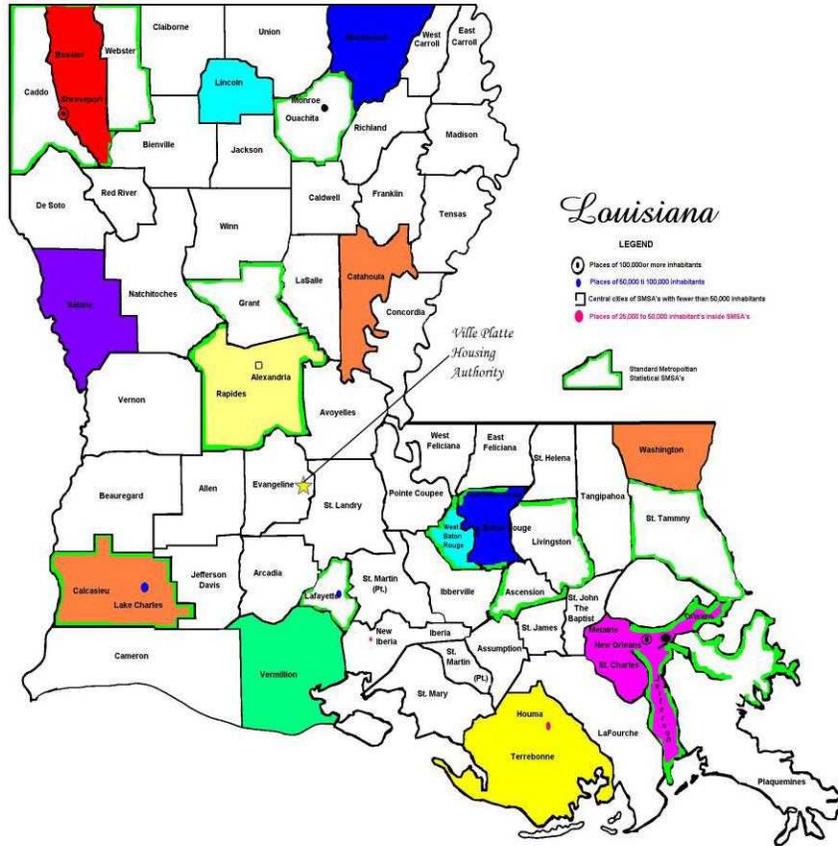


**HOUSING AUTHORITY
OF THE
CITY OF VILLE PLATTE, LOUISIANA**

**Financial Statements &
Supplemental Financial Information**

June 30, 2020

HOUSING AUTHORITY OF THE CITY OF VILLE PLATTE VILLE PLATTE, LOUISIANA



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

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**Table of Contents
June 30, 2020**

	<u>Page No.</u>
Independent Auditor's Report.....	1-3
Management's Discussion & Analysis.....	4-7
<u>Basic Financial Statements</u>	
Statement of Net Position.....	9
Statement of Revenues, Expenses, & Changes in Net Position	10
Statement of Cash Flows.....	11
Statement of Cash Flows Reconciliation.....	12
Notes to the Basic Financial Statements.....	13-20
<u>Supplemental Information</u>	
Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer.....	22
Schedule of Compensation Paid to Board Members.....	23
Schedule of Expenditures of Federal Awards.....	24
Notes to the Schedule of Expenditures of Federal Awards.....	25
Statement and Certification of Actual Modernization Cost.....	26
<u>Other Reports</u>	
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 <i>Government Auditing Standards</i>	28-29
Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required By Uniform Guidance.....	30-31
Schedule of Findings and Questioned Cost.....	32-33
Management's Corrective Action for Current Year Audit Findings.....	34
Management's Summary of Prior Year Findings.....	35
Financial Data Schedule.....	36

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A., C.F.E.
davidvercher@centurytel.net

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

MEMBERS

American Institute of
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INDEPENDENT AUDITOR'S REPORT

Housing Authority of the City of Ville Platte
Ville Platte, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the City of Ville Platte, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the City of Ville Platte, as of June 30, 2020, and the respective changes in financial position and cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Ville Platte's basic financial statements. The accompanying Financial Data Schedule, required by HUD, and supplementary schedules and statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Financial Data Schedule, the Schedule of Expenditures of Federal Awards and supplementary schedules and statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule, the Schedule of Expenditures of Federal Awards and supplementary schedules and statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2020, on our consideration of the Housing Authority of the City of Ville Platte's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Ville Platte's internal control over financial reporting and compliance.

The Vercher Group

Jena, Louisiana

September 21, 2020

**Housing Authority of the City of Ville Platte
Management's Discussion and Analysis
June 30, 2020**

As management of the Housing Authority of the City of Ville Platte, we offer readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements, which are attached.

