

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED JUNE 30, 2019

Mike Estes, P.C.
A Professional Accounting Corporation

TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
Independent Auditor's Report		1 – 3
Management Discussion & Analysis		4 – 10
Basic Financial Statements		
Statement of Net Position	A	11
Statement of Revenues, Expenses, and Changes in Fund Net Position	B	12
Statement of Cash Flows	C	13 – 14
Notes to the Basic Financial Statements		15 – 26
Index		15
Notes to Financial Statements		16– 26
<u><i>Other Reports Required by Government Auditing Standards And by Office of Management and Budget (OMB) Compliance Supplement</i></u>		
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>		27 – 28
Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance		29 – 31
Schedule of Expenditures of Federal Awards		32
Notes to the Schedule of Expenditures of Federal Awards		33
Schedule of Findings and Questioned Costs		34 – 36
Corrective Action Plan		37
Summary Schedule of Prior Audit Findings		38
<u><i>Supplementary Information</i></u>		
Statement and Certification of Actual Modernization Costs	D(1)	39
Statement of Modernization Costs – Uncompleted	D(2)	40
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Director	D(3)	41
Agreed-Upon Procedures Report		42 – 51
Financial Data Schedules		52 – 59



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Independent Auditor's Report

Board of Commissioners
Housing Authority of Natchitoches Parish
Natchitoches, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the Housing Authority of Natchitoches Parish, Louisiana as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of Natchitoches Parish, Louisiana basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our (1) unmodified audit opinion on the major funds, and (2) qualified audit opinion on the aggregate discretely presented component unit.

Summary of Opinions

Opinion Units	Type of Opinion
General Fund	Unqualified
Housing Choice Vouchers Fund	Unqualified
Aggregate Discretely Presented Component Unit	Qualified

Basis for Qualified Opinion on the Aggregate Discretely Presented Component Unit.

The financial statements of Assisted and Safe Homes, Inc. have not been audited, and we were not engaged to audit Assisted And Safe Homes, Inc.’s financial statements as part of our audit of the Natchitoches Parish Housing Authority’s basic financial statements. Assisted and Safe Homes, Inc.’s financial activities are included in Natchitoches Parish Housing Authority’s as a discretely presented component unit and represent 100% of Natchitoches Parish Housing Authority’s aggregate discretely component units.

Unqualified Opinions on the Major Funds

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Managements’ Discussion and Analysis on pages 4 to 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and other information as listed on the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, schedule of expenditures of federal awards, and other information as listed on the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019 on our consideration of the Housing Authority of Natchitoches Parish, Louisiana’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of Natchitoches Parish, Louisiana’s internal control over financial reporting and compliance.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
December 13, 2019

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LA

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

June 30, 2019

The management of Housing Authority of Natchitoches, LA presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending June 30, 2019. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$972,832 at the close of the fiscal year ended 2019.
 - ✓ Of this amount \$808,773 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
 - ✓ Also, of this amount, \$26,069 of net position is restricted for the Housing Choice Voucher program.
 - ✓ The remainder of \$137,990 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 6% of the total operating expenses of \$2,167,995 for the fiscal year 2019, which means the Authority might be able to operate about 1 months using the unrestricted assets alone, compared to 1 months in the prior fiscal year.
- The Housing Authority's total net position increased by \$22,478, a 2% increase from the prior fiscal year 2018.
- The increase in net position of these funds was accompanied by an increase in cash and cash equivalents of \$16,838.
- The Authority Spent \$114,297 on capital asset additions.
- These changes led to a decrease in total assets by \$22,588 and an increase in total liabilities by \$110. As related measure of financial health, there are still over \$4 of current assets covering each dollar of total current liabilities, which compares to \$4 covering the prior fiscal year's liabilities.
- The Housing Authority owes \$249,609 in long term mortgages and accrued interest payable by the Component Unit Discretely Presented, which were used to finance buildings and equipment.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2019?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

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

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

USING THIS ANNUAL REPORT

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

Public Housing Capital Fund Program	\$ 310,081
Low Rent Public Housing	242,099
Housing Choice Vouchers	<u>1,407,838</u>
Total funding received this current fiscal year	<u>\$ 1,960,018</u>

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

Reporting the Housing Authority's Most Significant Funds

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

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net position, is an important financial indicator.

FINANCIAL ANALYSIS

The Housing Authority's net position was \$972,832 as of June 30, 2019. Of this amount, \$808,773 was invested in capital assets and \$137,990 was unrestricted. There were \$26,069 in specific assets restricted for the Housing Choice Voucher (HCV) program.

CONDENSED FINANCIAL STATEMENTS

**Condensed Statement of Net Position
As of June 30, 2019**

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets	\$ 248,675	\$ 223,643
Assets restricted for Housing Choice Voucher (HCV) program	27,954	24,273
Capital assets, net of depreciation	<u>808,773</u>	<u>814,898</u>
Total assets	<u>1,085,402</u>	<u>1,062,814</u>
LIABILITIES		
Current liabilities	64,024	61,772
Non-current liabilities	<u>48,546</u>	<u>50,688</u>
Total liabilities	<u>112,570</u>	<u>112,460</u>
NET POSITION		
Invested in capital assets, net of depreciation	808,773	814,899
Net position restricted for the Housing Choice Voucher program	26,069	15,492
Unrestricted net position	<u>137,990</u>	<u>119,963</u>
Total net position	<u>\$ 972,832</u>	<u>\$ 950,354</u>

Housing Authority of Natchitoches Parish, LA
Management's Discussion and Analysis (MD&A)
June 30, 2019

The net position of these funds increased by \$22,478, or by 10%, from those of fiscal year 2018, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position
Fiscal Year Ended June 30, 2019**

