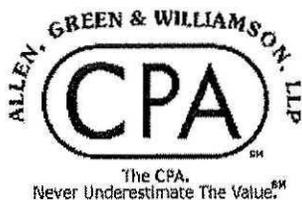


**Housing Authority of the City
of New Iberia
New Iberia, Louisiana**

**Annual Financial Report
As of and for the Year Ended March 31, 2012**

**Housing Authority of the City of New Iberia
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ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Brian McBride, CPA
Shonda McCoy, CPA
Jaunicia Mercer, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of New Iberia
New Iberia, Louisiana

We have audited the accompanying financial statements of the primary government and the discretely presented component unit of the Housing Authority of the City of New Iberia, Louisiana, as of and for the year ended March 31, 2012, which collectively comprise the Housing Authority's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit of the Housing Authority, which is both a major fund and which represents 100% of the assets, net assets, and revenues as of December 31, 2011 of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based on the report of the other auditors.

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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary government and the discretely presented component unit of the Housing Authority as of March 31, 2012, and the respective changes in financial position and cash flows thereof 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 September 30, 2012 on our consideration of the Housing Authority'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 and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority's financial statements. The accompanying supplemental information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplemental information, as listed in the table of contents and the schedule of expenditures of federal awards, are fairly stated in all material respects in relation to the financial statements as a whole.

Also, the accompanying other information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements of the Housing Authority. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on it.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
September 30, 2012

Housing Authority of the City of New Iberia
New Iberia, Louisiana

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

**Housing Authority of the City of New Iberia
Management's Discussion and Analysis (MD&A)
March 31, 2012**

The management of the Public Housing Authority of New Iberia, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending March 31, 2012. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Housing Authority's included audited financial statements. A copy of the separate audit reports for the component units may be obtained from the Housing Authority of the City of New Iberia.

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 \$3,131,939 at the close of the fiscal year ended 2012.
 - Of this amount \$2,807,475 represents a restriction equal to the net amount invested in land, building, furnishings, leasehold improvements, equipment, and construction in progress.
 - The remainder of \$324,464 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 19.8% of the total operating expenses of \$1,642,821 for the fiscal year 2012, which means the Housing Authority might be able to operate about 2 months using the unrestricted net assets alone.
- The Housing Authority's total net assets decreased by \$39,346 due mainly to using cash from investments to cover operations that were normally covered by the operating subsidy from HUD, which was reduced during the year.
- The Housing Authority spent \$10,008 in capital asset additions and \$460,378 on construction in progress during the current fiscal year.
- The Housing Authority owes \$735,412 in long term notes payable which were used to finance equipment.

**Housing Authority of the City of New Iberia
Management's Discussion and Analysis (MD&A)
March 31, 2012**

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 Housing Authority's internal controls. The Housing Authority has two component units that issue separate reports: Bayou Place Limited Partnership I and Bayou Place Limited Partnership II. Copies of these reports may be obtained from the Housing Authority.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Housing 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 Housing Authority's financial health, or financial position. Over time, increases and decreases in the Housing 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 Housing 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
- Public Housing Capital Fund Program
- Other Business Activities

Housing Authority of the City of New Iberia
Management's Discussion and Analysis (MD&A)
March 31, 2012

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

Reporting the Housing Authority's Most Significant Funds

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

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

FINANCIAL ANALYSIS

The Housing Authority's net assets were \$3,131,939 as of March 31, 2012. Of this amount, \$2,807,475 was invested in capital assets, and the remaining \$324,464 was unrestricted.

CONDENSED FINANCIAL STATEMENTS
Condensed Balance Sheets
(Excluding Interfund Transfers)
March 31,

	2012	2011
ASSETS		
Current and other assets	\$ 516,549	\$ 658,306
Capital assets	3,542,887	3,529,533
Total assets	4,059,436	4,187,839
LIABILITIES		
Current liabilities, including current portion of long-term debt	329,233	259,285
Non-current liabilities, including long term debt and capital leases	598,264	757,269
Total liabilities	927,497	1,016,554
NET ASSETS		
Invested in capital assets, net of depreciation and related debts	2,807,475	2,574,580
Unrestricted net assets	324,464	596,705
Total net assets	3,131,939	3,171,285
Total liabilities and net assets	\$ 4,059,436	\$ 4,187,839

Housing Authority of the City of New Iberia
Management's Discussion and Analysis (MD&A)
March 31, 2012

CONDENSED FINANCIAL STATEMENTS (Continued)

The net assets of these funds decreased by \$39,346, or by 1.2%, 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
(Excluding Interfund Transfers)
For the Years Ended March 31,

	2012	2011
OPERATING REVENUES		
Tenant rental revenue	\$ 565,042	\$ 534,415
Other operating revenue	6,806	18,342
Federal grants for operations	604,893	671,398
Total operating revenues	1,176,741	1,224,155
OPERATING EXPENSES		
Administration	298,115	263,478
Tenant services	7,766	2,218
Utilities	349,014	328,849
Ordinary maintenance and operations	389,018	431,352
Protective services	28,319	17,100
General expenses	181,284	180,443
Depreciation	389,305	355,671
Total operating expenses	1,642,821	1,579,111
Income (loss) from operations	(466,080)	(354,956)
NON-OPERATING REVENUES (EXPENSES)		
Interest expense	(40,189)	(47,522)
Interest income	1,330	1,001
Other nonoperating expenses	-	(738,554)
Total non-operating expenses (expenses)	(38,859)	(785,075)
Income (loss) before contributions	(504,939)	(1,140,031)
Capital contributions	465,593	585,727
NET INCREASE (DECREASE) IN NET ASSETS	(39,346)	(554,304)
NET ASSETS, beginning of fiscal year	3,171,285	3,725,589
NET ASSETS, end of fiscal year	\$ 3,131,939	\$ 3,171,285