Financial Highlights

The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$6,724,850 (Net Position).

As of the close of the current fiscal year, the Authority's ending unrestricted net position was \$576,955.

The Authority's cash balance at June 30, 2020, was \$558,493, of which \$36,484 was restricted cash for tenant security deposits.

The Authority had total operating revenue of \$1,373,406, total non-operating revenue of \$8,191, and capital contributions of \$280,119.

The Authority had total operating expenses of \$1,625,072, and total non-operating expenses of \$13,946.

The Authority had a total change in net position of \$22,698 for the year.

Overview of the Basic Financial Statements

The discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows, and the notes to the basic financial statements. This report also contains the Schedule of Expenditures of Federal Awards as supplementary information in addition to the basic financial statements themselves.

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

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

**Housing Authority of the City of Ville Platte
Management's Discussion and Analysis - Continued
June 30, 2020**

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

The Authority's overall financial position and operations for the year is summarized below based on the information in the current and prior year financial statements.

The table below lists the asset and liability comparisons for the year ended June 30, 2020.

Statement of Net Position

	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Current Assets	\$ 745,194	\$ 765,342	2.7
Restricted Assets	35,499	36,484	2.8
Capital Assets Net of Depreciation	6,144,798	6,147,895	0.1
Total Assets	<u>6,925,491</u>	<u>6,949,721</u>	0.3
Current Liabilities	133,207	130,228	-2.2
Non-Current Liabilities	90,132	94,643	5.0
Total Liabilities	<u>223,339</u>	<u>224,871</u>	0.7
Net Investment in Capital Assets	6,144,798	6,147,895	0.1
Unrestricted Net Position	557,354	576,955	3.5
Total Net Position	<u>\$ 6,702,152</u>	<u>\$ 6,724,850</u>	0.3

- Total assets increased by \$24,230 or 0.3% from last year. The primary reason for this increase is due to an increase in Current Asset in the amount of \$20,148.
- Total liabilities increased by \$1,532 or 0.7%. The primary reason for this change is due to an increase in Non-Current Accrued Compensated Absences in the amount of \$4,511.
- Unrestricted assets increased by \$19,601 or 3.5%. This increase in assets is a result of the increase in Tenant Deposits.

**Housing Authority of the City of Ville Platte
Management's Discussion and Analysis - Continued
June 30, 2020**

The table below lists the revenue and expense comparisons for the year ended June 30, 2020.

Statement of Revenues, Expenses, & Changes in Net Position

	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Operating Revenues			
Tenant Revenue	\$ 526,634	\$ 503,572	-4.4
HUD PHA Operating	800,608	869,834	8.7
Total Operating Revenues	<u>1,327,242</u>	<u>1,373,406</u>	3.5
Operating Expenses			
Administrative	353,689	329,638	-6.8
Tenant Services	-0-	-0-	0.0
Utilities	242,598	287,543	18.5
Maintenance	539,986	496,641	-8.0
Protective Services	13,247	26,827	102.5
General	71,068	86,214	21.3
Insurance	136,293	121,188	-11.1
Depreciation	273,768	277,021	1.2
Total Operating Expenses	<u>1,630,649</u>	<u>1,625,072</u>	-0.4
Operating Income (Loss)	<u>(303,407)</u>	<u>(251,666)</u>	-17.1
Non-Operating Revenues (Expenses)			
Investment Income	11,871	8,191	-31.0
Extra Ordinary Maintenance	<u>(5,722)</u>	<u>(13,946)</u>	143.7
Total Non-Operating Revenues (Expenses)	<u>6,149</u>	<u>(5,755)</u>	-193.6
Capital Contributions	125,071	280,119	124.0
Change in Net Position	(172,187)	22,698	113.2
Total Net Position - Beginning	<u>6,874,339</u>	<u>6,702,152</u>	-2.5
Total Net Position - Ending	\$ <u>6,702,152</u>	\$ <u>6,724,850</u>	0.3

- Operating revenues increased by \$46,164 or 3.5%. The primary reason for this increase is because of an increase in HUD PHA Operating Revenues in the amount of \$69,226.
- Operating expenses decreased by \$5,577 or 0.4%. The primary reason for this decrease is due to a decrease in maintenance expense in the amount of \$43,345.
- Non-operating revenues/expenses changed by \$11,904 or 193.6%. The primary reason for this change is due to an increase in extra ordinary maintenance expense in the amount of \$8,224 and a decrease in investment income in the amount of \$3,680.
- Capital contributions increased by \$155,048 or 124.0%.