	2019	2018
OPERATING REVENUES		
Dwelling rental	\$ 191,083	\$ 177,797
Governmental operating grants	1,851,069	1,366,808
Other	39,021	56,820
	2,081,173	1,601,425
OPERATING EXPENSES		
Administration	410,944	392,542
Utilities	16,560	18,653
Ordinary maintenance & operations	225,142	185,823
General expenses	140,682	139,555
Depreciation	120,405	134,833
Housing assistance payments	1,253,912	950,571
Casualty losses	350	0
	2,167,995	1,821,977
Income (Loss) from Operations	(86,822)	(220,552)
Non Operating Revenues (Expenses)		
Interest earnings	351	395
	351	395
Income (Loss) before contribution	(86,471)	(220,157)
Capital Contribution	108,949	117,992
Change in net position	22,478	(102,165)
Total net position - beginning	950,354	1,052,519
Total net position - ending	\$ 972,832	\$ 950,354

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and capital contributions increased \$470,661 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$13,286 from that of the prior fiscal year because the amount of rent each tenant pays is based on a sliding scale of their personal income. Included in this total is other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments).
- Federal revenues from HUD for operations increased by \$484,261 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- Federal Capital Funds from HUD decreased by \$9,043 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2017 and 2018, and submitted a new grant during fiscal year 2019.
- Total other operating revenue decreased by \$17,799.

Compared with the prior fiscal year, total operating expenses increased \$346,018 or by 18%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense decreased by \$14,427 from that of the prior fiscal year.
- Maintenance and repairs increased by \$39,319 from that of the prior fiscal year due to changes in the following: Repair staff wages decreased by \$24,486 and related employee benefit contributions decreased by \$16,838. Materials used increased by \$11,849 and contract labor costs increased by \$66,533.
- General Expenses increased by \$1,127 from that of the prior fiscal year.
- Administrative Expenses increased by \$18,402 from that of the prior fiscal year due to a combination of factors.
- Housing Assistance Payments to landlords increased by \$303,341 from that of the prior fiscal year partly because there was an increase in the number of tenants qualifying for subsidy during the year.
- Utilities Expense decreased by \$2,093 from that of the prior fiscal year because water cost increased by \$217, electricity cost decreased by \$1,269, gas cost increased by \$132, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) decreased by \$1,173.
- Casualty losses increased by \$350 from that of the prior fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2019, the Housing Authority had a total cost of \$8,236,353 invested in a broad range of assets and construction in progress from projects funded in 2015 through 2019, listed below. This amount, not including depreciation, represents increases of \$114,279 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Statement of Capital Assets
 As of June 30, 2019**

	<u>2019</u>	<u>2018</u>
Land	\$ 221,890	\$ 221,890
Construction in progress	88,300	88,299
Buildings	410,831	423,564
Leasehold improvements	59,700	59,700
Furniture and equipment	28,052	21,446
Total	\$ 808,773	\$ 814,899

As of the end of the 2019 fiscal year, the Authority is still in the process of completing HUD grants of \$327,382 obtained for the 2017 and 2018 grant years. A total remainder of \$100,258 will be received and \$101,336 spent for completing these projects during fiscal year 2020.

Debt

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2020 fiscal year have already been submitted to HUD for approval and no major changes are expected.

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

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Rhonda Kay, at Housing Authority of Natchitoches, LA; PO Box 255, Natchitoches, LA 71458-0255.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
STATEMENT OF NET POSITION

JUNE 30, 2019

	General	Housing Choice Voucher	Total Primary Government	Component Unit Assisted and Safe Homes, Inc.	Total
ASSETS					
Current assets					
Cash and cash equivalents	\$ 39,599	\$ 4,007	43,606	\$ 12,382	\$ 55,988
Investments restricted	100,342	0	100,342	0	100,342
Accounts receivable net	21,498	3,488	24,986	0	24,986
Interest receivable	11	0	11	0	11
Prepaid items and other assets	56,802	7,457	64,259	0	64,259
Inventory	3,671	0	3,671	0	3,671
Restricted assets - cash and cash equivalents	11,800	27,954	39,754	0	39,754
Total Current Assets	233,723	42,906	276,629	12,382	289,011
Capital Assets, net					
Land and other non-depreciated assets	310,190	0	310,190	173,000	483,190
Other capital assets - net of depreciation	498,583	0	498,583	153,691	652,274
Total Capital Assets, net	808,773	0	808,773	326,691	1,135,464
Total Assets	\$ 1,042,496	42,906	1,085,402	\$ 339,073	\$ 1,424,475
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 19,543	\$ 6,298	25,841	\$ 2,708	\$ 28,549
Unearned income	4,769	0	4,769	0	4,769
Compensated absences payable	7,579	1,095	8,674	0	8,674
Current portion of notes payable	0	0	0	104,616	104,616
Accrued Interest Payable	0	0	0	522	522
Accrued PILOT	15,765	0	15,765	0	15,765
Deposits due others	8,975	0	8,975	0	8,975
Total Current Liabilities	56,631	7,393	64,024	107,846	171,870
Noncurrent Liabilities					
Compensated absences payable	47,871	675	48,546	0	48,546
Noncurrent portion of notes payable	0	0	0	144,993	144,993
Noncurrent liabilities	0	0	0	904	904
Total Liabilities	104,502	8,068	112,570	253,743	366,313
NET POSITION					
Net investment in capital assets	808,773	0	808,773	77,082	885,855
Restricted for: HAP Equity	0	26,069	26,069	0	26,069
Unrestricted	129,221	8,769	137,990	8,248	146,238
Net Position	\$ 937,994	\$ 34,838	972,832	\$ 85,330	\$ 1,058,162

