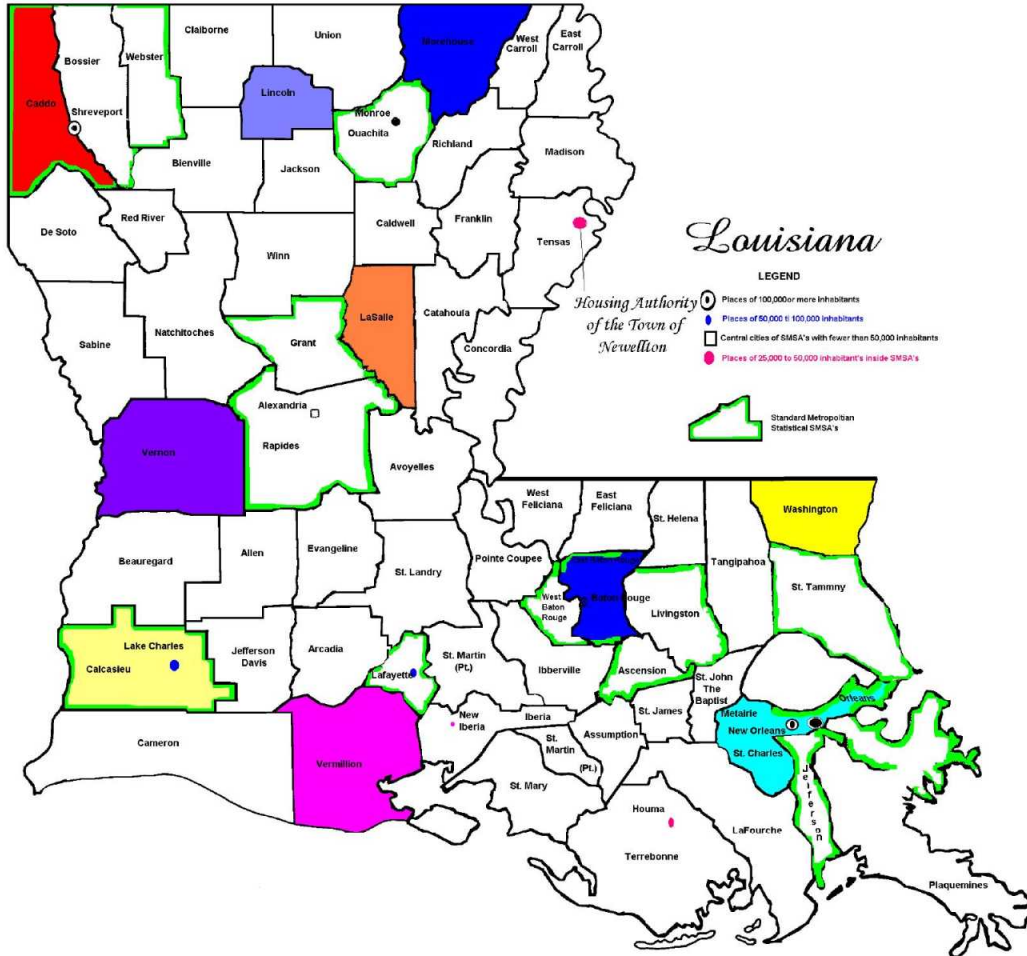


**HOUSING AUTHORITY
OF THE
TOWN OF NEWELLTON, LOUISIANA**

**Annual Financial Statements
June 30, 2017**

HOUSING AUTHORITY OF THE TOWN OF NEWELLTON NEWELLTON, LOUISIANA



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

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

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INDEPENDENT AUDITOR'S REPORT

Housing Authority of the
Town of Newellton
Newellton, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Newellton, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the Town of Newellton, as of June 30, 2017, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

The Financial Data Schedule, supplementary schedules and statements, and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the

underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule, supplementary schedules and statements, and Schedule of Expenditures of Federal Awards 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 15, 2017, on our consideration of the Housing Authority of the Town of Newellton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the Town of Newellton's internal control over financial reporting and compliance.

The Vercher Group

Jena, Louisiana
December 15, 2017

**Housing Authority of the Town of Newellton
Management's Discussion and Analysis
June 30, 2017**

As management of the Housing Authority of the Town of Newellton, we offer readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements, which are attached.

Financial Highlights

The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$109,473 (net position).

As of the close of the current fiscal year, the Authority's ending unrestricted net position was \$54,215 and restricted net position was \$52,799.

The Authority's unrestricted cash balance at June 30, 2017, was \$83,623 and the restricted cash balance was \$52,799.

The Authority had total revenue of \$828,213, in which \$823,421 was operating revenue and \$4,792 was non-operating revenue.

The Authority had total expenses of \$789,073, in which \$102,830 was operating expenses and \$686,243 was non-operating expenses.

The Authority had a change in net position of \$39,140.

Overview of the Basic Financial Statements

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

Fund Financial Statements

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

**Housing Authority of the Town of Newellton
Management's Discussion and Analysis - Continued
June 30, 2017**

The Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements.

The table below lists the asset and liability comparisons for the year ended June 30, 2017.