**Housing Authority of the City of Ville Platte
Management's Discussion and Analysis - Continued
June 30, 2020**

Capital Asset & Debt Administration

Capital Assets

As of June 30, 2020, the Authority's investment in capital assets was \$6,147,895 (net of accumulated depreciation). This investment included land, building, building improvements, office equipment, and maintenance equipment.

	<u>Balance</u> <u>06/30/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/20</u>
Land *	\$ 492,264	\$ -0-	\$ -0-	\$ 492,264
Buildings	6,232,855	-0-	-0-	6,232,855
Leaschold Improvements	5,903,433	272,157	-0-	6,175,590
Furniture & Equipment, Etc.	264,094	7,961	-0-	272,055
Total	<u>12,892,646</u>	<u>280,118</u>	<u>-0-</u>	<u>13,172,764</u>
Less Accumulated Depreciation	(6,747,848)	(277,021)	-0-	(7,024,869)
Net Capital Assets	<u>\$ 6,144,798</u>	<u>\$ 3,097</u>	<u>\$ -0-</u>	<u>\$ 6,147,895</u>

* Land in the amount of \$492,264 is not being depreciated.

Long Term Debt

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

Future Events that will Impact the Authority

The Authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the 2021 fiscal year. Therefore, any results of budget shortfalls cannot be determined.

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

Contacting the Authority's Financial Management

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional information, contact Grant Soileau, executive director of the Housing Authority of the City of Ville Platte, 724 North Thompson, Ville Platte, LA 70586, at (337) 363-2535.

Basic Financial Statements

**Housing Authority of the City of Ville Platte
 Ville Platte, Louisiana
 Statement of Net Position
 June 30, 2020**

ASSETS	
CURRENT ASSETS	
Cash	\$ 522,009
Investments	133,591
Accounts Receivable, Net	16,833
Prepaid Items	92,909
RESTRICTED	
Tenant Security Deposits	<u>36,484</u>
TOTAL CURRENT ASSETS	<u>801,826</u>
 NON-CURRENT ASSETS	
Capital Assets (Net of Accumulated Depreciation)	<u>6,147,895</u>
TOTAL NON-CURRENT ASSETS	<u>6,147,895</u>
 TOTAL ASSETS	 <u>6,949,721</u>
 LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	41,334
Accrued Wage/Payroll Taxes Payable	5,255
Compensated Absences	14,103
Accrued Pilot	28,554
Tenant Security Deposits	36,484
Unearned Revenue	<u>4,498</u>
TOTAL CURRENT LIABILITIES	<u>130,228</u>
 NON-CURRENT LIABILITIES	
Compensated Absences	<u>94,643</u>
TOTAL NON-CURRENT LIABILITIES	<u>94,643</u>
 TOTAL LIABILITIES	 <u>224,871</u>
 NET POSITION	
Net Investment in Capital Assets	6,147,895
Unrestricted	<u>576,955</u>
TOTAL NET POSITION	\$ <u>6,724,850</u>

The accompanying notes are an integral part of this statement.

Housing Authority of the City of Ville Platte
Ville Platte, Louisiana
Statement of Revenues, Expenses, & Changes in Net Position
For The Year Ended June 30, 2020

OPERATING REVENUES	
Tenant Revenue	\$ 503,572
HUD PHA Operating Grant	869,834
TOTAL OPERATING REVENUES	<u>1,373,406</u>
OPERATING EXPENSES	
<i>Administration:</i>	
Administrative Salaries	204,675
EBC-Administrative	70,434
Other Operating - Administrative	54,529
<i>Tenant Services</i>	
Tenant Services-Other	-0-
<i>Cost of Sales & Service:</i>	
Water	112,154
Electricity	18,618
Gas	92,793
Sewer	63,978
Ordinary Maintenance – Labor	251,340
Materials	124,287
Contract Cost	39,977
EBC Maintenance	81,037
Protective Services	26,827
Other General	43,539
Insurance	121,188
Payment in Lieu of Taxes	28,554
Compensated Absences	5,937
Bad Debt Tenant’s Rent	8,184
<i>Depreciation</i>	277,021
TOTAL OPERATING EXPENSES	<u>1,625,072</u>
OPERATING INCOME (LOSS)	<u>(251,666)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest Earnings	8,191
Extra-Ordinary Maintenance	(13,946)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(5,755)</u>
Capital Contributions	<u>280,119</u>
CHANGE IN NET POSITION	22,698
TOTAL NET POSITION – BEGINNING	<u>6,702,152</u>
TOTAL NET POSITION – ENDING	<u>\$ 6,724,850</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the City of Ville Platte
 Ville Platte, Louisiana
 Statement of Cash Flows
 For The Year Ended June 30, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts From Customers & Users	\$ 510,261
Receipts From HUD	869,834
Payments to Suppliers	(884,286)
Payments to Employees	(451,375)
Payments for PILOT	(28,554)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>15,880</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Extra-Ordinary Maintenance	(13,946)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(13,946)</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Grants	280,119
Acquisition & Construction of Capital Assets	(280,118)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>1</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
(Increase) Decrease in Investments	317,902
Interest & Dividends Received	8,191
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>326,093</u>
 NET INCREASE (DECREASE) IN CASH	 328,028
 CASH, BEGINNING OF YEAR	 <u>230,465</u>
CASH, END OF YEAR	<u>558,493</u>
 RECONCILIATION TO BALANCE SHEET	
Cash and Cash Equivalents	522,009
Tenant Security Deposits	36,484
TOTAL CASH AND CASH EQUIVALENTS	\$ <u>558,493</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the City of Ville Platte
 Ville Platte, Louisiana
 Statement of Cash Flows
 For The Year Ended June 30, 2020**