Housing Authority of the City of New Iberia
Management's Discussion and Analysis (MD&A)
March 31, 2012

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and non-operating revenues decreased by \$47,085, or by 3.8%, from a combination of larger offsetting factors. Reasons for most of this change are listed below in order of impact from greatest to least:

- Federal revenues from HUD for operations decreased by \$66,505, or by 9.9% 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, then uses this final result as a basis for determining the grant amount.
- Federal Capital Funds from HUD decreased by \$120,134 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 2007 through 2009.
- Total other operating revenue decreased \$11,536 from that of the prior fiscal year. The Housing Authority received proceeds from casualty insurance claims in the prior year which were not received in the current year.
- Total tenant revenue increased by \$30,627, or 5.7% 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 income increased, so rent from those tenants increased accordingly, raising the overall total.

Compared with the prior fiscal year, total operating expenses increased \$63,710, or by 4.0%, from the prior fiscal year. This was mainly due to depreciation expense increasing by \$33,634, because there was an increase in capital assets by \$430,203. Also Administrative expenses increased by \$34,637 and Utilities expense increased by \$20,165. In contrast, there was a \$42,334 decrease in Maintenance expense.

Other nonoperating expenses of \$738,554 from the prior year was bad debt expense for a developer fee receivable.

Housing Authority of the City of New Iberia
Management's Discussion and Analysis (MD&A)
March 31, 2012

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At March 31, 2012, the Housing Authority had a total cost of \$12,878,145 invested in a broad range of assets and construction in progress from projects funded in 2007 through 2009 listed below. This amount, not including depreciation, represents increases of \$455,928 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 March 31,

	2012	2011
Land	\$ 222,593	\$ 222,593
Construction in progress	163,487	274,506
Buildings & Site Improvement	3,096,226	2,883,421
Furniture and equipment	60,581	81,285
Total	\$ 3,542,887	\$ 3,461,805

As of the end of the 2012 fiscal year, the Housing Authority is still in the process of completing HUD grants of \$912,620 obtained during 2007 through 2009 fiscal years. Of this amount \$153,274 was obligated for construction contracts at March 31.

Debt

The Housing Authority owes long term notes payable that were used to finance equipment listed above costing \$1,622,789 (or \$757,301 net of depreciation). As of March 31, 2012, the Housing Authority owed \$735,412 on these notes, of which \$159,469 is due currently.

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.

**Housing Authority of the City of New Iberia
Management's Discussion and Analysis (MD&A)
March 31, 2012**

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 operating budgets for the 2012 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 Elton Broussard, at Public Housing Authority of New Iberia, Louisiana; 325 North Street; New Iberia, LA 70560.

Housing Authority of the City of New Iberia

Basic Financial Statement

HOUSING AUTHORITY OF THE CITY OF NEW IBERIA

ENTERPRISE FUNDS
Balance Sheet
March 31, 2012

	Statement A	
	<u>PRIMARY GOVERNMENT</u>	<u>COMPONENT UNIT</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 186,671	\$ 57,442
Investments	179,701	0
Accounts receivables, net	46,224	518
Prepaid items and other assets	60,040	9,695
Inventory	1,181	0
Restricted Assets		
Tenant deposits	<u>42,732</u>	<u>26,516</u>
 Total Current Assets	 <u>516,549</u>	 <u>94,171</u>
Noncurrent Assets		
Developer fee receivable from component unit, net of allowance	0	0
Other assets	0	369,981
Capital Assets		
Land, buildings, and equipment (net of accumulated depreciation)	<u>3,542,887</u>	<u>7,352,938</u>
 Total Noncurrent Assets	 <u>3,542,887</u>	 <u>7,722,919</u>
 TOTAL ASSETS	 <u><u>\$ 4,059,436</u></u>	 <u><u>\$ 7,817,090</u></u>

	Statement A	
	<u>PRIMARY GOVERNMENT</u>	<u>COMPONENT UNIT</u>
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 110,981	\$ 55,945
Interest payable	4,550	3,770
Construction costs payable	0	0
Deferred revenue	2,185	0
Current portion of long term debt	168,372	9,103
Current Liabilities Payable From Current Restricted Assets		
Deposits due others	<u>43,145</u>	<u>26,517</u>
Total Current Liabilities	<u>329,233</u>	<u>95,335</u>
Noncurrent Liabilities		
Compensated absences payable	22,321	0
Mortgage payable	0	751,993
Development fee payable	0	738,554
Due to related parties	0	13,513
Lease obligation payable	<u>575,943</u>	<u>0</u>
Total Noncurrent Liabilities	<u>598,264</u>	<u>1,504,060</u>
Total Liabilities	<u>927,497</u>	<u>1,599,395</u>
NET ASSETS		
Invested in capital assets, net of related debt	2,807,475	5,853,288
Unrestricted	<u>324,464</u>	<u>364,407</u>
NET ASSETS	<u>3,131,939</u>	<u>6,217,695</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,059,436</u>	<u>\$ 7,817,090</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF NEW IBERIA

