

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED SEPTEMBER 30, 2012

Mike Estes, P.C.
A Professional Accounting Corporation

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Independent Auditor's Report

Board of Commissioners
Housing Authority of DeQuincy
DeQuincy, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the City of DeQuincy, Louisiana as of and for the year ended September 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the City of DeQuincy, Louisiana's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the City of DeQuincy, Louisiana, as of September 30, 2012, and the changes in its financial position and its cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2013, on our consideration of the Housing Authority of the City of DeQuincy, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying, the Financial Data Schedules required by HUD, and other accompanying information are presented for purposes of additional analysis and are not required parts of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
February 21, 2013

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

SEPTEMBER 30, 2012

Housing Authority of Dequincy, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2012

The management of Public Housing Authority of DeQuincy, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2012. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.

- The Housing Authority's assets exceeded its liabilities by \$1,261,738 at the close of the fiscal year ended 2012.
 - ✓ Of this amount \$1,044,804 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.

 - ✓ The remainder of \$216,934 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 42% of the total operating expenses of \$508,134 for the fiscal year 2012, which means the Authority might be able to operate about 5 months using the unrestricted assets alone, compared to 8 months in the prior fiscal year.

- The Housing Authority's total net assets increased by \$40,279, a 3% increase from the prior fiscal year 2011. This increase is attributable to significant increases in Federal grants for both operations and capital improvements, described in more detail below.

- The increase in net assets of these funds was accompanied by a decrease in cash and cash equivalents of \$16,579.

- The Authority spent \$285,724 on capital asset additions during the current fiscal year.

- These changes led to an increase in total assets by \$14,213 and a decrease in total liabilities by \$26,066. As related measure of financial health, there are still over \$9 of current assets covering each dollar of total current liabilities, which compares to \$14 covering the prior fiscal year's liabilities.

- The Housing Authority continues to operate without the need for debt borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2012?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

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

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

USING THIS ANNUAL REPORT

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

Low Rent Public Housing	\$ 144,564
Public Housing Capital Fund Program	<u>168,887</u>
Total funding received this current fiscal year	<u>\$ 313,451</u>

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

Housing Authority of Dequincy, Louisiana
 Management's Discussion and Analysis (MD&A)
 September 30, 2012

Reporting the Housing Authority's Most Significant Funds

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

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

FINANCIAL ANALYSIS

The Housing Authority's net assets were \$1,261,738 as of September 30, 2012. Of this amount, \$1,044,804 was invested in capital assets, and the remaining \$216,934 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general Net Assets.

CONDENSED FINANCIAL STATEMENTS

**Condensed Statement of Net Assets
 As of September 30, 2012**

	<u>2012</u>	<u>2011</u>
ASSETS		
Current assets	\$ 251,387	\$384,113
Capital assets, net of depreciation	<u>1,044,804</u>	<u>897,865</u>
Total assets	<u>1,296,191</u>	<u>1,281,978</u>
LIABILITIES		
Current liabilities	27,273	27,542
Non-current liabilities	<u>7,080</u>	<u>32,977</u>
Total liabilities	<u>34,453</u>	<u>60,519</u>
NET ASSETS		
Invested in capital assets, net of depreciation	1,044,804	897,865
Unrestricted net assets	<u>216,934</u>	<u>323,594</u>
Total net assets	<u>1,261,738</u>	<u>1,221,459</u>
Total liabilities and net assets	<u>1,296,191</u>	<u>1,281,978</u>

Housing Authority of Dequincy, Louisiana
 Management's Discussion and Analysis (MD&A)
 September 30, 2012

CONDENSED FINANCIAL STATEMENTS (Continued)

The net assets of these funds increased by \$40,279, or by 3%, from those of fiscal year 2011, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Condensed Statement of Revenues, Expenses, and Changes in Fund Net Assets
Fiscal Year Ended September 30, 2012