Statement of Net Position

	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Current Assets	\$ 61,892	\$ 84,281	36.2
Restricted Assets	17,198	52,799	207.0
Total Current Assets	<u>79,090</u>	<u>137,080</u>	73.3
Capital Assets, Net of Depreciation	-0-	56,000	100.0
Total Non-Current Assets	<u>-0-</u>	<u>56,000</u>	100.0
Total Assets	<u>79,090</u>	<u>193,080</u>	144.1
Current Liabilities	6,328	28,659	352.9
Non-Current Liabilities	2,429	54,948	2,162.2
Total Liabilities	<u>8,757</u>	<u>83,607</u>	854.7
Net Investment in Capital Assets	-0-	2,459	100.0
Restricted Net Position	17,198	52,799	207.0
Unrestricted Net Position	53,135	54,215	2.0
Total Net Position	<u>\$ 70,333</u>	<u>\$ 109,473</u>	55.6

- Total current assets increased by \$57,990 or 73.3% from last year. The reason for this increase is due to an increase in restricted cash of \$35,601.
- Total liabilities increased by \$74,850 or 854.7%. The reason for this increase is due to an increase in notes payable (non-current) of \$50,118.
- Total net position increased by \$39,140 or 55.6%. The increase in cash is the main contributory for this increase.

**Housing Authority of the Town of Newellton
Management's Discussion and Analysis - Continued
June 30, 2017**

The table below lists the revenue and expense comparisons for the year ended June 30, 2017.

Statement of Revenues, Expenses, & Change in Net Position

	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Operating Revenues			
HUD Operating Grant	\$ 924,740	\$ 823,421	-11.0
Total Operating Revenues	<u>924,740</u>	<u>823,421</u>	-11.0
Operating Expenses			
Administrative	70,919	87,547	23.4
Insurance	2,313	8,200	254.5
General Expenses	7,676	7,083	-7.7
Total Operating Expenses	<u>80,908</u>	<u>102,830</u>	27.1
Operating Income (Loss)	843,832	720,591	-14.6
Non-Operating Revenues (Expenses)			
Housing Assistance Payments	(803,458)	(685,872)	-14.6
Other Revenue	11,710	4,566	-61.0
Investment Income	84	226	169.0
Housing Assistance Payments Portability- In	(11,130)	(371)	-96.7
Total Non-Operating Revenues (Expenses)	<u>(802,794)</u>	<u>(681,451)</u>	-15.1
Change in Net Position	41,038	39,140	-4.6
Net Position – Beginning	29,295	70,333	140.1
Net Position – Ending	\$ <u>70,333</u>	\$ <u>109,473</u>	55.6

- Operating revenues decreased by \$101,319 or 11.0%. This decrease is due to a decrease in HUD Operating Grants in the amount of \$101,319.
- Operating expenses increased by \$21,922 or 27.1%. The primary cause of this increase is due to an increase in administrative expense in the amount of \$16,628.
- Non-operating revenues (expenditures) decreased by \$121,343 or 15.1% due to a decrease in housing assistance payments of \$117,586.

**Housing Authority of the Town of Newellton
Management's Discussion and Analysis - Continued
June 30, 2017**

Capital Asset & Debt Administration

Capital Assets

As of June 30, 2017, the Authority's investment in capital assets was \$56,000 (net of accumulated depreciation). This investment included a portable building, furniture, and equipment.

Capital Assets	2016	2017
Portable Building	\$ 10,725	\$ 10,725
Building	-0-	56,000
Furniture & Equipment	10,840	10,840
Accumulated Depreciation	(21,565)	(21,565)
Capital Assets, Net of Accumulated Depreciation	\$ -0-	\$ 56,000

Long Term Debt

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

Future Events That Will Impact the Authority

The Authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the 2018 year. Therefore, any results of budget shortfalls cannot be determined.

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

Contacting the Authority's Financial Management

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following address:

Housing Authority of the Town of Newellton
PO Box 1021
Newellton, LA 71357-1021
(318) 467-2151

Basic Financial Statements

**Housing Authority of the Town of Newellton
Newellton, Louisiana
Statement of Net Position
June 30, 2017**

		ENTERPRISE FUNDS
CURRENT ASSETS		
Cash & Cash Equivalents	\$	83,623
Accounts Receivable, Net		-0-
Prepaid Expenses		658
RESTRICTED ASSETS:		
Other Restricted Cash		52,799
TOTAL CURRENT ASSETS		137,080
 NONCURRENT ASSETS		
Capital Assets		56,000
TOTAL NONCURRENT ASSETS		56,000
 TOTAL ASSETS		193,080
 CURRENT LIABILITIES		
Accounts Payable Vendors		3,245
Accounts Payable-HUD		474
Accrued Wages/Payroll Taxes Payable		1,994
Accrued Compensated Absences - Current		337
Unearned Revenue		19,186
Current Portion of Long-Term Debt		3,423
TOTAL CURRENT LIABILITIES		28,659
 NONCURRENT LIABILITIES		
Accrued Compensated Absences - Noncurrent		4,830
Notes Payable		50,118
TOTAL NONCURRENT LIABILITIES		54,948
 TOTAL LIABILITIES		83,607
 NET POSITION		
Capital Assets, Net Related Debt		2,459
Restricted- Expendable		52,799
Unrestricted		54,215
TOTAL NET POSITION	\$	109,473

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Newellton
Newellton, Louisiana
Statement of Revenues, Expenses, & Changes In
Net Position – Proprietary Funds
Year Ended June 30, 2017**