ENTERPRISE FUNDS

Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended March 31, 2012

	Statement B	
	PRIMARY GOVERNMENT	COMPONENT UNIT
OPERATING REVENUES		
Dwelling rental	\$ 565,042	\$ 320,766
Other	6,806	9,092
Federal grants	604,893	0
Total operating revenues	<u>1,176,741</u>	<u>329,858</u>
OPERATING EXPENSES		
Administration	298,115	48,311
Tenant services	7,766	0
Utilities	349,014	5,399
Ordinary maintenance & operations	389,018	120,690
Protective services	28,319	0
General expenses	181,284	70,856
Depreciation	389,305	235,498
Total operating expenses	<u>1,642,821</u>	<u>480,754</u>
Income (loss) from Operations	<u>(466,080)</u>	<u>(150,896)</u>
NONOPERATING REVENUES (EXPENSES)		
Interest expense	(40,189)	(52,251)
Interest earnings	1,330	284
Other nonoperating expenses	(0)	(19,202)
Total nonoperating revenues (expenses)	<u>(38,859)</u>	<u>(71,169)</u>
Net income (Loss) before Contributions	(504,939)	(222,065)
Capital contributions	<u>465,593</u>	<u>67,728</u>
Change in net assets	(39,346)	(154,337)
NET ASSETS AT BEGINNING OF YEAR	<u>3,171,285</u>	<u>6,372,032</u>
NET ASSETS AT END OF YEAR	<u>\$ 3,131,939</u>	<u>\$ 6,217,695</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF NEW IBERIA

ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended March 31, 2012

	Statement C	
	PRIMARY GOVERNMENT	COMPONENT UNIT
CASH FLOWS FROM OPERATING ACTIVITIES		
Rental receipts	\$ 550,043	\$ 322,349
Other receipts	89,705	9,092
Payments to vendors	(963,658)	(225,601)
Payments to employees	(258,720)	0
Federal grants	563,500	0
	<u>(19,130)</u>	<u>105,840</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase capital assets	(470,387)	(27,669)
Capital contributions	465,593	67,728
Interest paid on capital debt	(41,127)	(52,913)
Payments on capital debt	(151,813)	(76,225)
Proceeds from capital debt	0	0
	<u>(197,734)</u>	<u>(89,079)</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES		
CASH FLOW FROM INVESTING ACTIVITIES:		
Interest and dividends	1,226	284
Deposits to reserve accounts	0	(40,768)
Sell investments	166,871	0
	<u>168,097</u>	<u>(40,484)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	(48,767)	(23,723)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
	<u>278,170</u>	<u>107,681</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		
	<u>229,403</u>	<u>83,958</u>
RECONCILIATION TO THE BALANCE SHEET		
Cash and cash equivalents	186,671	57,442
Restricted deposits	42,732	26,516
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 229,403</u>	<u>\$ 83,958</u>

(Continued)

HOUSING AUTHORITY OF THE CITY OF NEW IBERIA

ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended March 31, 2012

	Statement C	
	PRIMARY GOVERNMENT	COMPONENT UNIT
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (466,080)	\$ (150,896)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	389,305	235,498
Change in assets and liabilities:		
(Increase) decrease receivables, net	28,344	1,583
(Increase) decrease inventories	676	0
(Increase) decrease prepaid items	(35,175)	0
Increase (decrease) accounts payable	61,677	19,202
Increase (decrease) compensated absences	1,297	0
Increase (decrease) deferred revenue	(1,941)	0
Increase (decrease) deposit due others	2,767	453
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ (19,130)</u>	<u>\$ 105,840</u>

(Concluded)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

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Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying basic financial statements of the Housing Authority of the City of New Iberia 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 declaring a need for the Housing Authority to function in such city. The Housing Authority is governed by a five-member Board of Commissioners. The members, appointed by the Honorable Mayor of the City of New Iberia, serve a staggered term of four years.

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

The Housing Authority had 200 units in management at projects LA 27-1/2/3.

<u>Program</u>	<u>Contract Number</u>	<u>Number of Units</u>
PHA owned housing	FW 1264	200

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

GASB Statement No. 14 and No. 39 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 separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursements of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt.

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 criterion 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:

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.

Housing Authority of the City of New Iberia
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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 the following component unit should be considered as part of the Housing Authority reporting entity.

Bayou Place Limited Partnerships I & II (Partnerships) are legally separate entities. The Managing General Partner of the partnership is H.A.N.I. Non-profit Housing, Inc, a not-for-profit corporation. The Board of Directors of H.A.N.I. Non-profit Housing, Inc. consists entirely of the Board of Commissioners of the Housing Authority, which provides the Housing Authority with a voting majority of the governing bodies of the Partnerships. In addition, there is the potential for the Partnerships to impose financial burden on the Housing Authority. Based on the above, the Partnerships and H.A.N.I. Non-profit Housing, Inc, are considered to be component units. Copies of the audit reports for these component units may be obtained from the Housing Authority.

