | \$5,204      |
| 143 Inventories                                                   | \$670         | \$670        | \$0  | \$670        |
| 143.1 Allowance for Obsolete Inventories                          | -\$67         | -\$67        | \$0  | -\$67        |
| 144 Inter Program Due From                                        | \$0           | \$0          | \$0  | \$0          |
| 145 Assets Held for Sale                                          | \$0           | \$0          | \$0  | \$0          |
| 150 Total Current Assets                                          | \$29,196      | \$29,196     | \$0  | \$29,196     |
| 161 Land                                                          | \$29,049      | \$29,049     | \$0  | \$29,049     |
| 162 Buildings                                                     | \$1,820,082   | \$1,820,082  | \$0  | \$1,820,082  |
| 163 Furniture, Equipment & Machinery - Dwellings                  | \$9,364       | \$9,364      | \$0  | \$9,364      |
| 164 Furniture, Equipment & Machinery - Administration             | \$30,948      | \$30,948     | \$0  | \$30,948     |
| 165 Leasehold Improvements                                        | \$0           | \$0          | \$0  | \$0          |
| 166 Accumulated Depreciation                                      | -\$1,477,685  | -\$1,477,685 | \$0  | -\$1,477,685 |
| 167 Construction in Progress                                      | \$0           | \$0          | \$0  | \$0          |
| 168 Infrastructure                                                | \$0           | \$0          | \$0  | \$0          |
| 160 Total Capital Assets, Net of Accumulated Depreciation         | \$411,758     | \$411,758    | \$0  | \$411,758    |
| 171 Notes, Loans and Mortgages Receivable - Non-Current           | \$0           | \$0          | \$0  | \$0          |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | \$0           | \$0          | \$0  | \$0          |
| 173 Grants Receivable - Non Current                               | \$0           | \$0          | \$0  | \$0          |
| 174 Other Assets                                                  | \$0           | \$0          | \$0  | \$0          |
| 176 Investments in Joint Ventures                                 | \$0           | \$0          | \$0  | \$0          |
| 180 Total Non-Current Assets                                      | \$411,758     | \$411,758    | \$0  | \$411,758    |
| 200 Deferred Outflow of Resources                                 | \$0           | \$0          | \$0  | \$0          |
| 290 Total Assets and Deferred Outflow of Resources                | \$440,954     | \$440,954    | \$0  | \$440,954    |