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

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

YEAR ENDED JUNE 30, 2019

	General	Housing Choice Voucher	Total Primary Government	Component Unit Assisted and Safe Home, Inc.	Total
OPERATING REVENUES					
Dwelling rental	\$ 174,192	\$ 0	\$ 174,192	\$ 44,000	\$ 218,192
Governmental operating grants	443,231	1,407,838	1,851,069	0	1,851,069
Other- dwelling	16,891	0	16,891	0	16,891
Other	29,582	9,439	39,021	0	39,021
Total Operating Revenues	663,896	1,417,277	2,081,173	44,000	2,125,173
OPERATING EXPENSES					
Administration	275,380	135,564	410,944	1,634	412,578
Utilities	16,560	0	16,560	0	16,560
Ordinary maintenance & operations	225,142	0	225,142	1,274	226,416
General expenses	112,869	27,813	140,682	3,648	144,330
Depreciation	120,405	0	120,405	5,925	126,330
Housing assistance payments	0	1,253,912	1,253,912	0	1,253,912
Casualty losses	350	0	350	0	350
Total Operating Expenses	750,706	1,417,289	2,167,995	12,481	2,180,476
Income (Loss) from Operations	(86,810)	(12)	(86,822)	31,519	(55,303)
Non Operating Revenues (Expenses)					
Interest earnings	291	60	351	8	359
Interest expense	0	0	0	(14,026)	(14,026)
Total Non-Operating Revenues (Expenses)	291	60	351	(14,018)	(13,667)
Income (Loss) before contribution	(86,519)	48	(86,471)	17,501	(68,970)
Capital Contribution	108,949	0	108,949	0	108,949
Change in net position	22,430	48	22,478	17,501	39,979
Total net position - beginning	915,564	34,790	950,354	67,829	1,018,183
Total net position - ending	\$ 937,994	\$ 34,838	\$ 972,832	\$ 85,330	\$ 1,058,162

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2019

	General	Housing Choice Voucher	Total Primary Government	Component Unit Assisted and Safe Home,	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Rental receipts	\$ 164,045	\$ 0	\$ 164,045	\$ 44,000	\$ 208,045
Other receipts	41,239	9,461	50,700	76	50,776
Federal grants	441,485	1,407,838	1,849,323	0	1,849,323
Payments to vendors	(329,735)	(100,648)	(430,383)	(5,202)	(435,585)
Payments to employees – net	(286,316)	(71,389)	(357,705)	0	(357,705)
Payments to private landlords	0	(1,253,912)	(1,253,912)	0	(1,253,912)
Net cash provided (used) by operating activities	30,718	(8,650)	22,068	38,874	60,942
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of assets	(114,279)	0	(114,279)	0	(114,279)
Federal Capital Grants	108,949	0	108,949	0	108,949
Notes payable payments	0	0	0	(21,231)	(21,231)
Interest expenses	0	0	0	(14,026)	(14,026)
Net cash provided (used) by capital and related financing activities	(5,330)	0	(5,330)	(35,257)	(40,587)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	290	60	350	8	358
Proceeds from investment maturities	(250)	0	(250)	0	(250)
Net cash provided (used) by investing activities	40	60	100	8	108
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	25,428	(8,590)	16,838	3,625	20,463
CASH AND CASH EQUIVALENTS Beginning of Fiscal Year	25,971	40,551	66,522	8,757	75,279
CASH AND CASH EQUIVALENTS End of Fiscal Year	\$ 51,399	\$ 31,961	\$ 83,360	\$ 12,382	\$ 95,742

Continued

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2019

	General	Housing Choice Voucher	Total Primary Government	Component Unit Assisted and Safe Home. Inc.	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (86,810)	\$ (12)	\$ (86,822)	\$ 31,519	\$ (55,303)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation Expense	120,405	0	120,405	5,925	126,330
Provision of uncollectible accounts	(1,386)	3,398	2,012	0	2,012
Change in assets and liabilities:					
Receivables	(7,080)	(5,736)	(12,816)	0	(12,816)
Inventories	1,561	0	1,561	0	1,561
Prepaid items	268	(4,074)	(3,806)	0	(3,806)
Account payables	3,335	(2,226)	1,109	1,430	2,539
Deposits due others	425	0	425	0	425
Net cash provided (used) by operations	<u>\$ 30,718</u>	<u>\$ (8,650)</u>	<u>\$ 22,068</u>	<u>\$ 38,874</u>	<u>\$ 60,942</u>

Concluded

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

INDEX

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	16
A. REPORTING ENTITY	16
B. FUNDS	17
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	17
D. CASH AND CASH EQUIVALENTS.....	18
E. INVESTMENTS.....	18
F. REVENUE RECOGNITION	18
G. INVENTORY	18
H. PREPAID ITEMS.....	18
I. CAPITAL ASSETS	19
J. UNEARNED INCOME.....	19
K. COMPENSATED ABSENCES	19
L. POST EMPLOYMENT BENEFITS	19
M. NET POSITION AND FLOW ASSUMPTIONS.....	19
N. USE OF ESTIMATES.....	20
NOTE 2 – DEPOSITS AND INVESTMENTS.....	20
NOTE 3 – ACCOUNTS RECEIVABLE	21
NOTE 4 – CAPITAL ASSETS	21
NOTE 5 – ACCOUNTS PAYABLE.....	22
NOTE 6 – COMPENSATED ABSENCES.....	22
NOTE 7 – LONG – TERM OBLIGATIONS.....	23
NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES.....	24
NOTE 9 – RETIREMENT SYSTEM.....	24
NOTE 10 – COMMITMENTS AND CONTINGENCIES	24
NOTE 11 – ECONOMIC DEPENDENCE	25
NOTE 12 – SUBSEQUENT EVENTS	26

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

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

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

The Housing Authority has the following units:

	<u>Number</u>
PHA Owned Housing	92
Section 8	
Housing Choice Vouchers	334

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

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

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

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

Based on the previous criteria, the Housing Authority has determined that Assisted and Safe Homes, Inc. (the "Organization"), a legally separate entity, is a component unit of the Housing Authority. The members of the Board of Commissioners of the Housing Authority serve on the Board of Directors of the Organization. The Housing Authority's Board of Commissioners maintains a voting majority of the Organization's Board of Directors, and the Housing Authority has the ability to impose its will on the Organization. As a result, the Housing Authority has included the financial statements of Assisted and Safe Homes, Inc. in its financial statements through discrete presentation. The financial position and changes in net assets of Assisted and Safe Homes, Inc. are presented as of and for the year ended December 31, 2017. The separate financial statements of Assisted and Safe Homes, Inc. can be obtained from the Natchitoches Parish Authority, 525 Fourth Street, Natchitoches, Louisiana.