Reconciliation

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

Operating Income (Loss)	\$ <u>(251,666)</u>
Depreciation Expense	277,021
(Increase) Decrease in Accounts Receivable	3,558
(Increase) Decrease in Prepaid Insurance	(14,565)
Increase (Decrease) in Accounts Payable	17,807
Increase (Decrease) in Accrued Wage/Payroll Taxes Payable	(1,297)
Increase (Decrease) in Compensated Absences	5,937
Increase (Decrease) in PILOT	(24,046)
Increase (Decrease) in Tenant Security Deposits	985
Increase (Decrease) in Unearned Revenue	<u>2,146</u>
TOTAL ADJUSTMENTS	<u>267,546</u>
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 \$ <u>15,880</u>
 LISTING OF NONCASH INVESTING, CAPITAL, & FINANCIAL ACTIVITIES	
Contributions of Capital Assets From Government	\$ <u>-0-</u>

The accompanying notes are an integral part of this statement

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

INTRODUCTION

The Housing Authority of the City of Ville Platte (authority) was created by Louisiana Revised Statute (LSA-R.S.) 40.391 to engage in the acquisition, development, and administration of a low rent housing program to provide safe, sanitary, and affordable housing to the citizens of Ville Platte, Louisiana.

The authority is administered by a five-member board appointed by the Mayor of the City of Ville Platte, Louisiana. Members of the board serve five-year terms.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the authority for the purpose of assisting the authority in financial the acquisition, construction, and leasing of housing units and to make annual contributions (subsidies) to the authority for the purpose of maintaining this low rent character.

At June 30, 2020, the authority manages 218 public housing units and two capital funding programs.

1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES

A. BASIC FINANCIAL STATEMENTS

The basic financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the activities of the primary government and its component units. For the most part, the effect of the Interfund activity has been removed from these statements. The housing authority uses enterprise funds to account for its activities.

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

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

The housing authority reports the following major proprietary funds:

The Low Rent Fund is the housing authority's primary operating fund. It accounts for all financial resources of the housing authority.

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2020**

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

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations.

The primary operating revenue of the housing authority is derived from tenant revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non operating revenues and expenses.

C. EQUITY CLASSIFICATIONS

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

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

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

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

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

D. DEPOSITS & INVESTMENTS

The housing 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.

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2020**

State law and the housing authority's investment policy allow the housing authority to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. Investments (bank certificate of deposits in excess of 90 days) for the housing authority are reported at fair value.

E. RECEIVABLES & PAYABLES

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

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

F. INVENTORIES & PREPAID ITEMS

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

G. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable columns in the basic financial statements. Capital assets are capitalized at historical cost. The housing maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense included during the current fiscal year was \$-0-. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with construction projects.

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2020**

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

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	40 years
Buildings	40 years
Building improvements	40 years
Vehicles	7 years
Furniture and fixtures	5 years
Equipment	5 years

H. 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.

I. LONG-TERM OBLIGATIONS

In the basic financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

J. EXTRAORDINARY & SPECIAL ITEMS

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

K. ESTIMATES

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

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2020**

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

At June 30, 2020, the housing authority has cash and investments (bank balances) totaling \$729,251 as follows:

CD's	\$ 281,996
Demand deposits	447,255
Total	<u>\$ 729,251</u>

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

Custodial Credit Risk

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

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

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

Deposits

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

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2020**

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

Amounts on deposit are secured by the following pledges:

Description	Amount
FDIC (Category 1)	\$ 729,251
Securities (Category 2)	-0-
Total Securities	\$ 729,251

Deposits were secured as of June 30, 2020.

3. RECEIVABLES

The receivables (net of allowance for doubtful accounts of \$115) were \$16,833 as of June 30, 2020.