# Financial Data Schedule

## Village of Fenton Housing Authority (LA261) Fenton, LA Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2018

|                                                                           | Project Total | Subtotal  | ELIM | Total     |
|---------------------------------------------------------------------------|---------------|-----------|------|-----------|
| 311 Bank Overdraft                                                        | \$0           | \$0       | \$0  | \$0       |
| 312 Accounts Payable <= 90 Days                                           | \$561         | \$561     | \$0  | \$561     |
| 313 Accounts Payable >90 Days Past Due                                    | \$0           | \$0       | \$0  | \$0       |
| 321 Accrued Wage/Payroll Taxes Payable                                    |               | \$0       | \$0  | \$0       |
| 322 Accrued Compensated Absences - Current Portion                        | \$0           | \$0       | \$0  | \$0       |
| 324 Accrued Contingency Liability                                         | \$0           | \$0       | \$0  | \$0       |
| 325 Accrued Interest Payable                                              | \$0           | \$0       | \$0  | \$0       |
| 331 Accounts Payable - HUD PHA Programs                                   | \$0           | \$0       | \$0  | \$0       |
| 332 Account Payable - PHA Projects                                        | \$0           | \$0       | \$0  | \$0       |
| 333 Accounts Payable - Other Government                                   | \$6,140       | \$6,140   | \$0  | \$6,140   |
| 341 Tenant Security Deposits                                              | \$4,773       | \$4,773   | \$0  | \$4,773   |
| 342 Unearned Revenue                                                      | \$77          | \$77      | \$0  | \$77      |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue | \$0           | \$0       | \$0  | \$0       |
| 344 Current Portion of Long-term Debt - Operating Borrowings              | \$0           | \$0       | \$0  | \$0       |
| 345 Other Current Liabilities                                             | \$2,170       | \$2,170   | \$0  | \$2,170   |
| 346 Accrued Liabilities - Other                                           | \$0           | \$0       | \$0  | \$0       |
| 347 Inter Program - Due To                                                | \$0           | \$0       | \$0  | \$0       |
| 348 Loan Liability - Current                                              | \$0           | \$0       | \$0  | \$0       |
| 310 Total Current Liabilities                                             | \$13,721      | \$13,721  | \$0  | \$13,721  |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue    | \$0           | \$0       | \$0  | \$0       |
| 352 Long-term Debt, Net of Current - Operating Borrowings                 | \$0           | \$0       | \$0  | \$0       |
| 353 Non-current Liabilities - Other                                       | \$0           | \$0       | \$0  | \$0       |
| 354 Accrued Compensated Absences - Non Current                            |               | \$0       | \$0  | \$0       |
| 355 Loan Liability - Non Current                                          | \$0           | \$0       | \$0  | \$0       |
| 356 FASB 5 Liabilities                                                    | \$0           | \$0       | \$0  | \$0       |
| 357 Accrued Pension and OPEB Liabilities                                  | \$0           | \$0       | \$0  | \$0       |
| 350 Total Non-Current Liabilities                                         | \$0           | \$0       | \$0  | \$0       |
| 300 Total Liabilities                                                     | \$13,721      | \$13,721  | \$0  | \$13,721  |
| 400 Deferred Inflow of Resources                                          |               |           |      |           |
| 508.4 Net Investment in Capital Assets                                    | \$411,758     | \$411,758 |      | \$411,758 |
| 511.4 Restricted Net Position                                             |               |           |      |           |
| 512.4 Unrestricted Net Position                                           | \$15,475      | \$15,475  |      | \$15,475  |
| 513 Total Equity - Net Assets / Position                                  | \$427,233     | \$427,233 | \$0  | \$427,233 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net     | \$440,954     | \$440,954 | \$0  | \$440,954 |