The governing body of the Housing Authority is considered to have complete control over H.A.N.I. Non-profit Housing, Inc., but not complete control over the Partnerships. As a result, H.A.N.I. Non-profit Housing, Inc. is included in the Housing Authority's financial statements as a blended entity, and the Partnerships are included in the Housing Authority's financial statements through discrete presentation. The financial position, changes in net assets, and cash flows of the Partnerships are presented as of and for the year ended December 31, 2011. Separate financial statements of the Partnerships were issued for fiscal year ended December 31, 2011.

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.

All funds of the Housing Authority are classified as proprietary. The general fund accounts for the transactions of the public housing low rent program, capital fund program and business activities.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this 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 in connection with the fund's principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent, maintenance charges to residents and operating subsidy. Operating expenses for proprietary funds include the administrative costs of providing these services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing

Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Housing Authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The restricted assets consist of deposits placed by new residents to secure payment of their rents upon default by residents and to cover damages upon move-out.

E. INVESTMENTS Investments are limited by R.S. 33:2955 and the Housing Authority's 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. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. INVENTORY AND PREPAID ITEMS All inventory items are valued at cost using 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.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid expenses consist of prepaid insurance.

Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

H. CAPITAL ASSETS Capital assets exceeding \$1,000 are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). 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 fixtures	5 to 7 years
Computers	3 years
Intangibles	3 years

I. 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.

J. DEFERRED REVENUES The Housing Authority reports deferred revenues on its combined 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 incurrence 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 combined balance sheet and the revenue is recognized.

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

L. INTERFUND ACTIVITY Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate. Services provided, deemed to be at market, or near market rates, are treated as revenues and expenses. All other interfund transfers are reported as transfers. Reimbursements are when one fund incurs a cost, changes the benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

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

Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

NOTE 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS The Housing Authority maintains investment in Certificates of Deposits with a maturity at time of purchase of one year or less. These investments are recorded at amortized cost.

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

Credit Rate Risk: The Housing Authority's investments are in Certificates of Deposits and Savings Accounts, which do not have credit ratings; however, the Housing Authority's policy does not address credit rate risk.

Custodial Credit Risk - Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of March 31, 2012, the Housing Authority's bank balance was \$447,969, which was secured by FDIC.

The discretely presented component unit, Bayou Place I & II, had a cash balance of \$83,958 as of December 31, 2011 which was fully insured.

NOTE 3 - RECEIVABLES The receivables at March 31, 2012, are as follows:

The residents account receivable is net of an allowance for doubtful accounts of \$540.

<u>Class of Receivables</u>		
Residents		\$ 1,285
Other		5,331
HUD		39,452
Interest		156
	Total	<u>\$ 46,224</u>

The discretely presented component units, Bayou Place I & II, had accounts receivable of \$518. There was no allowance for doubtful accounts for this receivable.

Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

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

	Balance Beginning	Additions	Deletions	Balance Ending
Non depreciable capital assets:				
Land	\$ 222,593	\$ -	\$ -	\$ 222,593
Construction in progress	274,506	460,378	571,397	163,487
Total nondepreciable capital assets	497,099	460,378	571,397	386,080
Depreciable assets:				
Buildings & Site Improvements	11,547,573	571,398	-	12,118,971
Furniture and equipment	377,545	10,008	14,459	373,094
Total depreciable capital assets	11,925,118	581,406	14,459	12,492,065
Less accumulated depreciation				
Buildings & Site Improvements	8,664,152	358,593	-	9,022,745
Furniture and equipment	296,260	30,712	14,459	312,513
Total accumulated depreciation	8,960,412	389,305	14,459	9,335,258
Depreciable capital assets, net	2,964,706	192,101	-	3,156,807
Capital assets, net	<u>\$ 3,461,805</u>	<u>\$ 652,479</u>	<u>\$ 571,397</u>	<u>\$ 3,542,887</u>

The discretely presented component unit, Bayou Place I & II, had capital assets of \$7,352,938 as of December 31, 2011. These consisted of land \$328,535, building \$6,681,602, land improvements \$809,355 and furniture and equipment \$210,571 less \$677,125 in accumulated depreciation for the year ended December 31, 2011.

NOTE 5 - RETIREMENT SYSTEM The Housing Authority participates in the Housing Renewal and Local Agency Retirement Plan which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan from the first anniversary date of the 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 5.5 percent of his effective compensation. The employer is required to make monthly contributions equal to 7.5 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 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's total payroll for year ended March 31, 2012, was \$275,269. The Housing Authority's contributions were calculated using the base salary amount of \$242,035. The Housing Authority made the required contributions of \$30,342 for the year ended March 31, 2012, of which \$17,505 was paid by the Housing Authority and \$12,837 was paid by employees.

Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

NOTE 6 - ACCOUNTS PAYABLES The payables at March 31, 2012, are as follows:

Vendors	\$ 70,653
Payroll Deductions	1,352
PILOT	38,976
	<u>\$ 110,981</u>

NOTE 7 - COMPENSATED ABSENCES At March 31, 2012, employees of the Housing Authority have accumulated and vested \$31,224 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. These amounts are recorded as liabilities in the funds from which payment will be made.