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2020, for the primary government is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Land *	\$ 492,264	\$ -0-	\$ -0-	\$ 492,264
Buildings	6,232,855	-0-	-0-	6,232,855
Leasehold Improvements	5,903,433	272,157	-0-	6,175,590
Furniture & Equipment, Etc.	264,094	7,961	-0-	272,055
Total	12,892,646	280,118	-0-	13,172,764
Less Accumulated Depreciation	(6,747,848)	(277,021)	-0-	(7,024,869)
Net Capital Assets	\$ 6,144,798	\$ 3,097	\$ -0-	\$ 6,147,895

* Land in the amount of \$492,264 is not being depreciated.

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2020**

5. RETIREMENT PLANS

The authority participates in the Housing-Renewal and Local Agency retirement Plan, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through the plan, the authority provides pension benefits for all full-time employees. All eligible individuals must be employed for at least six months before participating in the plan. Under a defined contribution plan, benefits depend solely on amounts contributed to the plan and investment earnings. Benefits of the plan are funded by employee and employer contributions. Participants in the plan are required to make a monthly contribution of 5 ½ percent of their basic (excludes overtime) compensation. The authority makes a monthly contribution equal to 8 ½ percent of each participant's basic compensation. The employer contributions and earnings allocated to each participant's account are fully vested after five years of continuous service. The authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the authority. Normal retirement date shall be the first day of the month following the employee's sixty-fifth birthday or after ten years of participation in the plan. The authority's total payroll for the fiscal year ended June 30, 2020, was \$482,842. The authority's contributions were made based on a total covered payroll \$264,182. Employee contributions totaled \$14,530 while the authority's contributions totaled \$22,455 for the year ended June 30, 2020.

6. ACCOUNTS, SALARIES & OTHER PAYABLES

The payables of \$130,228 at June 30, 2020, are as follows:

Accounts Payable (Vendors)	\$	41,334
Accrued Wages/Payroll Taxes Payable		5,255
Accrued Pilot		28,554
Accrued Compensated Absences - Current		14,103
Security Deposits		36,484
Unearned Revenue		4,498
Total	\$	<u>130,228</u>

7. CHANGES IN COMPENSATED ABSENCES PAYABLES

The following is a summary of changes in compensated absences payable at June 30, 2020:

		<u>Current</u>		<u>Noncurrent</u>		<u>Total</u>
Beginning of year	\$	12,677	\$	90,132	\$	102,809
Additions/Retirements		1,426		4,511		5,937
End of year	\$	<u>14,103</u>	\$	<u>94,643</u>	\$	<u>108,746</u>

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2020**

8. LONG-TERM OBLIGATIONS

To provide for the development and modernization of low-rent housing units, the PHA issued New Housing Authority Bonds and Permanent Notes-FFB. These bonds and notes are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the Authority, and accordingly, have not been reported in the accompanying financial statements. This debt has been reclassified to HUD equity.

9. CONTINGENT LIABILITIES

At June 30, 2020, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

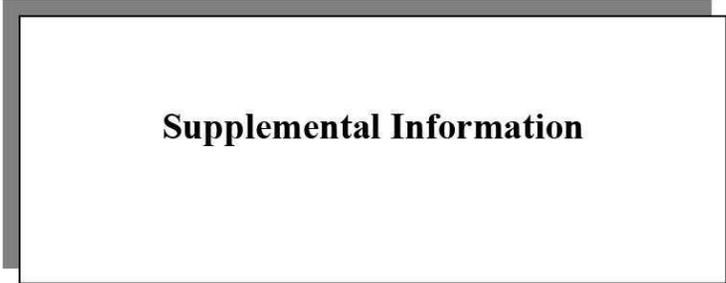
10. ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$1,149,953 to the housing authority, which represents approximately 69.2% of the housing authority's revenue for the year.

11. SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the Statement of Net Position date though, September 21, 2020, of the independent auditor's report for potential recognition or disclosure in the financial statements. The following item is reported as a subsequent event.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public place and businesses. The coronavirus and actions taken to mitigate it have had and are expected to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Authority operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the Authority anticipates this could negatively affects its operating results, the related financial impact and duration cannot be reasonably estimated at this time



Supplemental Information

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2020**

Grant Soileau, Executive Director

Purpose	Amount
Salary	\$ 78,978
Benefits-Insurance	18,233
Benefits-Retirement	-0-
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	38
Reimbursements	-0-
Travel	-0-
Registration Fees	250
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

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

See independent auditor's report.

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**Schedule of Compensation Paid to Board Members
For the Year Ended June 30, 2020**

Board Member	Title	Salary
Daniel Arvie	Chairperson	\$ -0-
David Ortego	Vice-Chairperson	\$ -0-
Grace Sibley	Commissioner	\$ -0-
Phil Lemoine	Commissioner	\$ -0-
Barbara Harrison	Commissioner	\$ -0-

Board members were paid no salary per board meeting when present.