	ENTERPRISE FUND
OPERATING REVENUES	
HUD PHA Operating Grant	\$ 823,421
TOTAL OPERATING REVENUES	823,421
OPERATING EXPENSES	
Administration	87,547
Insurance	8,200
Other General Expenses	7,083
TOTAL OPERATING EXPENSES	102,830
OPERATING INCOME (LOSS)	720,591
NONOPERATING REVENUES (EXPENSES)	
Housing Assistance Payments	(685,872)
Other Revenue	2,216
Interest Earnings	226
Housing Assistance Payments Portability-In	(371)
Gain on Sale of Capital Assets	2,350
TOTAL NONOPERATING REVENUES (EXPENSES)	(681,451)
CHANGE IN NET POSITION	39,140
TOTAL NET POSITION – BEGINNING	70,333
TOTAL NET POSITION – ENDING	\$ 109,473

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Newellton
Newellton, Louisiana
Statement of Cash Flows
Year Ended June 30, 2017**

	ENTERPRISE FUND
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from HUD	\$ 842,607
Payments to Employees	(44,696)
Payments to Suppliers	(56,778)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>741,133</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Revenue	2,216
Housing Assistance Payments	(685,872)
Housing Assistance Payments Portability- In	(371)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(684,027)</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Acquisition and Construction of Capital Assets	(56,000)
Proceeds from Long-Term Debt	56,000
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	<u>-0-</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest & Dividends Received	226
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>226</u>
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	57,332
CASH, BEGINNING OF YEAR	<u>79,090</u>
CASH, END OF YEAR	<u><u>136,422</u></u>
RECONCILIATION TO BALANCE SHEET	
Cash and Cash Equivalents	83,623
Restricted Cash	52,799
TOTAL CASH & CASH EQUIVALENTS	<u>\$ 136,422</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Newellton
Newellton, Louisiana
Statement of Cash Flows
Year Ended June 30, 2017**

Reconciliation

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

Operating Income (Loss)	\$ <u>720,591</u>
Depreciation Expense	
(Increase) Decrease in Prepaid Expenses	(658)
(Increase) Decrease in Accounts Receivable	-0-
Increase (Decrease) in Accounts Payable	1,292
Increase (Decrease) in Accounts Payable-HUD	-0-
Increase (Decrease) in Accrued Wages/Payroll Taxes Payable	(527)
Increase (Decrease) in Compensated Absences	1,249
Increase (Decrease) in Unearned Revenue	<u>19,186</u>
TOTAL ADJUSTMENTS	<u>20,542</u>
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>741,133</u>
 LISTING OF NONCASH INVESTING, CAPITAL, & FINANCIAL ACTIVITIES	
Contributions of Capital Assets from Government	\$ <u>-0-</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Housing Authority of the Town of Newellton 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 dwelling 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 of the Town of Newellton is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the Town of Newellton, serve a term of four years.

The housing authority participates in a Section 8 housing assistance payment program. The housing choice voucher program provides assistance to low-income persons seeking housing by subsidizing rents between residents, and owners of existing private housing. Under this program, the housing authority enters into housing assistance payment contracts with landlords. The program provides for a voucher which can be used by the resident to pay rent to any landlord he chooses.

The housing authority has the following units:

Section 8	<u>Contract Number</u>	<u>Number of Units</u>
Housing Choice Vouchers Authorized	FW 2236	251 Enhanced

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the housing authority is legally separate and fiscally independent, the housing authority is a separate governmental reporting entity. The housing authority includes all funds, activities, et cetera, that are within the oversight responsibility of the housing authority.

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

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2017**

Certain units of local government over which the housing authority exercises no oversight responsibility, such as the school board, parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying basic financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the housing authority. In addition, the accompanying financial statements do not include various tenant associations which are legally separate entities.

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 is maintained consistent with legal and managerial requirements. The fund of the housing authority is a proprietary fund that accounts for the Section 8 Housing Choice Voucher Program.

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

C. EQUITY CLASSIFICATIONS

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

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

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

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

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

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2017**

D. MEASUREMENT FOCUS & BASIS OF ACCOUNTING

Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The housing authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncement and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and providing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the housing authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to residents. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

E. CASH & CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest bearing demand deposits. Cash equivalents include amounts in time deposits 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.

F. RECEIVABLES & PAYABLES

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

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

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2017**

G. INVENTORIES & PREPAID ITEMS

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

H. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable columns in the basic financial statements. Capital assets are capitalized at historical cost. The housing maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Description</u>	<u>Estimated Lives</u>
Portable Buildings	7 years
Furniture & Fixtures	3 years

I. LONG-TERM OBLIGATIONS

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

J. ESTIMATES

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

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2017**

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

At June 30, 2017, the housing authority has cash and investments (book balances) totaling \$136,422 as follows:

Demand deposits	\$ 136,422
Total	<u>\$ 136,422</u>

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

Custodial Credit Risk

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

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

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

Deposits

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

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

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2017**

Amounts on deposit are secured by the following pledges:

Description	Tensas State Bank
FDIC (Category 1)	\$ 136,422
Securities (Category 2)	-0-
Total Securities	\$ 136,422

Deposits were fully secured as of June 30, 2017.

The following represents Restricted Cash:

Other Restricted Cash	\$ 52,799
Total Restricted Cash	\$ 52,799

Other Restricted Cash represents funds designated to be paid to lessors and or tenants in Section 8 Program or Disaster Housing Assistance Program (DHAP).