NOTE 8 - LONG TERM OBLIGATIONS The following is a summary of the long term obligations transactions for the year.

	Primary Government		
	Compensated Absences	Lease Obligation	Total
	Balance, beginning	\$ 29,927	\$ 887,225
Additions	17,539	-	17,539
Deductions	16,242	151,813	168,055
Balance, ending	<u>\$ 31,224</u>	<u>\$ 735,412</u>	<u>\$ 766,636</u>
 Amount due within one year	<u>\$ 8,903</u>	<u>\$ 159,469</u>	<u>\$ 168,372</u>

The following capital lease is outstanding at March 31, 2012. The capital lease is a conditional sales agreement for equipment to help the Housing Authority's units to conserve water and energy. A total of \$1,622,789 was added to the capital assets listing during the fiscal year of March 31, 2005. The capital asset has beginning accumulated depreciation of \$757,301 plus \$108,186 recorded as depreciation resulting in a net book value of \$757,302 at March 31, 2012.

	Date of Lease	Maturity Date	Interest Rate	Lease Amount	Balance March 31, 2012
Capital lease	5/17/2004	5/17/2016	4.95%	\$1,629,000	\$735,412

The lease payments are due as follows:

Year Ending March 31,	Primary Government		
	Principal	Interest	Total
2013	159,469	33,473	192,942
2014	167,510	25,432	192,942
2015	175,957	16,985	192,942
2016	184,830	8,112	192,942
2017	47,646	589	48,235
Total	<u>\$ 735,412</u>	<u>\$ 84,591</u>	<u>\$ 820,003</u>

The discretely presented component unit, Bayou Place I and II had long term obligations of \$1,504,060 as of December 31, 2011. This obligation consisted of a mortgage loan of \$751,993, developer fee payable of \$738,554, and a payable to related parties of \$13,513.

Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Litigation The Housing Authority is not presently involved in any litigation.

Construction Projects There are certain major construction projects in progress at March 31, 2012. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred. At the end of the 2012 fiscal year, the Housing Authority is still in the process of completing Capital Fund grants of \$912,620 obtained during 2007 through 2009 fiscal years. Of this amount \$153,274 was obligated for construction contracts at March 31.

Grant Disallowances The Housing Authority participates in a number of federally assisted grant programs. Although the grant programs have been audited in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133 through March 31, 2012, these programs are still subject to compliance audits. Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Developer Fee Receivable H.A.N.I. Non-Profit Housing, Inc. (HNPHI), a blended component unit of the Housing Authority, is the general partner in Bayou Place Limited Partnerships I and II (Partnerships). In April 2006, the Partnerships entered into an agreement with an investor to invest in projects known as Bayou Place I and Bayou Place II.

Both Bayou Place I and II are comprised of 25 family low income housing tax credit units located in New Iberia. The investor is a limited partner and has a 99.99% partnership interest. The HNPHI is a general partner with a 0.01% partnership interest. The sponsor and guarantor is the Housing Authority. A development fee agreement provided for \$410,000 to be paid to the Housing Authority for Bayou Place I and \$600,000 for Bayou Place II. At March 31, 2010 the balance of the developer fee for both projects was \$806,282. H.A.N.I. Non-Profit Housing, Inc. received full payment of the developer fee during the year. The total received was \$67,728. The remaining developer fee of \$738,554 may not be received because the units were not delivered by the deadline stated in the contract. According to the partnership agreement if the partnership fails to deliver 100% of the projected Low Income Housing Tax Credit benefits as projected by the limited partner in its initial projections, then the limited partner is entitled to reduce its capital contribution to the partnership. An allowance for the full \$738,554 was recorded since the Housing Authority is not likely to receive the remaining developer fee.

Developer Fee Payable After year end the H.A.N.I Non-profit Housing, Inc. (HNPHI) received a bill to pay developer fees related to Bayou Place I and Bayou Place II of \$348,334 to the consultant on the projects. The developer fee paid to the consultant was to be paid from the developer fees that HNPHI was to receive for the projects. However, HNPHI only received a portion of the estimated developer fees due to the projects not being finished on time. There is currently no legal opinion as to whether HNPHI will be liable for the remaining developer fees to the consultant. No accrual has been made for this.

NOTE 10 - 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.

NOTE 11 - ECONOMIC DEPENDENCE Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development

Housing Authority of the City of New Iberia
Notes to the Financial Statements
March 31, 2012

provided \$1,070,486 to the Housing Authority, which represents approximately 65% of the Housing Authority's total revenue for the year.

NOTE 12 - OTHER NONCURRENT ASSETS Bayou Place Development I & II, L. P., a discretely presented component unit of the Housing Authority, had the following other noncurrent assets as of March 31, 2012:

Reserves	\$202,469
Tax Credit Costs, Less Accumulated Amortization	<u>167,512</u>
	<u>\$369,981</u>

NOTE 13 - FEES PAYABLE Bayou Place Development I & II, L. P., a discretely presented component unit of the Housing Authority, had the following fees payable as of March 31, 2012:

Development Fee Payable	\$738,554
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NOTE 14 - SUBSEQUENT EVENTS The Housing Authority has filed suit against the City of New Iberia for not complying with their cooperative agreement pertaining to PILOT. According to the agreement the City of New Iberia is to waive the PILOT payment for the Housing Authority, but they have not waived it for the past two years.