	2012	2011
OPERATING REVENUES		
Dwelling rental	\$ 207,214	\$ 191,670
Governmental operating grants	169,724	162,823
Other	26,796	21,960
	403,734	376,453
OPERATING EXPENSES		
Administration	183,059	166,532
Tenant services	220	268
Utilities	23,084	22,946
Ordinary maintenance & operations	101,453	95,929
General expenses	66,384	70,429
Depreciation	133,934	118,711
	508,134	474,815
Income (Loss) from Operations	(104,400)	(98,362)
Non Operating Revenues (Expenses)		
Interest earnings	952	2,218
Gain on disposal of assets	0	5,500
	952	7,718
Income (Loss) before contribution	(103,448)	(90,644)
Capital Contribution	143,727	67,812
Change in net assets	40,279	(22,832)
Total net assets - beginning	1,221,459	1,244,291
Total net assets - ending	\$ 1,261,738	\$ 1,221,459

Housing Authority of Dequincy, Louisiana
Management's Discussion and Analysis (MD&A)
September 30, 2012

Compared with the prior fiscal year, total operating, non-operating revenues, and capital contributions increased \$96,429, or by 21%, from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$17,166, or by 9%, from that of the prior fiscal year due to the amount of rent each tenant pays, which is based on a sliding scale of their personal income. Some tenants' personal incomes increased, so rent revenue from these tenants increased accordingly, raising the overall total. In addition, other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) decreased by \$1,622, or by 44%.
- Federal revenues from HUD for operations increased by \$6,901, or by 4%, from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount.
- Federal Capital Funds from HUD increased by \$75,915 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2011 through 2012, and submitted a new grant during this current fiscal year.
- Total other operating revenue increased by \$4,836, or by 18%, from that of the prior fiscal year, because the Authority received proceeds from workers' compensation dividends, which are recorded as other income by the Authority in the year received. In addition, the Authority received some waivers of payments in lieu of taxes (PILOT) from its related City taxing authority. However, on the contrary gains on the sale of capital assets decreased by \$5,500.
- Interest income decreased by \$1,266, or by 57% from that of the prior fiscal year due to fluctuating interest rates from economic instability.

Compared with the prior fiscal year, total operating expenses increased \$33,319, or by 7%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense increased by \$15,223, or by 13%, from that of the prior fiscal year, because there was an increase in capital assets by \$230,339.
- Maintenance and repairs increased by \$5,524, or by 6%, from that of the prior fiscal year, due to several major factors: Repair staff wages increased by \$3,462; however, related employee benefit contributions decreased by \$1,023. Also, materials used decreased by \$230, and contract labor costs increased by \$3,315.
- General Expenses decreased by \$4,045, or by 6%, from that of the prior fiscal year, and payments in lieu of taxes (PILOT) increased by \$1,661, or by 10%. PILOT is calculated as a percentage of rent minus utilities which changed proportionately to the changes in each of these. Insurance premiums decreased by \$333, since property and casualty insurance premiums decreased. Lastly, bad debts decreased by \$184, and compensated absences decreased by \$5,189, or by 31%.

Housing Authority of Dequincy, Louisiana
 Management's Discussion and Analysis (MD&A)
 September 30, 2012

- Administrative Expenses increased by \$16,527, or by 30%, from that of the prior fiscal year, due to a combination of offsetting factors: Administrative staff salaries increased by \$6,133, and related employee benefit contributions increased by \$8,091; therefore, total staff salaries and benefit costs increased by 41%. In addition, audit fees increased by \$500, staff training/travel reimbursements decreased by \$6,463, office expenses increased by \$4,546, and sundry expenses increased by \$3,719; therefore, other staff administrative expense increased by 4%.
- Tenant services and Utilities, totaling \$23,304, did not change significantly from the prior to the current year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2012, the Housing Authority had a total cost of \$5,362,372 invested in a broad range of assets and construction in progress from projects funded in 2010 through 2012, listed below. This amount, not including depreciation, represents increases of \$230,339 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Capital Assets, Net of Accumulated Depreciation
 As of September 30, 2012**

	<u>2012</u>	<u>2011</u>
Land	\$ 95,255	\$ 95,254
Construction in progress	4,809	9,661
Buildings	888,020	719,045
Leasehold improvements	21,698	25,670
Furniture and equipment	<u>35,022</u>	<u>48,235</u>
Total	<u>1,044,804</u>	<u>897,865</u>

As of the end of the 2012 fiscal year, the Authority is still in the process of completing HUD grants of \$189,045 obtained during the 2011 and 2012 grant years. A total remainder of \$70,118 will be received and \$69,929 will be spent for completing these projects during fiscal year 2013.