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

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

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

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

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

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$95,742. This is comprised of cash and cash equivalents of \$55,988 and restricted assets – cash of \$39,754, on the statement of net position.

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

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

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

Definitions:

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

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

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

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

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,500. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful live is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

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

K. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date. The terms for the new Executive Director, who assumed this position on July 1, 2016 is not limited, per terms of her Employment Agreement, to 300 annual leave hours.

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

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

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

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.

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

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

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at June 30, 2019. Deposits are stated at cost, which approximates fair value.

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

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

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

Restricted Cash: \$8,975 is restricted in the General Fund for security deposits. \$2,825 is restricted for an amount equal to unearned revenue. \$26,069 is restricted in the Housing Choice Voucher fund for HAP Equity. \$1,885 is restricted for accounts payable.

At June 30, 2019, the Housing Authority's carrying amount of deposits was \$183,602 and the bank balance was \$251,560, which includes \$100,342 in certificates of deposits classified as investments. Petty cash consists of \$100. The entire bank balance was covered by FDIC Insurance.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at June 30, 2019, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Housing Choice Voucher</u>	<u>Total Primary Government</u>
Local sources:			
Tenants	\$ 0	\$ 0	\$ 0
Other	19,752	3,488	23,240
Federal sources:			
Grants	1,746	0	1,746
Total	<u>\$ 21,498</u>	<u>\$ 3,488</u>	<u>\$ 24,986</u>

The tenants account receivable is net of an allowance for doubtful accounts of \$12,352.

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-depreciable assets				
Land and buildings	\$ 221,890	\$ 0	\$ 0	\$ 221,890
Construction in progress	88,300	0	0	88,300
Depreciable assets:				
Buildings	7,280,627	114,279	0	7,394,906
Furniture and equipment	547,734	0	16,477	531,257
Total capital assets	<u>8,138,551</u>	<u>114,279</u>	<u>16,477</u>	<u>8,236,353</u>
Less: accumulated depreciation				
Buildings	6,789,129	113,799		6,902,928
Furniture and equipment	534,523	6,606	16,477	524,652
Total accumulated depreciation	<u>7,323,652</u>	<u>120,405</u>	<u>16,477</u>	<u>7,427,580</u>
Total capital assets, net	<u>\$ 814,899</u>	<u>\$ (6,126)</u>	<u>\$ 0</u>	<u>\$ 808,773</u>

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

Discretely Presented Component Unit:

	Balance at December 31, 2018	Additions	Deletions	Balance at December 31, 2019
Non-depreciable assets				
Land	\$ 173,000	\$ 0	\$ 0	\$ 173,000
Buildings and improvements	237,000	0	0	237,000
Total	410,000	0	0	410,000
Less: accumulated depreciation				
Buildings and Improvements	77,384	5,925	0	83,309
Fixed assets, net	77,384	5,925	0	83,309
Fixed assets, net	\$ 332,616	\$ (5,925)	\$ 0	\$ 326,691

NOTE 5 – ACCOUNTS PAYABLE The payables at June 30, 2019 are as follows:

	General	Housing Choice Voucher Fund	Total Primary Government
Vendors	\$ 13,868	\$ 2,053	\$ 15,921
Payroll taxes & Retirement withheld	3,974	0	3,974
FSS	0	1,808	1,808
Utilities	1,701	0	1,701
HUD	0	2,437	2,437
Total	\$ 19,543	\$ 6,298	\$ 25,841

NOTE 6 – COMPENSATED ABSENCES At June 30, 2019, employees of the Housing Authority have accumulated and vested \$57,220 of employee leave computed in accordance with GASB, Codification Section C60.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 7 – LONG-TERM OBLIGATIONS The following is a summary of the long-term obligation transactions for the year ended June 30, 2019.

		Compensated Absences
Balance, beginning	\$	60,246
Additions		16,714
Deletions		19,740
Balance, ending		57,220
Amounts due in one year	\$	8,674

Discretely Presented Component Unit:

Assisted and Safe Home, Inc. owed Midsouth Bank \$163,652 at December 31, 2018. The note is secured by real estate and bears a variable rate of interest, which is tied to the U.S. prime rate of interest. This loan is due immediately upon demand by Midsouth Bank. In the interim, monthly payments of \$2,234 are due, beginning October 5, 2016, with the last due on March 5, 2026. The current portion due is \$17,707.

Assisted and Safe Homes, Inc. entered into a loan agreement in the amount of \$100,250 with the Bank of Montgomery. The loan bears interest at a rate of 5.0% and is collateralized by real estate. The loan is payable upon demand by the Bank of Montgomery; however if no demand is made, then the loan's principal and accrued interest are due and payable at its maturity, on March 11, 2014. On that date, the loan was converted to a permanent loan, with a ten year amortization, with the final payment due March 2024. At December 31, 2018, the balance on the loan was \$86,087. The current portion was \$3,394.

LEASES

Operating Leases

The Housing Authority leases its building under a non-cancelable operating lease. The building is leased from Assisted and Safe Homes, Inc. at a rate of \$4,000 per month. The building lease has been extended. The current period is June 1, 2019 through May 31, 2021. The Housing Authority expended \$48,000 under the building lease during the year ended June 30, 2019. The following is a schedule of the future minimum lease payments of the operating lease:

Year Ending June 30,	Amount
2020	48,000
2021	44,000

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES At June 30, 2019, the Housing Choice Voucher Fund owes the General Fund \$29,163. For financial statement purposes, this amount was deducted from the HCV Fund cash and added to General Fund cash.

NOTE 9 – RETIREMENT SYSTEM The Housing 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 this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the month following completion of three months of continuous uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 6% of his effective compensation. The employer is required to make monthly contributions equal to 8.5% of each participant's effective compensation. The employer may make up to an additional 1.5% contribution, for a total of 10%.