3. CAPITAL ASSETS

All fixed assets are stated at cost. The fixed assets are depreciated using the straight-line method of depreciation with lives ranging from 5-40 years. Changes in fixed assets are as follows:

	6-30-2016	Additions	Deletions	6-30-2017
Portable Building	\$ 10,725	\$ -0-	\$ -0-	\$ 10,725
Building	-0-	56,000	-0-	56,000
Furniture & Equipment	10,840	-0-	-0-	10,840
Total Capital Assets	21,565	56,000	-0-	77,565
Less Accumulated Depreciation	(21,565)	-0-	-0-	(21,565)
Total Capital Assets, Net of Depreciation	\$ -0-	\$ 56,000	\$ -0-	\$ 56,000

The Town of Newellton has allowed the Housing Authority to use the land, in which the office's portable building is located, rent free.

4. CHANGES IN COMPENSATED ABSENCES PAYABLES

The following is a summary of changes in compensated absences payable at June 30, 2017:

	Current	Noncurrent	Total
Beginning of year	\$ 1,489	\$ 2,429	\$ 3,918
Additions/Retirements	(1,152)	2,401	1,249
End of year	\$ 337	\$ 4,830	\$ 5,167

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2017**

5. LONG-TERM OBLIGATIONS

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

6. CONTINGENT LIABILITIES

At June 30, 2017, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

7. DEFINED CONTRIBUTION PLAN

The housing authority provides pension benefits for all of its full time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the first anniversary date of employment. Each participant in the plan is required to make a monthly contribution equal to five percent of his effective compensation. The employer makes a monthly contribution equal to seven percent of each participant's effective compensation. The housing authority's contribution for each employee (and income allocated to the employee's account) is fully vested after five years of continuous service. The housing authority's contributions for and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the housing authority.

The housing authority currently has only one employee participating in the plan which was established pursuant to board resolution.

The total payroll for the covered employee was \$45,522. Both the housing authority (7% contribution) and the covered employees (5% contribution) made the required contributions, amounting to \$5,918.

8. RISK MANAGMENT

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.

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)
JUNE 30, 2017**

9. ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$823,421 to the housing authority, which represents approximately 99.4% of the housing authority's revenue for the year.

10. RESTRICTED NET ASSETS

Restricted net assets represent funds designated to be paid to lessors and or tenants in Section 8 Program or Disaster Housing Assistance Program (DHAP).

11. CHANGES IN LONG-TERM DEBT

Newellton Housing Authority borrowed \$56,000 from Tensas State Bank on September 28, 2016, payable in 85 monthly payments of \$504.84 at 5% interest until October 28, 2023.

The following is a summary of notes payable transactions of Newellton Housing Authority for the year ended June 30, 2017.

	Balance 6-30-2016	Additions	Principle Paid	Balance 6-30-2017
Loan	\$ -0-	\$ 56,000	\$ (2,462)	\$ 53,538
Total	\$ -0-	\$ 56,000	\$ (2,462)	\$ 53,538

The annual requirements to amortize all debt outstanding as of June 30, 2017, including interest payments, are as follows:

Year Ending June 30,	Principle	Interest	Total
2018	\$ 3,422	\$ 2,636	\$ 6,058
2019	3,600	2,458	6,058
2020	3,781	2,277	6,058
2021	3,983	2,075	6,058
2022	4,190	1,868	6,058
2023-2024	34,562	2,152	36,714
Total	\$ 53,538	\$ 13,466	\$ 67,004

Other Supplemental Schedules

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2017**

Alma McMillin, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 36,500
Benefits-Insurance	6,842
Benefits-Retirement	2,352
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	1,565
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

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

See independent auditor's report.

**Housing Authority of the Town of Newellton
Newellton, Louisiana
Schedule of Compensation Paid to Board Members
Year Ended June 30, 2017**

Board Member	Title	Salary
Edwin Britt	Commissioner	\$ -0-
Ben Britton	Commissioner	-0-
Richard Dunmore	Commissioner	-0-
Mattie Sampson	Commissioner	-0-
Lavone Garner	Commissioner	\$ -0-

The members of the Board of Commissioners serve without compensation.



Other Reports

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

Housing Authority of the Town of Newellton
Newellton, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the Town of Newellton, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Newellton's basic financial statements, and have issued our report thereon dated December 15, 2017.

Internal Control Over Financial Reporting

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

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

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

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Newellton's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items **(2017-1 Debt Restrictions)**.

Housing Authority of the Town of Newellton's Response to Findings

The Housing Authority of the Town of Newellton's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Housing Authority of the Town of Newellton's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

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

The Vercher Group

Jena, Louisiana

December 15, 2017

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

Housing Authority of the Town of Newellton
Newellton, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the Town of Newellton's compliance with the types of compliance requirements described in the *OMB Uniform Guidance Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the Town of Newellton's major federal programs for the year ended June 30, 2017. The Housing Authority of the Town of Newellton's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Housing Authority of the Town of Newellton'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 OMB Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the Town of Newellton's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of the Town of Newellton, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of the Housing Authority of the Town of Newellton is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority of the Town of Newellton'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 OMB Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Newellton's internal control over compliance.

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

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

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

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

The Vercher Group

Jena, Louisiana
December 15, 2017

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017**

	<u>Federal CFDA Number</u>	<u>Agency Or Pass-Through Number</u>	<u>Federal Disbursements/ Expenditures</u>
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Housing Choice Voucher Program	14.871	N/A	<u>823,421</u>
Total Federal Expenditures			\$ <u>823,421</u>

**Housing Authority of the Town of Newellton
Newellton, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A – Uniform Guidance

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

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

1.) General

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

2.) Basis of Accounting

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

3.) Relationship To Basic Financial Statements

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

General:	
Operating Subsidy – Section 8	\$ 823,421
Total	\$ <u>823,421</u>

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

4.) Federal Awards

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

Presented for purposes of additional analysis only.