Debt

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2013 fiscal year have already been submitted to HUD for approval and no major changes are expected.

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

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Shirley Bagwell, at Public Housing Authority of DeQuincy, Louisiana; P.O. Box 126; DeQuincy, LA 70663.

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
STATEMENT OF NET ASSETS

SEPTEMBER 30, 2012

ASSETS	
Current assets	
Cash and cash equivalents	\$ 157,081
Investments	59,632
Accounts receivable net	345
Interest receivable	10
Prepaid items and other assets	16,324
Inventory	525
Restricted assets - cash and cash equivalents	17,470
	<hr/>
Total Current Assets	251,387
	<hr/>
Capital Assets, net	
Land and other non-depreciated assets	100,064
Other capital assets - net of depreciation	944,740
	<hr/>
Total Capital Assets, net	1,044,804
	<hr/>
Total Assets	\$ 1,296,191
	<hr/> <hr/>
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 6,259
Deferred revenue	244
Compensated absences payable	3,400
Deposits due others	17,470
	<hr/>
Total Current Liabilities	27,373
	<hr/>
Noncurrent Liabilities	
Compensated absences payable	7,080
	<hr/>
Total Liabilities	34,453
	<hr/>
NET ASSETS	
Invested in capital assets, net of related debt	1,044,804
Unrestricted	216,934
	<hr/>
Net Assets	1,261,738
	<hr/>
Total Liabilities and Net Assets	\$ 1,296,191
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

OPERATING REVENUES	
Dwelling rental	\$ 207,214
Governmental operating grants	169,724
Other	26,796
	<hr/>
Total Operating Revenues	403,734
	<hr/>
OPERATING EXPENSES	
Administration	183,059
Tenant services	220
Utilities	23,084
Ordinary maintenance & operations	101,453
General expenses	66,384
Depreciation	133,934
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Total Operating Expenses	508,134
	<hr/>
Income (Loss) from Operations	(104,400)
	<hr/>
Non Operating Revenues (Expenses)	
Interest earnings	952
	<hr/>
Total Non-Operating Revenues (Expenses)	952
	<hr/>
Income (Loss) before contribution	(103,448)
	<hr/>
Capital Contribution	143,727
	<hr/>
Change in net assets	40,279
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Total net assets - beginning	1,221,459
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Total net assets - ending	\$ 1,261,738
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES	
Rental receipts	\$ 207,008
Other receipts	27,989
Federal grants	174,038
Payments to vendors	(166,671)
Payments to employees – net	(234,755)
	<hr/>
Net cash provided (used) by operating activities	7,609
	<hr/>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(280,873)
Federal Capital Grants	143,727
	<hr/>
Net cash provided (used) by capital and related financing activities	(137,146)
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from investment maturities	111,774
Interest income	1,184
	<hr/>
Net cash provided (used) by investing activities	112,958
	<hr/>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(16,579)
CASH AND CASH EQUIVALENTS	
Beginning of Fiscal Year	191,130
	<hr/>
CASH AND CASH EQUIVALENTS	
End of Fiscal Year	\$ 174,551
	<hr/> <hr/>

Continued

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

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

Operating income (loss)	\$ (104,400)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation Expense	133,934
Provision of uncollectible accounts	6
Change in assets and liabilities:	
Receivables	4,108
Inventories	(107)
Prepaid items	84
Account payables	(738)
Accrued compensated absences	(26,471)
Deposits due others	1,193
Net cash provided (used) by operations	<u>\$ 7,609</u>

Concluded

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

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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

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

The Housing Authority has the following units:

PHA Owned Housing	FW 1348	80 units
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GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

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

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

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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

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

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

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$174,551. This is comprised of cash and cash equivalents of \$157,081 and restricted assets – cash of \$17,470, on the statement of net assets.