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures (\$)
Other Programs			
Department of Housing and Urban Development			
Public Housing Capital Fund			
Public Housing Capital Fund	14.872		\$ 791,107
Total Public Housing Capital Fund			<u>791,107</u>
Public and Indian Housing			
Public and Indian Housing	14.850		358,846
Total Public and Indian Housing			<u>358,846</u>
<i>Total Department of Housing and Urban Development</i>			<u>1,149,953</u>
Total Other Programs			<u>1,149,953</u>
Total Expenditures of Federal Awards			<u>\$ 1,149,953</u>

See independent auditor's report.
The accompanying notes are an integral part of this schedule.

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020**

Note A – Single Audit Requirements

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

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

1.) General

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

2.) Basis of Accounting

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

3.) Relationship to Basic Financial Statements

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

General:		
Operating Subsidy – Public & Indian Housing	\$	358,846
Capital Fund Grant		791,107
Total	\$	<u>1,149,953</u>

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with U.S. generally accepted accounting principles.

4.) Federal Awards

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

5.) Indirect Cost Rate

Ville Platte Housing Authority has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

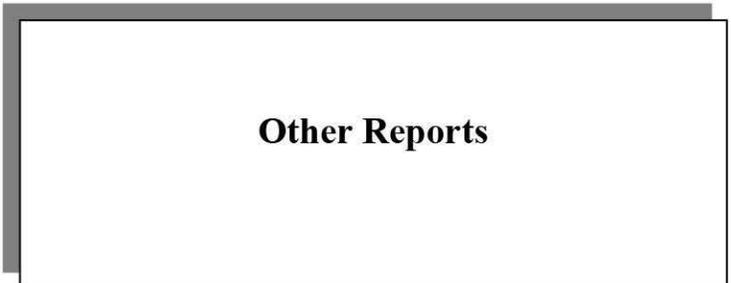
Presented for purposes of additional analysis only.

**Housing Authority of the City of Ville Platte
Ville Platte, Louisiana**

**Statement and Certification of Actual Modernization Cost
Annual Contribution Contract**

	Complete Project CFP 501-17	Incomplete Project CFP 501-18	Incomplete Project CFP 501-19	Incomplete Project CFP 501-20	Total
The Actual Modernization Costs Are As Follows:					
1. Funds Approved	\$ 307,675	\$ 477,336	\$ 497,629	\$ 532,028	\$ 1,814,668
Funds Expended	(307,675)	(187,421)	(72,204)	-0-	(567,300)
Excess of Funds Approved	-0-	289,915	425,425	532,028	1,247,368
2. Funds Advanced	307,675	187,421	72,204	-0-	567,300
Funds Expended	(307,675)	(187,421)	(72,204)	-0-	(567,300)
Excess of Funds Advanced	-0-	-0-	-0-	-0-	-0-

See independent auditors report.



Other Reports

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A., C.F.E.
davidvercher@centurytel.net

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

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

Housing Authority of the City of Ville Platte
Ville Platte, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Ville Platte, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Ville Platte's basic financial statements, and have issued our report thereon dated September 21, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Ville Platte'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 Ville Platte's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Ville Platte'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 Ville Platte's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

The Vercher Group

Jena, Louisiana

September 21, 2020

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A., C.F.E.
davidvercher@centurytel.net

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1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Housing Authority of the City of Ville Platte
Ville Platte, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Ville Platte'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 Ville Platte's major federal programs for the year ended June 30, 2020. The Housing Authority of the City of Ville Platte's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of the City of Ville Platte, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the Housing Authority of the City of Ville Platte 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 Ville Platte'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Ville Platte's internal control over compliance.

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

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

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

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

The Vercher Group

Jena, Louisiana

September 21, 2020

**HOUSING AUTHORITY OF THE CITY OF VILLE PLATTE
VILLE PLATTE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2020**

We have audited the basic financial statements which collectively comprise the Housing Authority of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 2020, and have issued our report thereon dated September 21, 2020. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Section I Summary of Auditor's Results

Our audit of the financial statements as of June 30, 2020, resulted in an unmodified opinion.

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards

Internal Control

Material Weaknesses Yes No Other Conditions Yes No

Type of Opinion on Compliance Unmodified Qualified
For Major Programs Disclaimer Adverse

Are there findings required to be reported in accordance with Uniform Guidance?

Yes No

c. Identification of Major Programs:

CFDA Number(s)	Name of Federal Program (or Cluster)
14.850	Public and Indian Housing

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

Is the auditee a 'low-risk' auditee, as defined by Uniform Guidance? Yes No

**HOUSING AUTHORITY OF THE CITY OF VILLE PLATTE
VILLE PLATTE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2020**

Section II - Financial Statement Findings

No findings to report.