**HOUSING AUTHORITY OF THE TOWN OF NEWELLTON
NEWELLTON, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2017**

Section II Financial Statement Findings

2017-1 Debt Restrictions

Condition: The Housing Authority incurred long-term indebtedness without the approval of the State Bond Commission.

Criteria: A Louisiana governmental entity may not incur any indebtedness in excess of 90 days without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, and LSA-RS 47:1803-4.

Cause of Condition: Borrowing funds without State Bond Commission approval.

Potential Effect of Condition: Compliance Violation of Act

Recommendation: The Housing Authority should get Bond Commission approval when incurring indebtedness in excess of 90 days.

Client Response: The Housing Authority will get Bond Commission approval on all future indebtedness.

Section III Federal Awards Findings and Question Costs

No items to report.

**HOUSING AUTHORITY OF THE TOWN OF NEWELLTON
NEWELLTON, LOUISIANA**

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

FINDINGS:

2017-1 Debt Restrictions

Finding: The Housing Authority incurred long-term indebtedness without the approval of the State Bond Commission. A Louisiana governmental entity may not incur any indebtedness in excess of 90 days without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, and LSA-RS 47:1803-4.

Corrective Action: The Housing Authority will get Bond Commission approval when incurring indebtedness in excess of 90 days.

Contact Person: Alma McMillin, Executive Director

Anticipated Completion Date: June 30, 2018

**HOUSING AUTHORITY OF THE TOWN OF NEWELLTON
NEWELLTON, LOUISIANA**

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

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

The management of the Housing Authority of the Town of Newellton, Louisiana has provided the following action summaries relating to review findings brought to their attention as a result of their financial review for the year ended June 30, 2016.

PRIOR YEAR FINDINGS

No findings to report.

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AGREED-UPON PROCEDURES REPORT

Housing Authority of the Town of Newellton, Louisiana

Independent Accountant's Report

On Applying Agreed-Upon Procedures

For the Period of July 1, 2016- June 30, 2017

Housing Authority of the Town of
Newellton, Louisiana

To the Housing Authority of the Town of Newellton and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Newellton 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, 2016 through June 30, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts**, including receiving, recording, and preparing deposits
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
 - g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
 - h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
 - i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
 - j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Observation: We obtained a copy of the written policies and procedures manual and read it for the above items. The document addressed all of the above items except debt service.

Exception: The policies and procedures manual did not address budgeting, purchasing, disbursements, receipts, credit cards/fuel cards, or debt service.

Management's Response: The entity will add those items not addressed to its written policies and procedures manual.

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

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

Observation:

- A) **We read the minutes of the board meeting and found the board met in accordance with their policies.**
- B) **Budget-to-actual comparisons are not presented at each meeting.**
- C) **Minutes included non-budgetary financial information such as contract approvals and disbursement approvals.**

Exception: Budget-to-actual comparisons are not documented in the minutes.

Management's Response: Budget-to-actual comparisons are reviewed at each meeting by the board and it will be documented in the minutes of each meeting.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Observation: We obtained a listing of bank accounts on bank confirmations and management signed the confirmations to represent the listings were complete.

- A) **Bank reconciliations are prepared for all bank accounts that have activity.**
- B) **Bank reconciliations are prepared by an outside accounting firm and are reviewed by the Executive Director.**

C) Inquiry found the Entity reviews old outstanding checks on a regular basis.

Collections

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

Observation: We obtained the listing and management's representation that the listing is complete.

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

For each cash collection location selected:

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

Observation:

- A) We found that 1) all employees are bonded, 2) the Executive Director is responsible for depositing cash in the bank and 3) the Entity has a collection tray for each employee.**
- B) We found that the Entity has a formal process to reconcile cash collections to the general ledger. All collections tested were made via direct deposit.**
- C) Collection documentation was obtained and no exceptions were noted.**

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

Observation: We found no specific written procedure which addresses the process to determine completeness of collections.

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

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

Observation: We obtained a general ledger from the Entity and management’s representation that the general ledger population is complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
 - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Observation: We randomly selected 25 disbursements and obtained supporting documentation of the following:

- A) Purchases were initiated using a requisition system.
- B) Purchases are not approved by a person not initiating the purchase.
- C) Purchases are not processed without an approved invoice.

Exception: Purchases are not approved by a person not initiating the purchase.

Management’s Response: The Entity does not have the personnel to implement this procedure.

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

Observation: Inquiry found that the person responsible for processing payments is not prohibited from adding vendors to the Entity's purchasing/disbursement system.

Exception: The person responsible for processing payments is not prohibited from adding vendors to the Entity's purchasing/disbursement system.

Management's Response: Management does not have the personnel to implement this procedure.

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

Observation: We found that persons with signatory authority are responsible for initiating or recording purchases.

Management's Response: Management does not have the personnel to implement this procedure.

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

Observation: Inquiry and observation found that unused checks are locked in a secure location.

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

Not applicable.

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

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

Observation: The Entity does not have any active credit cards, bank debit cards or fuel cards.

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

Not applicable.

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

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

Not applicable.

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

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

Not applicable.

Travel and Expense Reimbursement

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

Observation: Management provided a general ledger and management's representation that the general ledger is complete.