# Financial Data Schedule

## Village of Fenton Housing Authority (LA261) Fenton, LA

### Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2018

|                                                         | Project Total | Subtotal  | ELIM | Total     |
|---------------------------------------------------------|---------------|-----------|------|-----------|
| 70300 Net Tenant Rental Revenue                         | \$64,405      | \$64,405  | \$0  | \$64,405  |
| 70400 Tenant Revenue - Other                            | \$1,913       | \$1,913   | \$0  | \$1,913   |
| 70500 Total Tenant Revenue                              | \$66,318      | \$66,318  | \$0  | \$66,318  |
| 70600 HUD PHA Operating Grants                          | \$75,323      | \$75,323  | \$0  | \$75,323  |
| 70610 Capital Grants                                    | \$12,600      | \$12,600  | \$0  | \$12,600  |
| 70710 Management Fee                                    |               | \$0       | \$0  | \$0       |
| 70720 Asset Management Fee                              |               | \$0       | \$0  | \$0       |
| 70730 Book Keeping Fee                                  |               | \$0       | \$0  | \$0       |
| 70740 Front Line Service Fee                            |               | \$0       | \$0  | \$0       |
| 70750 Other Fees                                        |               | \$0       | \$0  | \$0       |
| 70700 Total Fee Revenue                                 |               | \$0       | \$0  | \$0       |
| 70800 Other Government Grants                           | \$0           | \$0       | \$0  | \$0       |
| 71100 Investment Income - Unrestricted                  | \$0           | \$0       | \$0  | \$0       |
| 71200 Mortgage Interest Income                          | \$0           | \$0       | \$0  | \$0       |
| 71300 Proceeds from Disposition of Assets Held for Sale | \$0           | \$0       | \$0  | \$0       |
| 71310 Cost of Sale of Assets                            | \$0           | \$0       | \$0  | \$0       |
| 71400 Fraud Recovery                                    | \$0           | \$0       | \$0  | \$0       |
| 71500 Other Revenue                                     | \$4,205       | \$4,205   | \$0  | \$4,205   |
| 71600 Gain or Loss on Sale of Capital Assets            | \$0           | \$0       | \$0  | \$0       |
| 72000 Investment Income - Restricted                    | \$0           | \$0       | \$0  | \$0       |
| 70000 Total Revenue                                     | \$158,446     | \$158,446 | \$0  | \$158,446 |
| 91100 Administrative Salaries                           | \$0           | \$0       | \$0  | \$0       |
| 91200 Auditing Fees                                     | \$10,910      | \$10,910  | \$0  | \$10,910  |
| 91300 Management Fee                                    | \$7,500       | \$7,500   | \$0  | \$7,500   |
| 91310 Book-keeping Fee                                  | \$0           | \$0       | \$0  | \$0       |
| 91400 Advertising and Marketing                         | \$0           | \$0       | \$0  | \$0       |
| 91500 Employee Benefit contributions - Administrative   | \$0           | \$0       | \$0  | \$0       |
| 91600 Office Expenses                                   | \$5,948       | \$5,948   | \$0  | \$5,948   |
| 91700 Legal Expense                                     | \$0           | \$0       | \$0  | \$0       |
| 91800 Travel                                            | \$0           | \$0       | \$0  | \$0       |
| 91810 Allocated Overhead                                | \$0           | \$0       | \$0  | \$0       |
| 91900 Other                                             | \$55,559      | \$55,559  | \$0  | \$55,559  |
| 91000 Total Operating - Administrative                  | \$79,917      | \$79,917  | \$0  | \$79,917  |
| 92000 Asset Management Fee                              | \$0           | \$0       | \$0  | \$0       |
| 92100 Tenant Services - Salaries                        | \$0           | \$0       | \$0  | \$0       |
| 92200 Relocation Costs                                  | \$0           | \$0       | \$0  | \$0       |
| 92300 Employee Benefit Contributions - Tenant Services  | \$0           | \$0       | \$0  | \$0       |
| 92400 Tenant Services - Other                           | \$0           | \$0       | \$0  | \$0       |
| 92500 Total Tenant Services                             | \$0           | \$0       | \$0  | \$0       |