The Housing Authority has also signed a construction contract to remodel 12 units in August of 2012.

Supplemental Information

Housing Authority of New Iberia (LA027)
NEW IBERIA, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2012

	Project Total	6 Component Units	1 Business Activities	Subtotal	Total
111 Cash - Unrestricted	\$137,373	\$57,442	\$49,298	\$244,113	\$244,113
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	\$42,732	\$26,516		\$69,248	\$69,248
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$180,105	\$83,958	\$49,298	\$313,361	\$313,361
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$39,452			\$39,452	\$39,452
124 Accounts Receivable - Other Government	\$3,881			\$3,881	\$3,881
125 Accounts Receivable - Miscellaneous	\$1,450	\$518		\$1,968	\$1,968
126 Accounts Receivable - Tenants	\$1,825			\$1,825	\$1,825
126.1 Allowance for Doubtful Accounts - Tenants	-\$540			-\$540	-\$540
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable	\$156			\$156	\$156
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$46,224	\$518	\$0	\$46,742	\$46,742
131 Investments - Unrestricted	\$179,701			\$179,701	\$179,701
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$60,040	\$9,695		\$69,735	\$69,735
143 Inventories	\$1,243			\$1,243	\$1,243
143.1 Allowance for Obsolete Inventories	-\$62			-\$62	-\$62
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$467,251	\$94,171	\$49,298	\$610,720	\$610,720
161 Land	\$222,593	\$328,535		\$551,128	\$551,128
162 Buildings	\$10,399,162	\$6,681,602		\$17,080,764	\$17,080,764
163 Furniture, Equipment & Machinery - Dwellings	\$148,377	\$210,571		\$358,948	\$358,948
164 Furniture, Equipment & Machinery - Administration	\$224,717			\$224,717	\$224,717
165 Leasehold Improvements	\$1,719,809	\$809,355		\$2,529,164	\$2,529,164
166 Accumulated Depreciation	-\$9,335,258	-\$677,125		-\$10,012,383	-\$10,012,383
167 Construction in Progress	\$163,487			\$163,487	\$163,487
168 Infrastructure					
180 Total Capital Assets, Net of Accumulated Depreciation	\$3,542,887	\$7,352,938	\$0	\$10,895,825	\$10,895,825
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets		\$369,981		\$369,981	\$369,981
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$3,542,887	\$7,722,919	\$0	\$11,265,806	\$11,265,806
190 Total Assets	\$4,010,138	\$7,817,090	\$49,298	\$11,876,526	\$11,876,526
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$43,459	\$55,945	\$3,881	\$103,285	\$103,285
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$1,352			\$1,352	\$1,352
322 Accrued Compensated Absences - Current Portion	\$8,903			\$8,903	\$8,903
324 Accrued Contingency Liability					
325 Accrued Interest Payable	\$4,550	\$3,770		\$8,320	\$8,320

331	Accounts Payable - HUD PHA Programs					
332	Account Payable - PHA Projects					
333	Accounts Payable - Other Government	\$38,976			\$38,976	\$38,976
341	Tenant Security Deposits	\$43,145	\$26,517		\$69,662	\$69,662
342	Deferred Revenues	\$2,185			\$2,185	\$2,185
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$159,469	\$9,103		\$168,572	\$168,572
344	Current Portion of Long-term Debt - Operating Borrowings					
345	Other Current Liabilities					
346	Accrued Liabilities - Other	\$23,313			\$23,313	\$23,313
347	Inter Program - Due To					
348	Loan Liability - Current					
310	Total Current Liabilities	\$925,352	\$95,335	\$3,881	\$424,568	\$424,568
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$575,943	\$1,490,547		\$2,066,490	\$2,066,490
352	Long-term Debt, Net of Current - Operating Borrowings					
353	Non-current Liabilities - Other		\$13,513		\$13,513	\$13,513
354	Accrued Compensated Absences - Non Current	\$22,321			\$22,321	\$22,321
355	Loan Liability - Non Current					
356	FASB 5 Liabilities					
357	Accrued Pension and OPEB Liabilities					
350	Total Non-Current Liabilities	\$598,264	\$1,504,060	\$0	\$2,102,324	\$2,102,324
300	Total Liabilities	\$923,616	\$1,599,395	\$3,881	\$2,526,892	\$2,526,892
508.1	Invested In Capital Assets, Net of Related Debt	\$2,807,475	\$5,853,288		\$8,660,763	\$8,660,763
509.2	Fund Balance Reserved					
511.2	Unreserved, Designated Fund Balance					
511.1	Restricted Net Assets					
512.1	Unrestricted Net Assets	\$279,047	\$364,407	\$45,417	\$688,871	\$688,871
512.2	Unreserved, Undesignated Fund Balance					
513	Total Equity/Net Assets	\$3,086,522	\$6,217,695	\$45,417	\$9,349,634	\$9,349,634
600	Total Liabilities and Equity/Net Assets	\$4,010,138	\$7,817,090	\$49,298	\$11,876,526	\$11,876,526

Housing Authority of New Iberia (LA027)
NEW IBERIA, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2012