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

Observation: We obtained the Entity's written policies relating to travel and related expense reimbursements and compared it to the per diem and mileage rates established by the U.S. General Services Administration.

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

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
- b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Observation: We selected the only person (Executive Director) who incurred travel cost during the fiscal period and chose the largest travel expense and largest reimbursement expense.

- A) We compared to written policies and found it to be correct.**
- B) Each expense is supported by documentation stating the purpose and a receipt where applicable.**
- C) Compared documentation of the business purposes to the requirements of Article 7, Section 14 of Louisiana Constitution and found no exceptions.**
- D) Each expense was approved by the Board which signs all checks which constitutes approval in writing.**

Contracts

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

Observation: The Entity had no contracts in effect during the fiscal period.

21. Using the listing above, select the five contract “vendors” that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
 - b) Compare each contract’s detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
 - c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
 - d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
 - e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Not Applicable.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management’s representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
 - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Observation: We selected all 2 employees and tested as follows:

A. We reviewed compensation of each employee during the fiscal period and found the payments were made in accordance with the terms and conditions of the employment contract.

B. None of the employees received a pay rate change during the audit period.

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

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

Observation: We tested 2 (all) employee's personnel files for the following:

A) All selected employees documented their daily attendance and leave.

B) Employees had written approval for attendance and leave.

C) Written documentation was maintained on all employees with the exception of elected officials who do not receive pay.

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

Observation: The Entity had no terminations in the fiscal year.

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

Observation: We reviewed forms 941 and the general ledger accrual accounts and found no delinquent payments. The Entity has an outside fee accountant prepare all payroll related reports.

Ethics (excluding nonprofits)

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

Observation: The Entity maintained documentation of ethics compliance.

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

Observation: Inquiry found no alleged ethics violations reported to the Entity during the fiscal year.

Debt Service (excluding nonprofits)

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

Observation: New debt was issued during the year.

Exception: State Bond Commission approval was not obtained. Reference finding 2017-1.

Management's Response: The Entity will get Bond Commission approval on all future indebtedness.

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

Observation: The Entity had outstanding debt during the fiscal period and all debt service payments were made. The Entity is not required to maintain debt reserves.

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

Not applicable.

Other

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

Observation: Inquiry found no reported misappropriations of public funds.

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

Observation: The Entity has the notice posted on its' premises.

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.

The Vercher Group

Jena, Louisiana

December 15, 2017



Financial Data Schedule

Housing Authority of the Town of Newellton (LA169)

NEWELLTON, LA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

		14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Total
111	Cash - Unrestricted	\$78,092	\$5,531	\$83,623
112	Cash- Restricted - Modernization & Development	\$0	\$0	\$0
113	Cash - Other Restricted	\$52,799	\$0	\$52,799
114	Cash - Tenant Security Deposits	\$0	\$0	\$0
115	Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0
100	Total Cash	\$130,891	\$5,531	\$136,422
121	Accounts Rec. - PHA Projects	\$0	\$0	\$0
122	Accounts Rec. - HUD Other Projects	\$0	\$0	\$0
124	Accounts Rec.- Other Govern	\$0	\$0	\$0
125	Accounts Rec. - Misc.	\$0	\$0	\$0
126	Accounts Rec. - Tenants	\$0	\$0	\$0
126.1	Allowance for Doubtful Accounts-Tenants	\$0	\$0	\$0
126.2	Allowance for Doubtful Accounts-Other	\$0	\$0	\$0
127	Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0
128	Fraud Recovery	\$0	\$0	\$0
128.1	Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$0	\$0
120	Total Receivables, Net of Allowances for Doubtful Accts	\$0	\$0	\$0
131	Investments - Unrestricted	\$0	\$0	\$0
132	Investments - Restricted	\$0	\$0	\$0
135	Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0
142	Prepaid Expenses / Other Assets	\$658	\$0	\$658
143	Inventories	\$0	\$0	\$0
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0
144	Inter program Due From	\$0	\$0	\$0
145	Assets Held for Sale	\$0	\$0	\$0
150	Total Current Assets	\$131,549	\$5,531	\$137,080
161	Land	\$0	\$0	\$0
162	Buildings	\$56,000	\$0	\$56,000
163	Furniture/ Equip/ Machine/- Dwellings	\$0	\$0	\$0
164	Furniture/ Equip/ Machine/- Admin	\$21,566	\$0	\$21,566

165	Leasehold Improvements	\$0	\$0	\$0
166	Accumulated Depreciation	-\$21,566	\$0	-\$21,566
167	Construction in Progress	\$0	\$0	\$0
168	Infrastructure	\$0	\$0	\$0
160	Total Capital Assets/Net of Accum. Depreciation	\$56,000	\$0	\$56,000

171	Notes, Loans, & Mortgages Rec. - Non Current	\$0	\$0	\$0
172	Notes, Loans, & Mortgages Rec. - Non Current - Past	\$0	\$0	\$0
173	Grants Receivable - Non Current	\$0	\$0	\$0
174	Other Assets	\$0	\$0	\$0
176	Investments in Joint Ventures	\$0	\$0	\$0
180	Total Non- Current Assets	\$56,000	\$0	\$56,000