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

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

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

The Housing Authority reported at amortized cost money market investments *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

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

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

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

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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

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

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and equipment	3 years

J. DEFERRED REVENUES The Housing Authority reports deferred revenues on its balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

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

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

M. RESTRICTED NET ASSETS Net assets are reported as restricted when constraints placed on net asset use are either:

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

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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

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

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2012. Deposits are stated at cost, which approximates fair value.

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

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

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

Restricted Cash: \$17,470 is restricted in the General Fund for security deposits.

At September 30, 2012, the Housing Authority's carrying amount of deposits was \$233,883 and the bank balance was \$267,506, which includes \$59,632 in certificates of deposits classified as investments. Petty cash consists of \$300. \$250,000 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$17,506 was covered by pledged securities. However, this \$17,506 was exposed to custodial credit risk, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

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

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at September 30, 2012, are as follows:

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 156
Federal sources:	
Grants	189
Total	\$ 345

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

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 95,254	\$ 0	\$ 0	\$ 95,254
Construction in progress	9,661	0	4,851	4,810
Depreciable assets:				
Buildings	4,815,418	274,746	0	5,090,164
Furniture and equipment	211,700	10,978	50,534	172,144
Total capital assets	5,132,033	285,724	55,385	5,362,372
Less: accumulated depreciation				
Buildings	4,068,673	114,865	0	4,183,538
Furniture and equipment	165,495	19,069	50,534	134,030
Total accumulated deprection	4,234,168	133,934	50,534	4,317,568
Total capital assets, net	\$ 897,865	\$ 151,790	\$ 4,851	\$ 1,044,804

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 5 – ACCOUNTS PAYABLE The payables at September 30, 2012 are as follows:

Vendors	\$	490
Payroll taxes & Retirement withheld		3,972
Utilities		1,797
Total	\$	6,259

NOTE 6 – COMPENSATED ABSENCES At September 30, 2012, employees of the Housing Authority have accumulated and vested \$10,480 of employee leave computed in accordance with GASB, Codification Section C60.

NOTE 7 – LONG – TERM OBLIGATIONS The following is a summary of the long – term obligation transactions for the year ended September 30, 2012.

		Compensated Absences
Balance, beginning	\$	36,951
Additions		6,609
Deletions		33,080
Balance, ending		10,480
Amounts due in one year	\$	3,400

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

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 6% of his effective compensation, and may make additional contributions. The employer is required to make monthly contributions equal to 6% of each participant’s effective compensation.

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

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

The Housing Authority made the required contributions of \$15,859 for the year ended September 30, 2012, of which \$8,005 was paid by the Housing Authority and \$7,854 was paid by employees. No payments were made out of the forfeiture account.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Commitments The Authority entered into an Employment Agreement with the Executive Director, effective October 1, 2012. The Agreement is for five years, and may be renewed for additional five year terms, upon approval of the Board. The Executive Director may terminate the Agreement at any time, if at least sixty days written notice is given.

The Agreement may be terminated by the Authority for cause, if at least thirty days notice is given to the Executive Director, and due process is followed. If the Executive Director is terminated without cause, the Authority is obligated to pay a lump sum equal to the salary and benefits that she would have received for the remainder of the five year term. If the Executive Director leaves for any reason, the Authority is obligated to pay all unused but earned annual leave, in accordance with the Personnel Policy.

Litigation The Housing Authority is not presently involved in litigation.

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

Construction Projects There are certain renovation or construction projects in progress at September 30, 2012. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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

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

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

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

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

NOTE 10 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$313,451 to the Housing Authority, which represents approximately 58% of the Housing Authority's total revenue and capital contributions for the year

NOTE 11 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net assets sheet date through the date of the independent auditor's report (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

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ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

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

Housing Authority of DeQuincy
DeQuincy, Louisiana

We have audited the basic financial statements of the Housing Authority of the City of DeQuincy, Louisiana, as of and for the year ended September 30, 2012, and have issued our report thereon dated February 21, 2013. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the City of DeQuincy, Louisiana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of DeQuincy, Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of DeQuincy, Louisiana's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the Schedule of Audit Findings as Audit Finding 12-01 that we consider to be a significant deficiency in internal control over financial reporting. 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.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the Board of Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
February 21, 2013

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED YEAR ENDED SEPTEMBER 30, 2012