	Project Total	6 Component Units	1 Business Activities	Subtotal	Total
70300 Net Tenant Rental Revenue	\$397,515	\$320,766		\$718,281	\$718,281
70400 Tenant Revenue - Other	\$167,527	\$8,092		\$176,619	\$176,619
70500 Total Tenant Revenue	\$565,042	\$329,858	\$0	\$894,900	\$894,900
70600 HUD PHA Operating Grants	\$604,893			\$604,893	\$604,893
70610 Capital Grants	\$465,593			\$465,593	\$465,593
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$1,330	\$284		\$1,614	\$1,614
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$6,806	\$67,728		\$74,534	\$74,534
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$1,643,664	\$397,870	\$0	\$2,041,534	\$2,041,534
91100 Administrative Salaries	\$117,116	\$23,012		\$140,128	\$140,128
91200 Auditing Fees	\$18,780	\$12,000		\$30,780	\$30,780
91300 Management Fee		\$19,888		\$19,888	\$19,888
91310 Book-keeping Fee					
91400 Advertising and Marketing		\$145		\$145	\$145
91500 Employee Benefit contributions - Administrative	\$34,433	\$9,627		\$44,060	\$44,060
91600 Office Expenses	\$61,388	\$10,667	\$20,579	\$92,634	\$92,634
91700 Legal Expense	\$6,280		\$1,732	\$8,012	\$8,012
91800 Travel	\$15,812			\$15,812	\$15,812
91810 Allocated Overhead					
91900 Other	\$3,151	\$1,277		\$4,428	\$4,428
91000 Total Operating - Administrative	\$256,960	\$76,616	\$22,311	\$355,887	\$355,887
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$2,554			\$2,554	\$2,554
92500 Total Tenant Services	\$2,554	\$0	\$0	\$2,554	\$2,554
93100 Water	\$43,094	\$529		\$43,623	\$43,623
93200 Electricity	\$186,589	\$4,870		\$191,459	\$191,459
93300 Gas	\$50,187			\$50,187	\$50,187
93400 Fuel					
93500 Labor	\$1,200			\$1,200	\$1,200
93600 Sewer	\$47,039			\$47,039	\$47,039
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense	\$20,905			\$20,905	\$20,905
93000 Total Utilities	\$349,014	\$5,399	\$0	\$354,413	\$354,413
94100 Ordinary Maintenance and Operations - Labor	\$125,185	\$11,176		\$136,361	\$136,361
94200 Ordinary Maintenance and Operations - Materials and Other	\$71,607	\$9,863		\$81,470	\$81,470

94300 Ordinary Maintenance and Operations Contracts	\$161,761	\$99,651		\$261,412	\$261,412
94500 Employee Benefit Contributions - Ordinary Maintenance	\$36,805	\$4,741		\$41,546	\$41,546
94000 Total Maintenance	\$395,358	\$125,431	\$0	\$520,789	\$520,789
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$28,319			\$28,319	\$28,319
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$28,319	\$0	\$0	\$28,319	\$28,319
96110 Property Insurance	\$103,882	\$36,243		\$140,125	\$140,125
96120 Liability Insurance	\$22,472			\$22,472	\$22,472
96130 Workmen's Compensation	\$10,923	\$357		\$11,280	\$11,280
96140 All Other Insurance	\$14,968			\$14,968	\$14,968
96100 Total Insurance Premiums	\$152,245	\$36,600	\$0	\$188,845	\$188,845
96200 Other General Expenses		\$19,202		\$19,202	\$19,202
96210 Compensated Absences	\$17,716			\$17,716	\$17,716
96300 Payments in Lieu of Taxes	\$19,928			\$19,928	\$19,928
96400 Bad debt - Tenant Rents	\$9,111	\$1,210		\$10,321	\$10,321
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$46,755	\$20,412	\$0	\$67,167	\$67,167
96710 Interest of Mortgage (or Bonds) Payable	\$40,189	\$52,251		\$92,440	\$92,440
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$40,189	\$52,251	\$0	\$92,440	\$92,440
96900 Total Operating Expenses	\$1,271,394	\$316,709	\$22,311	\$1,610,414	\$1,610,414
97000 Excess of Operating Revenue over Operating Expenses	\$372,270	\$81,161	-\$22,311	\$431,120	\$431,120
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$389,305	\$235,498		\$624,803	\$624,803
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
98000 Total Expenses	\$1,680,699	\$552,207	\$22,311	\$2,235,217	\$2,235,217
10010 Operating Transfer In	\$1,492			\$1,492	\$1,492
10020 Operating transfer Out	-\$1,492			-\$1,492	-\$1,492
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$17,035	-\$154,337	-\$22,311	-\$193,683	-\$193,683
11020 Required Annual Debt Principal Payments	\$192,942	\$61,404	\$0	\$254,346	\$254,346
11030 Beginning Equity	\$3,103,557	\$6,372,032	\$67,728	\$9,543,317	\$9,543,317
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	2309	600	0	2909	2909
11210	Number of Unit Months Leased	2140	586	0	2726	2726
11270	Excess Cash	-\$25,271			-\$25,271	-\$25,271
11610	Land Purchases	\$0			\$0	\$0
11620	Building Purchases	\$454,378			\$454,378	\$454,378
11630	Furniture & Equipment - Dwelling Purchases	\$10,008			\$10,008	\$10,008
11640	Furniture & Equipment - Administrative Purchases	\$0			\$0	\$0
11650	Leasehold Improvements Purchases	\$6,000			\$6,000	\$6,000
11660	Infrastructure Purchases	\$0			\$0	\$0
13510	CFFP Debt Service Payments	\$0			\$0	\$0
13901	Replacement Housing Factor Funds	\$0			\$0	\$0

Housing Authority of the City of New Iberia

GENERAL

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

For the Year Ended March 31, 2012

The members of the Board of Commissioners serve without compensation.