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

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

The Housing Authority made the required contributions of \$27,400 for the year ended June 30, 2019, of which \$16,570 was paid by the Housing Authority and \$10,830 was paid by employees. No payments were made out of the forfeiture account.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Commitments On July 1, 2016 the Authority entered into an Employment Agreement with the new Executive Director, who was promoted to this position effective of the same day. This followed retirement of the long-time Executive Director. The agreement is for five years, beginning July 1, 2016.

The contract may be terminated for cause, as specified in the contract. The Board may also terminate without cause, if such termination, in the Board's opinion, serves the best interests of the Authority. If the Executive Director is terminated for any reason, due process is required, as outlined in the agreement. The Director may terminate the agreement upon 90 days of written notice to the Board.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

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

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

Litigation The Housing Authority is not presently involved in litigation.

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

Construction Projects There are certain renovation or construction projects in progress at June 30, 2018. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

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

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

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

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council, Inc. Group Self Insurance Risk Management Agency risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

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

NOTE 11 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$1,960,018 to the Housing Authority, which represents approximately 89% of the Housing Authority's total revenue and capital contributions for the year.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 12 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net position date through, December 13, 2019, of the independent auditor's report for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.



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

Independent Auditor's Report

Housing Authority of Natchitoches Parish
Natchitoches Parish, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund of the Housing Authority of Natchitoches Parish, Louisiana, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of Natchitoches Parish, Louisiana's basic financial statements, and have issued our report thereon dated December 13, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
December 13, 2019



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

Independent Auditor's Report

Housing Authority of Natchitoches Parish
Natchitoches Parish, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of Natchitoches Parish, Louisiana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of Natchitoches Parish, Louisiana's major federal programs for the year ended June 30, 2019. The Housing Authority of Natchitoches Parish, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of Natchitoches Parish, Louisiana complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of Housing Authority of Natchitoches Parish, Louisiana as of and for the year ended June 30, 2019, and have issued our report thereon dated December 13, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
December 13, 2019

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 242,099
Capital Fund Program	14.872	310,081
Housing Choice Voucher	14.871	1,407,838
Total United States Department of Housing and Urban Development		\$ 1,960,018
Total Expenditures of Federal Awards		\$ 1,960,018

The accompanying notes are an integral part of this schedule.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2019

NOTE 1 – BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the City of Natchitoches Parish, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended June 30, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority.

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

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

	Federal Sources
Enterprise Funds	
Governmental operating grants	\$ 1,851,069
Capital contributions	108,949
	1,960,018
Total	\$ 1,960,018

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

NOTE 5 – DE MINIMIS INDIRECT COST RATE The Housing Authority did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

Section I – Summary of the Auditor’s Results

Financial Statement Audit

1. Type of Auditor’s Report Issued on Financial Statements – Unqualified for:
Low Rent
Capital Fund
Housing Choice Vouchers

Type of Auditor’s Report Issued on Financial Statements – Qualified for:
Aggregate Discretely Presented Component Unit.

2. Internal Control Over Financial Reporting:

- a. Material weakness(es) identified? _____ yes ✓ no
b. Significant deficiency(ies) identified? _____ yes ✓ none reported

3. Noncompliance material to financial statements noted? _____ yes ✓ no

Audit of Federal Awards

1. Internal Control Over Major Programs:

- a. Material weakness(es) identified? _____ yes ✓ no
b. Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes ✓ none reported

2. Type of Auditor’s Report Issued on Compliance For Major Programs – Unmodified.

3. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (2 CFR 200)? _____ yes ✓ no

4. The programs tested as major programs include:

CFDA# 14.871 Section 8 Housing Choice Voucher

5. Dollar threshold used to distinguish between Type A and Type B Programs as described in the Uniform Guidance (2 CFR 200): \$ 750,000

6. Auditee qualified as low-risk auditee under Uniform Guidance (2 CFR 200)? ✓ yes _____ no

7. Nonstatistical sampling was used. To determine sample sizes, the AICPA Audit Guide *Audit Sampling* was used.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

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

None

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

Section III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510 (a):

None

HOUSING AUTHORITY OF NATCHITOCHEs PARISH, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2019

There were no audit findings.

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2019

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

There were no prior audit findings.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED JUNE 30, 2019

	2014 Capital Fund	2015 Capital Fund	2016 Capital Fund
Funds approved	\$ 112,511	\$ 120,239	\$ 125,442
Funds expended	112,511	120,239	125,442
Excess of funds approved	\$ 0	\$ 0	0
Funds advanced	\$ 112,511	\$ 120,239	\$ 125,442
Funds expended	112,511	120,239	125,442
Excess (Deficiency) of funds advanced	\$ 0	\$ 0	0

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statements of Modernization Costs, all dated December 3, 2018 accompanying the Actual Modernization Costs Certificates submitted to HUD for approval are in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

See accountant's report

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED JUNE 30, 2019

CASH BASIS

		2017 Capital Fund		2018 Capital Fund
Funds approved	\$	134,104	\$	193,278
Funds expended		101,315		124,731
Excess of funds approved	\$	32,789	\$	68,547
Funds advanced	\$	99,568	\$	127,556
Funds expended		101,315		124,731
Excess (Deficiency) of funds advanced	\$	(1,747)	\$	2,825

See accountant's report

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

YEAR ENDED JUNE 30, 2019

Agency Head Name: Rhonda Kay, Executive Director

Purpose	Amount
Salary	\$ 77,875
Benefits-insurance	9,620
Benefits-retirement	10,512
Benefits	
Car allowance	
Vehicle provided by government	
Per diem	391
Reimbursements	81
Travel	115
Registration fees	225
Conference travel	521
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	13
Rewards and Recognition S8	306
Total	\$ 99,659

See accountant's report



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

AGREED UPON PROCEDURES REPORT

Independent Accountant's Report On Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the Natchitoches Parish Housing Authority and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Natchitoches Parish Housing Authority's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results of Testing:

The Authority had policies prior to the audit year for [a] through [i]. Debt service is not applicable. The Authority has received detailed, adequate responses for [1] through [6] of Disaster Recovery from their fee accountant and also the software provider.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal

period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results of Testing:

- a) The Board met in accordance with the By-Laws
- b) The minutes reflected budget-to-actual comparisons were made of the General and HCV Funds, at the regular board meetings.
- c) The General Fund did not have a negative unrestricted fund balance at the end of the prior year.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results of Testing:

Year 3 instructions state that if no Year 2 exceptions were noted in a category, Year 2 tests may be omitted. Since there were no Year 2 exceptions, these tests are omitted.