# Financial Data Schedule

## Village of Fenton Housing Authority (LA261) Fenton, LA

### Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2018

|                                                                 | Project Total | Subtotal  | ELIM | Total     |
|-----------------------------------------------------------------|---------------|-----------|------|-----------|
| 93100 Water                                                     | \$150         | \$150     | \$0  | \$150     |
| 93200 Electricity                                               | \$2,689       | \$2,689   | \$0  | \$2,689   |
| 93300 Gas                                                       | \$0           | \$0       | \$0  | \$0       |
| 93400 Fuel                                                      | \$0           | \$0       | \$0  | \$0       |
| 93500 Labor                                                     | \$0           | \$0       | \$0  | \$0       |
| 93600 Sewer                                                     | \$167         | \$167     | \$0  | \$167     |
| 93700 Employee Benefit Contributions - Utilities                | \$0           | \$0       | \$0  | \$0       |
| 93800 Other Utilities Expense                                   | \$0           | \$0       | \$0  | \$0       |
| 93000 Total Utilities                                           | \$3,006       | \$3,006   | \$0  | \$3,006   |
| 94100 Ordinary Maintenance and Operations - Labor               | \$0           | \$0       | \$0  | \$0       |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$13,614      | \$13,614  | \$0  | \$13,614  |
| 94300 Ordinary Maintenance and Operations Contracts             | \$20,353      | \$20,353  | \$0  | \$20,353  |
| 94500 Employee Benefit Contributions - Ordinary Maintenance     | \$0           | \$0       | \$0  | \$0       |
| 94000 Total Maintenance                                         | \$33,967      | \$33,967  | \$0  | \$33,967  |
| 95100 Protective Services - Labor                               | \$0           | \$0       | \$0  | \$0       |
| 95200 Protective Services - Other Contract Costs                | \$0           | \$0       | \$0  | \$0       |
| 95300 Protective Services - Other                               | \$0           | \$0       | \$0  | \$0       |
| 95500 Employee Benefit Contributions - Protective Services      | \$0           | \$0       | \$0  | \$0       |
| 95000 Total Protective Services                                 | \$0           | \$0       | \$0  | \$0       |
| 96110 Property Insurance                                        | \$11,668      | \$11,668  | \$0  | \$11,668  |
| 96120 Liability Insurance                                       | \$1,323       | \$1,323   | \$0  | \$1,323   |
| 96130 Workmen's Compensation                                    | \$906         | \$906     | \$0  | \$906     |
| 96140 All Other Insurance                                       | \$2,063       | \$2,063   | \$0  | \$2,063   |
| 96100 Total insurance Premiums                                  | \$15,960      | \$15,960  | \$0  | \$15,960  |
| 96200 Other General Expenses                                    | \$337         | \$337     | \$0  | \$337     |
| 96210 Compensated Absences                                      | \$0           | \$0       | \$0  | \$0       |
| 96300 Payments in Lieu of Taxes                                 | \$6,140       | \$6,140   | \$0  | \$6,140   |
| 96400 Bad debt - Tenant Rents                                   | \$3,351       | \$3,351   | \$0  | \$3,351   |
| 96500 Bad debt - Mortgages                                      | \$0           | \$0       | \$0  | \$0       |
| 96600 Bad debt - Other                                          | \$0           | \$0       | \$0  | \$0       |
| 96800 Severance Expense                                         | \$0           | \$0       | \$0  | \$0       |
| 96000 Total Other General Expenses                              | \$9,828       | \$9,828   | \$0  | \$9,828   |
| 96710 Interest of Mortgage (or Bonds) Payable                   | \$0           | \$0       | \$0  | \$0       |
| 96720 Interest on Notes Payable (Short and Long Term)           | \$0           | \$0       | \$0  | \$0       |
| 96730 Amortization of Bond Issue Costs                          | \$0           | \$0       | \$0  | \$0       |
| 96700 Total Interest Expense and Amortization Cost              | \$0           | \$0       | \$0  | \$0       |
| 96900 Total Operating Expenses                                  | \$142,678     | \$142,678 | \$0  | \$142,678 |
| 97000 Excess of Operating Revenue over Operating Expenses       | \$15,768      | \$15,768  | \$0  | \$15,768  |