Section III – Federal Awards Findings and Questioned Costs

No findings to report.

**HOUSING AUTHORITY OF THE CITY OF VILLE PLATTE
VILLE PLATTE, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION
FOR CURRENT YEAR AUDIT FINDINGS**

FINDINGS:

No findings to report.

**HOUSING AUTHORITY OF THE CITY OF VILLE PLATTE
VILLE PLATTE, LOUISIANA**

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

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

The management of the Housing Authority of the City of Ville Platte, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2019.

PRIOR YEAR FINDINGS:

2019-1 Misappropriation of Funds (Resolved)

Condition: The management of the Housing Authority, through its internal controls, discovered that an employee had charged various items for personal use to the Housing Authority.

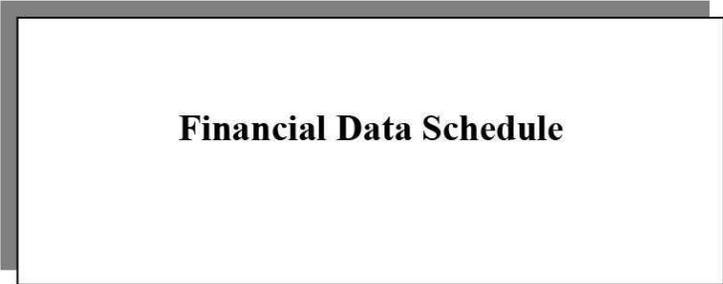
Criteria: State Law prohibits misappropriation of public funds.

Cause of Condition: Potential misappropriation of funds.

Effect of Condition: Potential violation of state laws.

Recommendation: Management should contact local authorities, the District Attorney and the Louisiana Legislative Auditor's Office in writing about the condition.

Client Response: Management filed a report with the local police department.



Financial Data Schedule

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

	Project Total	Subtotal	Total
111 Cash - Unrestricted	\$522,009	\$522,009	\$522,009
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted			
114 Cash - Tenant Security Deposits	\$36,484	\$36,484	\$36,484
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$558,493	\$558,493	\$558,493
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous	\$2,218	\$2,218	\$2,218
126 Accounts Receivable - Tenants	\$14,639	\$14,639	\$14,639
126.1 Allowance for Doubtful Accounts - Tenants	-\$115	-\$115	-\$115
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable	\$91	\$91	\$91
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$16,833	\$16,833	\$16,833

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

131 Investments - Unrestricted	\$133,591	\$133,591	\$133,591
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$92,909	\$92,909	\$92,909
143 Inventories			

	Project Total	Subtotal	Total
143.1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$801,826	\$801,826	\$801,826
161 Land	\$492,264	\$492,264	\$492,264
162 Buildings	\$6,232,855	\$6,232,855	\$6,232,855
163 Furniture, Equipment & Machinery - Dwellings	\$28,518	\$28,518	\$28,518
164 Furniture, Equipment & Machinery - Administration	\$243,537	\$243,537	\$243,537
165 Leasehold Improvements	\$6,175,590	\$6,175,590	\$6,175,590
166 Accumulated Depreciation	-\$7,024,869	-\$7,024,869	-\$7,024,869
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$6,147,895	\$6,147,895	\$6,147,895

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$6,147,895	\$6,147,895	\$6,147,895
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$6,949,721	\$6,949,721	\$6,949,721

	Project Total	Subtotal	Total
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$41,334	\$41,334	\$41,334
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$5,255	\$5,255	\$5,255
322 Accrued Compensated Absences - Current Portion	\$14,103	\$14,103	\$14,103
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

333	Accounts Payable - Other Government	\$28,554	\$28,554	\$28,554
341	Tenant Security Deposits	\$36,484	\$36,484	\$36,484
342	Unearned Revenue	\$4,498	\$4,498	\$4,498
343	Current Portion of Long-term Debt - Capital			
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	\$130,228	\$130,228	\$130,228
351	Long-term Debt, Net of Current - Capital Projects/Mortgage			
352	Long-term Debt, Net of Current - Operating Borrowings			
353	Non-current Liabilities - Other			
354	Accrued Compensated Absences - Non Current	\$94,643	\$94,643	\$94,643
355	Loan Liability - Non Current			
356	FASB 5 Liabilities			
		Project Total	Subtotal	Total
357	Accrued Pension and OPEB Liabilities			
350	Total Non-Current Liabilities	\$94,643	\$94,643	\$94,643