Collections (excluding EFTs)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their

job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

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

Results of Testing:

All employees who have access to cash are covered by a bond for theft.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.]

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

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

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

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid

expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

Contracts

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

Payroll and Personnel

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results of Testing:

Since there were no Year 2 exceptions, these tests are omitted.

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Results of Testing:

No employees received termination payments during the year.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Results of Testing:

Management represents that payroll taxes and related liabilities have been paid in full. In addition, we noted from performing normal audit procedures that payroll taxes and related liabilities were timely paid. In addition, we noted that payroll tax and related reports were timely filed.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain ethics documentation from management, and:
- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity’s ethics policy during the fiscal period.

Results of Testing:

- a) All tested employees and board members had documentation that they obtained the ethics training during the year.
- b) The Authority has documentation that all employees and board members attested in writing that they read the ethics policy during the year.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management’s representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Results of Testing:

Not applicable.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results of Testing:

Not applicable.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results of Testing:

Management asserts that they are not aware of any misappropriations of public funds or assets during the audit year.

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

Results of Testing:

The notice is properly posted.

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

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

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
December 13, 2019

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

Entity Wide Balance Sheet Summary						
	Project Total	14,871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$39,599	\$4,007	\$12,382	\$55,988		\$55,988
112 Cash - Restricted - Modernization and Development						
113 Cash - Other Restricted		\$26,069		\$26,069		\$26,069
114 Cash - Tenant Security Deposits	\$8,975			\$8,975		\$8,975
115 Cash - Restricted for Payment of Current Liabilities	\$2,825	\$1,885		\$4,710		\$4,710
100 Total Cash	\$51,399	\$31,961	\$12,382	\$95,742	\$0	\$95,742
121 Accounts Receivable - PHA Projects						
122 Accounts Receivable - HUD Other Projects	\$1,746			\$1,746		\$1,746
124 Accounts Receivable - Other Government						
125 Accounts Receivable - Miscellaneous	\$19,339	\$3,488		\$22,827		\$22,827
126 Accounts Receivable - Tenants						
126.1 Allowance for Doubtful Accounts - Tenants						
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$413			\$413		\$413
128 Fraud Recovery		\$12,339		\$12,339		\$12,339
128.1 Allowance for Doubtful Accounts - Fraud		-\$12,339		-\$12,339		-\$12,339
129 Accrued Interest Receivable	\$11			\$11		\$11
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$21,509	\$3,488	\$0	\$24,997	\$0	\$24,997
131 Investments - Unrestricted	\$100,342			\$100,342		\$100,342
132 Investments - Restricted						
135 Investments - Restricted for Payment of Current Liability						
142 Prepaid Expenses and Other Assets	\$56,802	\$7,457		\$64,259		\$64,259
143 Inventories	\$3,864			\$3,864		\$3,864
143.1 Allowance for Obsolete Inventories	-\$193			-\$193		-\$193
144 Inter Program Due From	\$0			\$0	\$0	\$0
145 Assets Held for Sale						
150 Total Current Assets	\$233,723	\$42,906	\$12,382	\$289,011	\$0	\$289,011
161 Land	\$221,890		\$173,000	\$394,890		\$394,890
162 Buildings	\$6,022,591		\$237,000	\$6,259,591		\$6,259,591
163 Furniture, Equipment & Machinery - Dwellings	\$171,629			\$171,629		\$171,629
164 Furniture, Equipment & Machinery - Administration	\$359,658			\$359,658		\$359,658
165 Leasehold Improvements	\$1,372,315			\$1,372,315		\$1,372,315
166 Accumulated Depreciation	-\$7,427,610		-\$83,309	-\$7,510,919		-\$7,510,919
167 Construction in Progress	\$88,300			\$88,300		\$88,300
168 Infrastructure						
160 Total Capital Assets, Net of Accumulated Depreciation	\$808,773	\$0	\$326,691	\$1,135,464	\$0	\$1,135,464
171 Notes, Loans and Mortgages Receivable - Non-Current						
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due						
173 Grants Receivable - Non Current						
174 Other Assets						
176 Investments in Joint Ventures						
180 Total Non-Current Assets	\$808,773	\$0	\$326,691	\$1,135,464	\$0	\$1,135,464
200 Deferred Outflow of Resources						
290 Total Assets and Deferred Outflow of Resources	\$1,042,496	\$42,906	\$339,073	\$1,424,475	\$0	\$1,424,475