200	Deferred Outflow of Resources	\$0	\$0	\$0
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290	Total Assets/Deferred Outflow of Resources	\$187,549	\$5,531	\$193,080
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311	Bank Overdraft	\$0	\$0	\$0
312	Accts Payable - 90days	\$3,245	\$0	\$3,245
313	Accounts Payable > 90 Days Past Due	\$0	\$0	\$0
321	Accrued Wage/Payroll Taxes payable	\$1,994	\$0	\$1,994
322	Accrued Comp. Absences-Current Portion	\$337	\$0	\$337
324	Accrued Contingency Liability	\$0	\$0	\$0
325	Accrued Interest Payable	\$0	\$0	\$0
331	Accounts Payable - HUD PHA Programs	\$474	\$0	\$474
332	Accts. Payable - PHA Projects	\$0	\$0	\$0
333	Accounts Payable - Other Government	\$0	\$0	\$0
341	Tenant Security Deposits	\$0	\$0	\$0
342	Unearned Revenue (Prepaid Rent)	\$19,186	\$0	\$19,186
343	Current Portion of Long Term Debt - Capital	\$0	\$0	\$0
344	Current Portion of Long-Term Debt - Operating Borrowings	\$3,423	\$0	\$3,423
345	Other Current Liabilities	\$0	\$0	\$0
346	Accrued Liabilities - Other	\$0	\$0	\$0
347	Inter Program - Due To	\$0	\$0	\$0
348	Loan Liability - Current	\$0	\$0	\$0
310	Total Current Liabilities	\$28,659	\$0	\$28,659

351	Long-Term Debt Not of Current -Capital Projects	\$0	\$0	\$0
352	Long-Term Debt Not of Current -Operating Borrowings	\$50,118	\$0	\$50,118
353	Non-Current Liabilities - Other	\$0	\$0	\$0
354	Accrued Comp. Absences - Non Current	\$4,830	\$0	\$4,830
355	Loan Liability - Non Current	\$0	\$0	\$0
356	FASB 5 Liabilities	\$0	\$0	\$0

357	Accrued Pension and OPEB Liabilities	\$0	\$0	\$0
350	Total Non-Current Liabilities	\$54,948	\$0	\$54,948
300	Total Liabilities	\$83,607	-0-\$0	\$83,607

400	Deferred Inflow of Resources	\$0	\$0	\$0
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508.4	Net Invest in Capital Assets	\$2,459	\$0	\$2,459
511.4	Restricted Net Position	\$52,799	\$0	\$52,799
512.4	Unrestricted Net Position	\$48,684	\$5,531	\$54,215
513	Total Equity - Net Assets / Position	\$103,942	\$5,531	\$109,473

600	Total Liabilities, Deferred Inflows of Resources and Equity	\$187,549	\$5,531	\$193,080
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Housing Authority of the Town of Newellton (LA169)

NEWELLTON, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

		14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	Total
70300	Net Tenant Rental Revenue	\$0	\$0	\$0
70400	Tenant Revenue - Other	\$0	\$0	\$0
70500	Total Tenant Revenue	\$0	\$0	\$0
70600	HUD PHA Operating Grants	\$823,421	\$0	\$823,421
70610	Capital Grants	\$0	\$0	\$0
70710	Management Fee	\$0	\$0	\$0
70720	Asset Management Fee	\$0	\$0	\$0
70730	Bookkeeping Fee	\$0	\$0	\$0
70740	Front Line Service Fee	\$0	\$0	\$0
70750	Other Fees	\$0	\$0	\$0
70700	Total Fee Revenue	\$0	\$0	\$0
70800	Other Government Grants	\$0	\$0	\$0
71100	Investment Income - Unrestricted	\$226	\$0	\$226
71200	Mortgage Interest Income	\$0	\$0	\$0
71300	Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0
71310	Cost of Sale of Assets	\$0	\$0	\$0
71400	Fraud Recovery	\$1,798	\$0	\$1,798
71500	Other Revenue	\$418	\$0	\$418
71600	Gain or Loss on Sale of Capital Assets	\$2,350	\$0	\$2,350
72000	Investment Income - Restricted	\$0	\$0	\$0
70000	Total Revenue	\$828,213	\$0	\$828,213
91100	Administrative Salaries	\$45,522	\$0	\$45,522
91200	Auditing Fees	\$5,895	\$0	\$5,895
91300	Management Fees	\$0	\$0	\$0
91310	Bookkeeping	\$0	\$0	\$0
91400	Advertising & Marketing	\$34	\$0	\$34
91500	Employee Benefit Contrib. - Admin	\$14,738	\$0	\$14,738
91600	Office Expenses	\$16,455	\$0	\$16,455
91700	Legal Expenses	\$0	\$0	\$0
91800	Travel	\$1,953	\$0	\$1,953
91810	Allocated Overhead	\$0	\$0	\$0

91900	Other	\$2,950	\$0	\$2,950
91000	Total Operating Administrative	\$87,547	\$0	\$87,547

92000	Asset Management Fee	\$0	\$0	\$0
92100	Tenant Services - Salaries	\$0	\$0	\$0
92200	Relocation Costs	\$0	\$0	\$0
92300	Employee Benefit Contributions- Tenant Services	\$0	\$0	\$0
92400	Tenant Services - other	\$0	\$0	\$0
92500	Total Tenant Services	\$0	\$0	\$0

93100	Water	\$1,271	\$0	\$1,271
93200	Electricity	\$2,479	\$0	\$2,479
93300	Gas	\$0	\$0	\$0
93400	Fuel	\$0	\$0	\$0
93500	Labor	\$0	\$0	\$0
93600	Sewer	\$0	\$0	\$0
93700	Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800	Other Utilities Expense	\$0	\$0	\$0
93000	Total Utilities	\$3,750	\$0	\$3,750