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

300 Total Liabilities	\$224,871	\$224,871	\$224,871
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets	\$6,147,895	\$6,147,895	\$6,147,895
511.4 Restricted Net Position			
512.4 Unrestricted Net Position	\$576,955	\$576,955	\$576,955
513 Total Equity - Net Assets / Position	\$6,724,850	\$6,724,850	\$6,724,850
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$6,949,721	\$6,949,721	\$6,949,721

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

	Project Total	Subtotal	Total
70300 Net Tenant Rental Revenue	\$443,488	\$443,488	\$443,488
70400 Tenant Revenue - Other	\$60,084	\$60,084	\$60,084
70500 Total Tenant Revenue	\$503,572	\$503,572	\$503,572
70600 HUD PHA Operating Grants	\$869,834	\$869,834	\$869,834
70610 Capital Grants	\$280,119	\$280,119	\$280,119
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	\$8,191	\$8,191	\$8,191
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			

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$1,661,716	\$1,661,716	\$1,661,716
91100 Administrative Salaries	\$204,675	\$204,675	\$204,675

	Project Total	Subtotal	Total
91200 Auditing Fees	\$9,950	\$9,950	\$9,950
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$2,459	\$2,459	\$2,459
91500 Employee Benefit contributions - Administrative	\$70,434	\$70,434	\$70,434
91600 Office Expenses	\$7,731	\$7,731	\$7,731
91700 Legal Expense	\$4,270	\$4,270	\$4,270
91800 Travel	\$1,590	\$1,590	\$1,590
91810 Allocated Overhead			
91900 Other	\$28,529	\$28,529	\$28,529
91000 Total Operating - Administrative	\$329,638	\$329,638	\$329,638
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water	\$112,154	\$112,154	\$112,154
93200 Electricity	\$18,618	\$18,618	\$18,618
93300 Gas	\$92,793	\$92,793	\$92,793
93400 Fuel			
93500 Labor			
93600 Sewer	\$63,978	\$63,978	\$63,978
93700 Employee Benefit Contributions - Utilities			

	Project Total	Subtotal	Total
93800 Other Utilities Expense			
93000 Total Utilities	\$287,543	\$287,543	\$287,543
94100 Ordinary Maintenance and Operations - Labor	\$251,340	\$251,340	\$251,340
94200 Ordinary Maintenance and Operations - Materials and	\$124,287	\$124,287	\$124,287
94300 Ordinary Maintenance and Operations Contracts	\$39,977	\$39,977	\$39,977
94500 Employee Benefit Contributions - Ordinary Maintenance	\$81,037	\$81,037	\$81,037
94000 Total Maintenance	\$496,641	\$496,641	\$496,641

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

95100 Protective Services - Labor	\$26,827	\$26,827	\$26,827
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$26,827	\$26,827	\$26,827
96110 Property Insurance	\$59,406	\$59,406	\$59,406
96120 Liability Insurance	\$21,796	\$21,796	\$21,796
96130 Workmen's Compensation	\$35,127	\$35,127	\$35,127
96140 All Other Insurance	\$4,859	\$4,859	\$4,859
96100 Total insurance Premiums	\$121,188	\$121,188	\$121,188
96200 Other General Expenses	\$43,539	\$43,539	\$43,539
96210 Compensated Absences	\$5,937	\$5,937	\$5,937
96300 Payments in Lieu of Taxes	\$28,554	\$28,554	\$28,554
96400 Bad debt - Tenant Rents	\$8,184	\$8,184	\$8,184
96500 Bad debt - Mortgages			
	Project Total	Subtotal	Total
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$86,214	\$86,214	\$86,214

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

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	\$1,348,051	\$1,348,051	\$1,348,051
97000 Excess of Operating Revenue over Operating Expenses	\$313,665	\$313,665	\$313,665
97100 Extraordinary Maintenance	\$13,946	\$13,946	\$13,946
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$277,021	\$277,021	\$277,021
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$1,639,018	\$1,639,018	\$1,639,018
10010 Operating Transfer In	\$78,727	\$78,727	\$78,727
10020 Operating transfer Out	-\$78,727	-\$78,727	-\$78,727

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

	Project Total	Subtotal	Total
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
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	\$22,698	\$22,698	\$22,698
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$6,702,152	\$6,702,152	\$6,702,152
11040 Prior Period Adjustments, Equity Transfers and			
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			

Housing Authority of Ville Platte (LA030)
 VILLE PLATTE, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2020

11090 Changes in Allowance for Doubtful Accounts - Dwelling			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			

	Project Total	Subtotal	Total
11190 Unit Months Available	2616	2616	2616
11210 Number of Unit Months Leased	2523	2523	2523
11270 Excess Cash	\$466,352	\$466,352	\$466,352
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$7,961	\$7,961	\$7,961
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$272,156	\$272,156	\$272,156
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0