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

Entity Wide Balance Sheet Summary						
	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
311 Bank Overdraft						
312 Accounts Payable <= 90 Days	\$13,868	\$2,053	\$2,708	\$18,629		\$18,629
313 Accounts Payable >90 Days Past Due						
321 Accrued Wage/Payroll Taxes Payable	\$3,974			\$3,974		\$3,974
322 Accrued Compensated Absences - Current Portion	\$7,579	\$1,095		\$8,674		\$8,674
324 Accrued Contingency Liability						
325 Accrued Interest Payable			\$522	\$522		\$522
331 Accounts Payable - HUD PHA Programs		\$77		\$77		\$77
332 Account Payable - PHA Projects		\$2,360		\$2,360		\$2,360
333 Accounts Payable - Other Government	\$15,765			\$15,765		\$15,765
341 Tenant Security Deposits	\$8,975			\$8,975		\$8,975
342 Unearned Revenue	\$4,769			\$4,769		\$4,769
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$104,616	\$104,616		\$104,616
344 Current Portion of Long-term Debt - Operating Borrowings						
345 Other Current Liabilities		\$1,808		\$1,808		\$1,808
346 Accrued Liabilities - Other	\$1,701			\$1,701		\$1,701
347 Inter Program - Due To		\$0		\$0	\$0	\$0
348 Loan Liability - Current						
310 Total Current Liabilities	\$56,631	\$7,393	\$107,846	\$171,870	\$0	\$171,870
351 Long-term Debt. Net of Current - Capital Projects/Mortgage Revenue			\$144,993	\$144,993		\$144,993
352 Long-term Debt. Net of Current - Operating Borrowings						
353 Non-current Liabilities - Other			\$904	\$904		\$904
354 Accrued Compensated Absences - Non Current	\$47,871	\$675		\$48,546		\$48,546
355 Loan Liability - Non Current						
356 FASB 5 Liabilities						
357 Accrued Pension and OPEB Liabilities						
350 Total Non-Current Liabilities	\$47,871	\$675	\$145,897	\$194,443	\$0	\$194,443
300 Total Liabilities	\$104,502	\$8,068	\$253,743	\$366,313	\$0	\$366,313
400 Deferred Inflow of Resources						
508.4 Net Investment in Capital Assets	\$808,773		\$77,082	\$885,855		\$885,855
511.4 Restricted Net Position		\$26,069		\$26,069		\$26,069
512.4 Unrestricted Net Position	\$129,221	\$8,769	\$8,248	\$146,238		\$146,238
513 Total Equity - Net Assets / Position	\$937,994	\$34,838	\$85,330	\$1,058,162	\$0	\$1,058,162
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,042,496	\$42,906	\$339,073	\$1,424,475	\$0	\$1,424,475

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$174,192		\$174,192
70400 Tenant Revenue - Other	\$16,891		\$16,891
70500 Total Tenant Revenue	\$191,083	\$0	\$191,083
70600 HUD PHA Operating Grants	\$242,099	\$201,132	\$443,231
70610 Capital Grants		\$108,949	\$108,949
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	\$291		\$291
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	\$29,582		\$29,582
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$463,055	\$310,081	\$773,136
91100 Administrative Salaries	\$124,165	\$13,728	\$137,893
91200 Auditing Fees		\$10,932	\$10,932
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$177		\$177
91500 Employee Benefit contributions - Administrative	\$59,421		\$59,421
91600 Office Expenses	\$51,741		\$51,741
91700 Legal Expense			
91800 Travel	\$1,541		\$1,541
91810 Allocated Overhead			
91900 Other	\$13,675		\$13,675
91000 Total Operating - Administrative	\$250,720	\$24,660	\$275,380
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water	\$1,351		\$1,351
93200 Electricity	\$12,511		\$12,511
93300 Gas	\$2,148		\$2,148
93400 Fuel			
93500 Labor			
93600 Sewer	\$550		\$550

HOUSING AUTHORITY OF NATCHITOCHEs PARISH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$16,560	\$0	\$16,560
94100 Ordinary Maintenance and Operations - Labor	\$48,771		\$48,771
94200 Ordinary Maintenance and Operations - Materials and Other	\$36,474		\$36,474
94300 Ordinary Maintenance and Operations Contracts	\$112,307		\$112,307
94500 Employee Benefit Contributions - Ordinary Maintenance	\$27,590		\$27,590
94000 Total Maintenance	\$225,142	\$0	\$225,142
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$24,974		\$24,974
96120 Liability Insurance	\$13,246		\$13,246
96130 Workmen's Compensation	\$7,608		\$7,608
96140 All Other Insurance	\$26,943		\$26,943
96100 Total insurance Premiums	\$72,771	\$0	\$72,771
96200 Other General Expenses	\$60		\$60
96210 Compensated Absences	\$15,177		\$15,177
96300 Payments in Lieu of Taxes	\$15,765		\$15,765
96400 Bad debt - Tenant Rents	\$9,096		\$9,096
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$40,098	\$0	\$40,098
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	\$605,291	\$24,660	\$629,951
97000 Excess of Operating Revenue over Operating Expenses	-\$142,236	\$285,421	\$143,185
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized	\$350		\$350
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$120,405		\$120,405
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$726,046	\$24,660	\$750,706

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$201,132		\$201,132
10020 Operating transfer Out		-\$201,132	-\$201,132
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)	\$201,132	-\$201,132	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$61,859	\$84,289	\$22,430
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$915,564	\$0	\$915,564
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$120,324	-\$120,324	\$0
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	1092		1092
11210 Number of Unit Months Leased	1046		1046
11270 Excess Cash	\$66,179		\$66,179
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$0	\$0
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 NATCHITOCHE PARISH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

Entity Wide Revenue and Expense Summary						
	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$174,192		\$44,000	\$218,192		\$218,192
70400 Tenant Revenue - Other	\$16,891			\$16,891		\$16,891
70500 Total Tenant Revenue	\$191,083	\$0	\$44,000	\$235,083	\$0	\$235,083
70600 HUD PHA Operating Grants	\$443,231	\$1,407,838		\$1,851,069		\$1,851,069
70610 Capital Grants	\$108,949			\$108,949		\$108,949
70710 Management Fee						
70720 Asset Management Fee						
70730 Book Keeping Fee						
70740 Front Line Service Fee						
70750 Other Fees						
70700 Total Fee Revenue				\$0	\$0	\$0
70800 Other Government Grants						
71100 Investment Income - Unrestricted	\$291	\$60	\$8	\$359		\$359
71200 Mortgage Interest Income						
71300 Proceeds from Disposition of Assets Held for Sale						
71310 Cost of Sale of Assets						
71400 Fraud Recovery		\$1,092		\$1,092		\$1,092
71500 Other Revenue	\$29,582	\$8,347		\$37,929		\$37,929
71600 Gain or Loss on Sale of Capital Assets						
72000 Investment Income - Restricted						
70000 Total Revenue	\$773,136	\$1,417,337	\$44,008	\$2,234,481	\$0	\$2,234,481
91100 Administrative Salaries	\$137,893	\$44,200		\$182,093		\$182,093
91200 Auditing Fees	\$10,932	\$2,733		\$13,665		\$13,665
91300 Management Fee						
91310 Book-keeping Fee						
91400 Advertising and Marketing	\$177			\$177		\$177
91500 Employee Benefit contributions - Administrative	\$59,421	\$22,249		\$81,670		\$81,670
91600 Office Expenses	\$51,741	\$60,950	\$609	\$113,300		\$113,300
91700 Legal Expense						
91800 Travel	\$1,541	\$2,010		\$3,551		\$3,551
91810 Allocated Overhead						
91900 Other	\$13,675	\$3,422	\$1,025	\$18,122		\$18,122
91000 Total Operating - Administrative	\$275,380	\$135,564	\$1,634	\$412,578	\$0	\$412,578
92000 Asset Management Fee						
92100 Tenant Services - Salaries						
92200 Relocation Costs						
92300 Employee Benefit Contributions - Tenant Services						
92400 Tenant Services - Other						
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0
93100 Water	\$1,351			\$1,351		\$1,351
93200 Electricity	\$12,511			\$12,511		\$12,511
93300 Gas	\$2,148			\$2,148		\$2,148
93400 Fuel						
93500 Labor						
93600 Sewer	\$550			\$550		\$550