Section I – Summary of the Auditor’s Results

Financial Statement Audit

1. Type of Auditor’s Report Issued on Financial Statements – Unqualified.

2. Internal Control Over Financial Reporting:

a. Material weakness(es) identified?	<u> </u>	yes	<u> ✓ </u>	no
b. Significant deficiency(ies) identified?	<u> ✓ </u>	yes	<u> </u>	none reported

3. Noncompliance material to financial statements noted?	<u> </u>	yes	<u> ✓ </u>	no
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HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2012

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

Low Income Program

12 – 01 – Lack of Adequate Control Check of Financial Statements

Statement of Condition

A material audit adjustment was necessary that was not brought to our attention by management. In addition, the PHA's fee accountant did not perform a supervisory review, to an adequate extent, to detect the material misstatement, before the unaudited statements were released.

This is considered a significant deficiency in financial reporting (often considered a material weakness).

Criteria

The July 2007 Revision (and earlier versions) of Government Auditing Standards state that generally accepted government auditing standards incorporate AICPA auditing standards.

Under Statement on Auditing Standards (SAS) #115, effective for years ended 12/31/09 and after, [prior to this, SAS #112 was in effect with similar language], material audit adjustments are evidence of a weakness in the internal control over reporting, which are usually deemed to be at least a significant deficiency, if not a material weakness.

In addition, the Government Accountability Office (GAO) adopted the SAS #112 internal control terminology in January 2007, and later adopted SAS #115 terminology.

Effect

The Low Rent to the equity, total liabilities, and total expenses were materially misstated.

Cause

Unknown

Questioned Cost

None

Recommendation

The errors have been discussed with the Executive Director and the fee accountant. The fee accountant should perform a second level of supervisory review over the year-end financial statements.

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2012

Corrective Action Plan Finding 12-01 – Lack of Adequate Control Check of Financial Statements

Contact person – Executive Director

Corrective action planned

I am Shirley Bagwell, Executive Director and designated person to answer the finding. I will make sure one fee accountant performs a second level of review on the year-end financial statements.

Anticipated completion date – September 30, 2013

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2012

The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:

There were no prior audit findings.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED SEPTEMBER 30, 2012

	2010 Capital Fund
Funds approved	\$ 110,295
Funds expended	110,295
Excess of funds approved	\$ 0
<hr style="border-top: 3px double #000;"/>	
Funds advanced	\$ 110,295
Funds expended	110,295
Excess (Deficiency) of funds advanced	\$ 0
<hr style="border-top: 3px double #000;"/>	

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statement of Modernization Costs dated March 8, 2012 accompanying the Actual Modernization Costs Certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

See accountants' report

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2012

CASH BASIS

	<u>2011</u> <u>Capital Fund</u>		<u>2012</u> <u>Capital Fund</u>
Funds approved	\$ 98,398	\$	90,647
Funds expended	98,398		20,718
Excess of funds approved	<u>0</u>	<u>\$</u>	<u>69,929</u>
Funds advanced	\$ 98,398	\$	20,529
Funds expended	98,398		20,718
Excess (Deficiency) of funds	<u>0</u>	<u>\$</u>	<u>(189)</u>

See accountants' report

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2012

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 144,564
Capital Fund Program	14.872	168,887
Total United States Department of Housing and Urban Development		\$ 313,451
Total Expenditures of Federal Awards		\$ 313,451

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

YEAR ENDED SEPTEMBER 30, 2012

NOTE 1 – GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the City of DeQuincy, Louisiana (the “Housing Authority”). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 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(C) to the Housing Authority’s basic financial statements.