# Financial Data Schedule

## Village of Fenton Housing Authority (LA261) Fenton, LA

### Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2018

|                                                                           | Project Total | Subtotal  | ELIM      | Total     |
|---------------------------------------------------------------------------|---------------|-----------|-----------|-----------|
| 97100 Extraordinary Maintenance                                           | \$0           | \$0       | \$0       | \$0       |
| 97200 Casualty Losses - Non-capitalized                                   | \$0           | \$0       | \$0       | \$0       |
| 97300 Housing Assistance Payments                                         | \$0           | \$0       | \$0       | \$0       |
| 97350 HAP Portability-In                                                  | \$0           | \$0       | \$0       | \$0       |
| 97400 Depreciation Expense                                                | \$47,574      | \$47,574  | \$0       | \$47,574  |
| 97500 Fraud Losses                                                        | \$0           | \$0       | \$0       | \$0       |
| 97600 Capital Outlays - Governmental Funds                                |               |           |           |           |
| 97700 Debt Principal Payment - Governmental Funds                         |               |           |           |           |
| 97800 Dwelling Units Rent Expense                                         | \$0           | \$0       | \$0       | \$0       |
| 90000 Total Expenses                                                      | \$190,252     | \$190,252 | \$0       | \$190,252 |
| 10010 Operating Transfer In                                               | \$18,693      | \$18,693  | -\$18,693 | \$0       |
| 10020 Operating transfer Out                                              | -\$18,693     | -\$18,693 | \$18,693  | \$0       |
| 10030 Operating Transfers from/to Primary Government                      | \$0           | \$0       | \$0       | \$0       |
| 10040 Operating Transfers from/to Component Unit                          | \$0           | \$0       | \$0       | \$0       |
| 10050 Proceeds from Notes, Loans and Bonds                                |               |           |           |           |
| 10100 Total Other financing Sources (Uses)                                | \$0           | \$0       | \$0       | \$0       |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses    | -\$31,806     | -\$31,806 | \$0       | -\$31,806 |
| 11020 Required Annual Debt Principal Payments                             | \$0           | \$0       |           | \$0       |
| 11030 Beginning Equity                                                    | \$459,039     | \$459,039 | \$0       | \$459,039 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | \$0           | \$0       | \$0       | \$0       |
| 11170 Administrative Fee Equity                                           |               |           |           |           |
| 11180 Housing Assistance Payments Equity                                  |               |           |           |           |
| 11190 Unit Months Available                                               | 300           | 300       | 0         | 300       |
| 11210 Number of Unit Months Leased                                        | 285           | 285       | 0         | 285       |
| 11270 Excess Cash                                                         | -\$2,030      | -\$2,030  |           | -\$2,030  |
| 11610 Land Purchases                                                      | \$0           | \$0       |           | \$0       |
| 11620 Building Purchases                                                  | \$12,600      | \$12,600  |           | \$12,600  |
| 11630 Furniture & Equipment - Dwelling Purchases                          | \$0           | \$0       |           | \$0       |
| 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 the Village of Fenton**

### **Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer**

**For the Year Ended December 31, 2018**

Mrs. Calena Sanchez Boullard, Executive Director for the Housing Authority of Welsh (WHA) is the acting director for Fenton Housing Authority. Fenton Housing Authority pays a management fee to WHA through a management agreement. There were no salaries, reimbursements or other payments made to Mrs. Boullard.

**HOUSING AUTHORITY OF THE  
VILLAGE OF FENTON**

Fenton, Louisiana

Schedule of Compensation Paid to Board Members  
Fiscal Year Ended December 31, 2018

Board members serve without compensation.

**William Daniel McCaskill, CPA**  
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Member of  
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American Institute of CPA's

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

Board of Commissioners  
**Housing Authority of the Village of Fenton**  
Fenton, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the Village of Fenton, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the authority's basic financial statements, and have issued my report thereon dated May 2, 2019.

**Internal Control Over Financial Reporting**

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

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

## HOUSING AUTHORITY OF THE VILLAGE OF FENTON

Fenton, Louisiana  
Report on Internal Control... *Government*  
*Auditing Standards*, 2018  
Page Two

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*William Daniel McCaskill*

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William Daniel McCaskill, CPA  
A Professional Accounting Corporation

May 2, 2019

**HOUSING AUTHORITY OF THE  
VILLAGE OF FENTON**

Fenton, Louisiana

Schedule of Findings  
Fiscal Year Ended December 31, 2018

**Section I—Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements  
noted?       yes       no

**SECTION II - FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**HOUSING AUTHORITY OF THE  
VILLAGE OF FENTON**

Fenton, Louisiana

Schedule of Prior Year Audit Findings  
Fiscal Year Ended December 31, 2018

**FINDING 2017-001 – Misappropriation of funds by a former employee.**

**This is not repeated**

**FINDING 2017-002 - Failure of Board of commissioners – inadequate oversight.**

**This is not repeated**