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
93700 Employee Benefit Contributions - Utilities						
93800 Other Utilities Expense						
93000 Total Utilities	\$16,560	\$0	\$0	\$16,560	\$0	\$16,560
94100 Ordinary Maintenance and Operations - Labor	\$48,771			\$48,771		\$48,771
94200 Ordinary Maintenance and Operations - Materials and Other	\$36,474			\$36,474		\$36,474
94300 Ordinary Maintenance and Operations Contracts	\$112,307		\$1,274	\$113,581		\$113,581
94500 Employee Benefit Contributions - Ordinary Maintenance	\$27,590			\$27,590		\$27,590
94000 Total Maintenance	\$225,142	\$0	\$1,274	\$226,416	\$0	\$226,416
95100 Protective Services - Labor						
95200 Protective Services - Other Contract Costs						
95300 Protective Services - Other						
95500 Employee Benefit Contributions - Protective Services						
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$24,974			\$24,974		\$24,974
96120 Liability Insurance	\$13,246			\$13,246		\$13,246
96130 Workmen's Compensation	\$7,608	\$2,190	\$1,354	\$11,152		\$11,152
96140 All Other Insurance	\$26,943			\$26,943		\$26,943
96100 Total insurance Premiums	\$72,771	\$2,190	\$1,354	\$76,315	\$0	\$76,315
96200 Other General Expenses	\$60	\$24,524	\$76	\$24,660		\$24,660
96210 Compensated Absences	\$15,177			\$15,177		\$15,177
96300 Payments in Lieu of Taxes	\$15,765		\$2,218	\$17,983		\$17,983
96400 Bad debt - Tenant Rents	\$9,096			\$9,096		\$9,096
96500 Bad debt - Mortgages						
96600 Bad debt - Other		\$1,099		\$1,099		\$1,099
96800 Severance Expense						
96000 Total Other General Expenses	\$40,098	\$25,623	\$2,294	\$68,015	\$0	\$68,015
96710 Interest of Mortgage (or Bonds) Payable			\$14,026	\$14,026		\$14,026
96720 Interest on Notes Payable (Short and Long Term)						
96730 Amortization of Bond Issue Costs						
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$14,026	\$14,026	\$0	\$14,026
96900 Total Operating Expenses	\$629,951	\$163,377	\$20,582	\$813,910	\$0	\$813,910
97000 Excess of Operating Revenue over Operating Expenses	\$143,185	\$1,253,960	\$23,426	\$1,420,571	\$0	\$1,420,571
97100 Extraordinary Maintenance						
97200 Casualty Losses - Non-capitalized	\$350			\$350		\$350
97300 Housing Assistance Payments		\$1,248,781		\$1,248,781		\$1,248,781
97350 HAP Portability-In		\$5,131		\$5,131		\$5,131
97400 Depreciation Expense	\$120,405		\$5,925	\$126,330		\$126,330
97500 Fraud Losses						
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense						
90000 Total Expenses	\$750,706	\$1,417,289	\$26,507	\$2,194,502	\$0	\$2,194,502

HOUSING AUTHORITY OF NATCHITOCHE PARISH, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2019

Entity Wide Revenue and Expense Summary						
	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
10010 Operating Transfer In	\$201,132			\$201,132	-\$201,132	\$0
10020 Operating transfer Out	-\$201,132			-\$201,132	\$201,132	\$0
10030 Operating Transfers from/to Primary Government						
10040 Operating Transfers from/to Component Unit						
10050 Proceeds from Notes, Loans and Bonds						
10060 Proceeds from Property Sales						
10070 Extraordinary Items, Net Gain/Loss						
10080 Special Items (Net Gain/Loss)						
10091 Inter Project Excess Cash Transfer In						
10092 Inter Project Excess Cash Transfer Out						
10093 Transfers between Program and Project - In						
10094 Transfers between Project and Program - Out						
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$22,430	\$48	\$17,501	\$39,979	\$0	\$39,979
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$915,564	\$34,790	\$67,829	\$1,018,183		\$1,018,183
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0			\$0		\$0
11050 Changes in Compensated Absence Balance						
11060 Changes in Contingent Liability Balance						
11070 Changes in Unrecognized Pension Transition Liability						
11080 Changes in Special Term/Severance Benefits Liability						
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents						
11100 Changes in Allowance for Doubtful Accounts - Other						
11170 Administrative Fee Equity		\$8,769		\$8,769		\$8,769
11180 Housing Assistance Payments Equity		\$26,069		\$26,069		\$26,069
11190 Unit Months Available	1092	3473	0	4565		4565
11210 Number of Unit Months Leased	1046	3444	0	4490		4490
11270 Excess Cash	\$66,179			\$66,179		\$66,179
11610 Land Purchases	\$0			\$0		\$0
11620 Building Purchases	\$0			\$0		\$0
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