94100	Ordinary Maint. & Oper - Labor	\$0	\$0	\$0
94200	Ordinary Maint. & Oper - Materials	\$0	\$0	\$0
94300	Ordinary Maint. & Oper - Contracts	\$0	\$0	\$0
94500	Employee Benefit Contrib. - Ord. Maint.	\$0	\$0	\$0
94000	Total Maintenance	\$0	\$0	

95100	Protective Services - Labor	\$0	\$0	\$0
95200	Protective Services - Other Contract Costs	\$0	\$0	\$0
95300	Protective Services - Other	\$0	\$0	\$0
95500	Employee Benefit Contrib. - Protective Services	\$0	\$0	\$0
95000	Total Protective Services	\$0	\$0	\$0

96110	Property Insurance	\$1,966	\$0	\$1,966
96120	Liability Insurance	\$529	\$0	\$529
96130	Workman's Compensation	\$2,583	\$0	\$2,583
96140	All Other Insurance	\$3,122	\$0	\$3,122
96100	Total Insurance Premiums	\$8,200	\$0	\$8,200

96200	Other general Expenses	\$0	\$0	\$0
96210	Compensated Absences	\$1,249	\$0	\$1,249
96300	Payments in Lieu of Taxes	\$0	\$0	\$0
96400	Bad Debt - Other	\$0	\$0	\$0
96500	Bad Debt - Mortgages	\$0	\$0	\$0
96600	Bad Debt - Other	\$0	\$0	\$0

96800	Severance Expense	\$0	\$0	\$0
96000	Total Other General Expenses	\$1,249	\$0	\$1,249

96710	Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720	Interest on Notes Payable (short and long term)	\$2,084	\$0	\$2,084
96730	Amortization of Bond Issue Costs	-0-	\$0	-0-
96700	Total Interest Expense and Amortization Cost	\$2,084	\$0	\$2,084

96900	Total Operating Expenses	\$102,830	\$0	\$102,830
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97000	Excess of Operating Revenue over Operating Expenses	\$725,383	\$0	\$725,383
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97100	Extraordinary Maintenance	\$0	\$0	\$0
97200	Casualty Losses - Non Capitalized	\$0	\$0	\$0
97300	Housing Assistance Payments	\$685,872	\$0	\$685,872
97350	HAP Portability-In	\$371	\$0	\$371
97400	Depreciation Expense	\$0	\$0	\$0
97500	Fraud Losses	\$0	\$0	\$0
97600	Capital Outlays - Governmental Funds	\$0	\$0	\$0
97700	Debt Principal Payment - Governmental Funds	\$0	\$0	\$0
97800	Dwelling Units Rent Expense	\$0	\$0	\$0
90000	Total Expenses	\$789,073	\$0	\$789,073

10010	Operating Transfer In	\$0	\$0	\$0
10020	Operating Transfer Out	\$0	\$0	\$0
10030	Operating Trans. From/to Primary Government	\$0	\$0	\$0
10040	Operating Trans. From/to Component Unit	\$0	\$0	\$0
10050	Proceeds from Notes, Loan, and Bonds	\$0	\$0	\$0
10060	Proceeds from Property Sales	\$0	\$0	\$0
10070	Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080	Spec. Items (net Gain/Loss)	\$0	\$0	\$0
10091	Inter Project Excess Cash Transfer In	\$0	\$0	\$0
10092	Inter Project Excess Cash Transfer Out	\$0	\$0	\$0
10093	Trans. Between Project and Program - In	\$0	\$0	\$0
10094	Trans. Between Project and Program - Out	\$0	\$0	\$0
10100	Total Other Financing Sources (uses)	\$0	\$0	\$0

10000	Excess (Deficiency) of Total rev. Over (Under) Total	\$39,140	\$0	\$39,140
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11020	Required Annual Debt Principal Payments	\$0	\$0	\$0
11030	Beginning Equity	\$64,802	\$5,531	\$70,333
11040	Prior Period adj., Equity Trans. & Correction	\$0	\$0	\$0
11050	Changes in Compensated Absence Balance	\$0	\$0	\$0

11060	Changes in Contingent Liability Balance	\$0	\$0	\$0
11070	Changes in Unrecognized pension Trans Liability	\$0	\$0	\$0
11080	Changes in Spec. Term/ Severance Benefits Liability	\$0	\$0	\$0
11090	Changes in Allowance for Doubtful Accts- Dwelling	\$0	\$0	\$0
11000	Changes in Allowance for Doubtful Accts- Other	\$0	\$0	\$0
11170	Admin. Fee Equity	\$51,143	\$0	\$51,143
11180	Housing Asst. Payment Equity	\$52,799	\$0	\$52,799
11190	Unit Months Available	1983	-	1983
11210	No. of Unit Months Leased	1983	-	1983
11270	Excess Cash	\$0	\$0	\$0
11610	Land Purchases	\$0	\$0	\$0
11620	Bldg Purchases	\$0	\$0	\$0
11630	Furniture & Equip. -Dwelling Purchases	\$0	\$0	\$0
11640	Furniture & Equip. -Admin. Purchases	\$0	\$0	\$0
11650	Leasehold Improvement Purchases	\$0	\$0	\$0
11660	Infrastructure Purchases	\$0	\$0	\$0
13510	CFFP Debt Serv. Payments	\$0	\$0	\$0
13901	Replacement Housing Factor Funds	\$0	\$0	\$0