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

	Federal Sources
Enterprise Funds	
General	\$ 169,724
Governmental operating grants	143,727
	313,451
Total	\$ 313,451

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

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2012

Entity Wide Balance Sheet Summary

	Project Total	Total
111 Cash - Unrestricted	\$157,081	\$157,081
112 Cash - Restricted - Modernization and Development	\$0	\$0
113 Cash - Other Restricted	\$0	\$0
114 Cash - Tenant Security Deposits	\$17,470	\$17,470
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0
100 Total Cash	\$174,551	\$174,551
121 Accounts Receivable - PHA Projects	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$189	\$189
124 Accounts Receivable - Other Government	\$0	\$0
125 Accounts Receivable - Miscellaneous		
126 Accounts Receivable - Tenants	\$156	\$156
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0
128 Fraud Recovery	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0
129 Accrued Interest Receivable	\$10	\$10
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$355	\$355
131 Investments - Unrestricted	\$59,632	\$59,632
132 Investments - Restricted	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0
142 Prepaid Expenses and Other Assets	\$16,324	\$16,324
143 Inventories	\$553	\$553
143.1 Allowance for Obsolete Inventories	-\$28	-\$28
144 Inter Program Due From	\$0	\$0
145 Assets Held for Sale	\$0	\$0
150 Total Current Assets	\$251,387	\$251,387
161 Land	\$95,254	\$95,254
162 Buildings	\$4,561,022	\$4,561,022
163 Furniture, Equipment & Machinery - Dwellings	\$65,049	\$65,049
164 Furniture, Equipment & Machinery - Administration	\$107,095	\$107,095
165 Leasehold Improvements	\$529,142	\$529,142
166 Accumulated Depreciation	-\$4,317,568	-\$4,317,568
167 Construction in Progress	\$4,810	\$4,810
168 Infrastructure	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,044,804	\$1,044,804
171 Notes, Loans and Mortgages Receivable - Non-Current		
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due		
173 Grants Receivable - Non Current	\$0	\$0
174 Other Assets		
176 Investments in Joint Ventures		
180 Total Non-Current Assets	\$1,044,804	\$1,044,804
190 Total Assets	\$1,296,191	\$1,296,191

**HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED SEPTEMBER 30, 2012

Entity Wide Balance Sheet Summary

	Project Total	Total
311 Bank Overdraft	\$0	\$0
312 Accounts Payable <= 90 Days	\$490	\$490
313 Accounts Payable >90 Days Past Due	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$3,972	\$3,972
322 Accrued Compensated Absences - Current Portion	\$3,400	\$3,400
324 Accrued Contingency Liability	\$0	\$0
325 Accrued Interest Payable	\$0	\$0
331 Accounts Payable - HUD PHA Programs		
332 Account Payable - PHA Projects	\$0	\$0
333 Accounts Payable - Other Government	\$0	\$0
341 Tenant Security Deposits	\$17,470	\$17,470
342 Deferred Revenues	\$244	\$244
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds		
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0
345 Other Current Liabilities	\$0	\$0
346 Accrued Liabilities - Other	\$1,797	\$1,797
347 Inter Program - Due To	\$0	\$0
348 Loan Liability - Current		
310 Total Current Liabilities	\$27,373	\$27,373
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$7,080	\$7,080
355 Loan Liability - Non Current		
356 FASB 5 Liabilities	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0
350 Total Non-Current Liabilities	\$7,080	\$7,080
300 Total Liabilities	\$34,453	\$34,453
508.1 Invested in Capital Assets, Net of Related Debt	\$1,044,804	\$1,044,804
511.1 Restricted Net Assets	\$0	\$0
512.1 Unrestricted Net Assets	\$216,934	\$216,934
513 Total Equity/Net Assets	\$1,261,738	\$1,261,738
600 Total Liabilities and Equity/Net Assets	\$1,296,191	\$1,296,191

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2012

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$207,214	\$0	\$207,214
70400 Tenant Revenue - Other	\$5,325	\$0	\$5,325
70500 Total Tenant Revenue	\$212,539	\$0	\$212,539
70600 HUD PHA Operating Grants	\$144,564	\$25,160	\$169,724
70610 Capital Grants	\$0	\$143,727	\$143,727
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$952	\$0	\$952
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	\$0	\$0	\$0
71500 Other Revenue	\$21,471	\$0	\$21,471
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$379,526	\$168,887	\$548,413
91100 Administrative Salaries	\$91,127	\$0	\$91,127
91200 Auditing Fees	\$9,230	\$0	\$9,230
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$1,120	\$0	\$1,120
91500 Employee Benefit contributions - Administrative	\$37,783	\$0	\$37,783
91600 Office Expenses	\$30,526	\$0	\$30,526
91700 Legal Expense	\$0	\$0	\$0
91800 Travel	\$7,254	\$0	\$7,254
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$6,019	\$0	\$6,019
91000 Total Operating - Administrative	\$183,059	\$0	\$183,059
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	\$220	\$0	\$220
92500 Total Tenant Services	\$220	\$0	\$220
93100 Water	\$11,194	\$0	\$11,194
93200 Electricity	\$9,897	\$0	\$9,897
93300 Gas	\$297	\$0	\$297

**HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED SEPTEMBER 30, 2012

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$1,696	\$0	\$1,696
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$23,084	\$0	\$23,084
94100 Ordinary Maintenance and Operations - Labor	\$51,602	\$0	\$51,602
94200 Ordinary Maintenance and Operations - Materials and Other	\$18,605	\$0	\$18,605
94300 Ordinary Maintenance and Operations Contracts	\$15,748	\$0	\$15,748
94500 Employee Benefit Contributions - Ordinary Maintenance	\$15,498	\$0	\$15,498
94000 Total Maintenance	\$101,453	\$0	\$101,453
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 Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$22,324	\$0	\$22,324
96120 Liability Insurance	\$4,922	\$0	\$4,922
96130 Workmen's Compensation	\$5,990	\$0	\$5,990
96140 All Other Insurance	\$3,263	\$0	\$3,263
96100 Total Insurance Premiums	\$36,499	\$0	\$36,499
96200 Other General Expenses	\$0	\$0	\$0
96210 Compensated Absences	\$11,352	\$0	\$11,352
96300 Payments in Lieu of Taxes	\$18,533	\$0	\$18,533
96400 Bad debt - Tenant Rents	\$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	\$29,885	\$0	\$29,885
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$374,200	\$0	\$374,200
97000 Excess of Operating Revenue over Operating Expenses	\$5,326	\$168,887	\$174,213
97100 Extraordinary Maintenance	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2012

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$133,934	\$0	\$133,934
97500 Fraud Losses	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense	\$0	\$0	\$0
90000 Total Expenses	\$508,134	\$0	\$508,134
10010 Operating Transfer In	\$25,160	\$0	\$25,160
10020 Operating transfer Out	\$0	-\$25,160	-\$25,160
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080 Special 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 Transfers between Program and Project - In	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$25,160	-\$25,160	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$103,448	\$143,727	\$40,279
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,185,203	\$36,256	\$1,221,459
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	948		948
11210 Number of Unit Months Leased	923		923
11270 Excess Cash	\$175,982		\$175,982
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$135,995	\$135,995
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$2,827	\$2,827
11640 Furniture & Equipment - Administrative Purchases	\$0	\$4,905	\$4,905
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

**HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED SEPTEMBER 30, 2012

Entity Wide Revenue and Expense Summary

	Project Total	Total
70300 Net Tenant Rental Revenue	\$207,214	\$207,214
70400 Tenant Revenue - Other	\$5,325	\$5,325
70500 Total Tenant Revenue	\$212,539	\$212,539
70600 HUD PHA Operating Grants	\$169,724	\$169,724
70610 Capital Grants	\$143,727	\$143,727
70710 Management Fee		
70720 Asset Management Fee		
70730 Book Keeping Fee		
70740 Front Line Service Fee		
70750 Other Fees		
70700 Total Fee Revenue		
70800 Other Government Grants	\$0	\$0
71100 Investment Income - Unrestricted	\$952	\$952
71200 Mortgage Interest Income	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0
71400 Fraud Recovery	\$0	\$0
71500 Other Revenue	\$21,471	\$21,471
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0
70000 Total Revenue	\$548,413	\$548,413
91100 Administrative Salaries	\$91,127	\$91,127
91200 Auditing Fees	\$9,230	\$9,230
91300 Management Fee	\$0	\$0
91310 Book-keeping Fee	\$0	\$0
91400 Advertising and Marketing	\$1,120	\$1,120
91500 Employee Benefit contributions - Administrative	\$37,783	\$37,783
91600 Office Expenses	\$30,526	\$30,526
91700 Legal Expense	\$0	\$0
91800 Travel	\$7,254	\$7,254
91810 Allocated Overhead	\$0	\$0
91900 Other	\$6,019	\$6,019
91000 Total Operating - Administrative	\$183,059	\$183,059
92000 Asset Management Fee	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0
92200 Relocation Costs	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0
92400 Tenant Services - Other	\$220	\$220
92500 Total Tenant Services	\$220	\$220
93100 Water	\$11,194	\$11,194
93200 Electricity	\$9,897	\$9,897
93300 Gas	\$297	\$297

HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2012

Entity Wide Revenue and Expense Summary

	Project Total	Total
93400 Fuel	\$0	\$0
93500 Labor	\$0	\$0
93600 Sewer	\$1,696	\$1,696
93700 Employee Benefit Contributions - Utilities	\$0	\$0
93800 Other Utilities Expense	\$0	\$0
93000 Total Utilities	\$23,084	\$23,084
94100 Ordinary Maintenance and Operations - Labor	\$51,602	\$51,602
94200 Ordinary Maintenance and Operations - Materials and Other	\$18,605	\$18,605
94300 Ordinary Maintenance and Operations Contracts	\$15,748	\$15,748
94500 Employee Benefit Contributions - Ordinary Maintenance	\$15,498	\$15,498
94000 Total Maintenance	\$101,453	\$101,453
95100 Protective Services - Labor	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0
95300 Protective Services - Other	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0
95000 Total Protective Services	\$0	\$0
96110 Property Insurance	\$22,324	\$22,324
96120 Liability Insurance	\$4,922	\$4,922
96130 Workmen's Compensation	\$5,990	\$5,990
96140 All Other Insurance	\$3,263	\$3,263
96100 Total insurance Premiums	\$36,499	\$36,499
96200 Other General Expenses	\$0	\$0
96210 Compensated Absences	\$11,352	\$11,352
96300 Payments in Lieu of Taxes	\$18,533	\$18,533
96400 Bad debt - Tenant Rents	\$0	\$0
96500 Bad debt - Mortgages	\$0	\$0
96600 Bad debt - Other	\$0	\$0
96800 Severance Expense	\$0	\$0
96000 Total Other General Expenses	\$29,885	\$29,885
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0
96900 Total Operating Expenses	\$374,200	\$374,200
97000 Excess of Operating Revenue over Operating Expenses	\$174,213	\$174,213
97100 Extraordinary Maintenance	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0

**HOUSING AUTHORITY OF DEQUINCY, LOUISIANA
FINANCIAL DATA SCHEDULE**

YEAR ENDED SEPTEMBER 30, 2012

Entity Wide Revenue and Expense Summary

	Project Total	Total
97350 HAP Portability-In	\$0	\$0
97400 Depreciation Expense	\$133,934	\$133,934
97500 Fraud Losses	\$0	\$0
97600 Capital Outlays - Governmental Funds		
97700 Debt Principal Payment - Governmental Funds		
97800 Dwelling Units Rent Expense	\$0	\$0
90000 Total Expenses	\$508,134	\$508,134
10010 Operating Transfer In	\$25,160	\$25,160
10020 Operating transfer Out	-\$25,160	-\$25,160
10030 Operating Transfers from/to Primary Government		
10040 Operating Transfers from/to Component Unit	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds		
10060 Proceeds from Property Sales		
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$40,279	\$40,279
11020 Required Annual Debt Principal Payments	\$0	\$0
11030 Beginning Equity	\$1,221,459	\$1,221,459
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors		
11050 Changes in Compensated Absence Balance		
11060 Changes in Contingent Liability Balance		
11070 Changes in Unrecognized Pension Transition Liability		
11080 Changes in Special Term/Severance Benefits Liability		
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents		
11100 Changes in Allowance for Doubtful Accounts - Other		
11170 Administrative Fee Equity		
11180 Housing Assistance Payments Equity		
11190 Unit Months Available	948	948
11210 Number of Unit Months Leased	923	923
11270 Excess Cash	\$175,982	\$175,982
11610 Land Purchases	\$0	\$0
11620 Building Purchases	\$135,995	\$135,995
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11650 Leasehold Improvements Purchases	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0