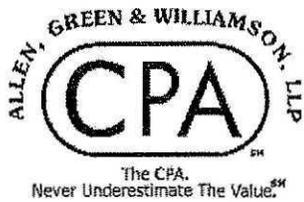
Mr. Fred Wesley, Chairman

Mr. Curtis Thompson

Rev. Darren M. Sophus

Mr. Thomas Jolivet, Vice Chairman

Mr. McKinnis Armstrong



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Brian McBride, CPA
Shonda McCoy, CPA
Jaunicia Mercer, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

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

Board of Commissioners
Housing Authority of the City of New Iberia
New Iberia, Louisiana

We have audited the accompanying financial statements of the primary government and the discretely presented component unit of the Housing Authority of the City of New Iberia, as of and for the year ended March 31, 2012, which collectively comprise the Housing Authority's basic financial statements and have issued our report thereon dated September 30, 2012. Our report includes a reference to other auditors. 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. Other auditors audited the financial statements of the discretely presented component unit, as described in our report on the Housing Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

Management of the Housing Authority is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Housing Authority'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's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority'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 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.

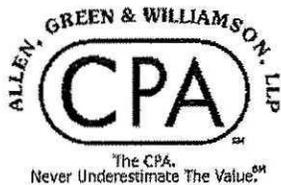
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority'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, others within the entity, 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. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green + Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
September 30, 2012



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Phone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

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Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With *OMB Circular A-133*

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of New Iberia
New Iberia, Louisiana

Compliance

We have audited the compliance of the Housing Authority of the City of New Iberia, with the types of compliance requirements described in the *(OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended March 31, 2012. The Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on the Housing Authority's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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'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. Our audit does not provide a legal determination of the Housing Authority's compliance with those requirements.

In our opinion, the Housing Authority complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2012.

Internal Control Over Compliance

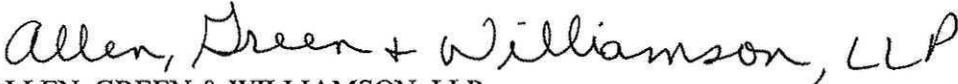
The management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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'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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management, the Board, others within the entity, 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. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.


ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
September 30, 2012

**Housing Authority Of The City Of New Iberia
Schedule of Expenditures Of Federal Awards
For the Year Ended March 31, 2012**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA NUMBER	GRANT ID NUMBER	EXPENDITURES	
U.S. DEPT OF HOUSING AND URBAN DIRECT PROGRAMS				
Pubic and Indian Housing	14.850	LA027-00032512D	\$ 105,383	
		LA027-00032511D	<u>498,018</u>	<u>\$ 603,401</u>
Capital Fund Cluster:				
Capital Fund Program	14.872	LA48PO27501-07	47,995	
		LA48PO27501-08	255,603	
		LA48PO27501-09	<u>163,487</u>	<u>467,085</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u><u>\$1,070,486</u></u>

Housing Authority of the City of New Iberia
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended March 31, 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 New Iberia, New Iberia, 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, is 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:	
Federal grants	\$ 604,893
Capital contributions	465,593
Total	\$ 1,070,486

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 accounting principles generally accepted in the United States of America.

NOTE 5 - MAJOR FEDERAL AWARDS PROGRAMS The dollar threshold of \$300,000 was used to distinguish between Type A and Type B federal programs. For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures. In accordance with HUD Notice PIH 98-14, "federal awards" do not include Housing Authority 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.

**Housing Authority of the City of New Iberia
Schedule of Findings and Questioned Costs
For the Year Ended March 31, 2012**

PART I- Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- iv. There were no significant deficiencies required to be disclosed by OMB Circular A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed no audit findings, which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal program is:

CFDA #14.872 Capital Fund Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular A-133, Section .530.

Housing Authority of the City of New Iberia
Summary Schedule of Prior Year Finding & Questioned Costs
As of and For the Year Ended March 31, 2012

Reference # and title: **11-F1** **Section 1512 Reporting**

Entity wide or program/department specific: This finding relates to the Capital Fund Program-Stimulus Formula Grant (ARRA) CFDA #14.885 for the Federal Award Year 2009 received from Federal Agency: Department of Housing and Urban Development.

Condition: Section 1512 of the Recovery Act requires reporting on the use of Recovery Act funding by recipients no later than the 10th day after the end of each quarter. The recipient reports are required to include total amount of funds received; total amount spent on projects and activities; a list of projects and activities funded by name, including description, completion status and estimated jobs created or retained.

In testing of the 4th quarter 2010 report for Section 1512 Reporting, it was noted that the total amounts expended and received did not agree with supporting documentation. The reported figures did not include the activity from the 4th quarter 2010. Additionally it was noted that the Housing Authority did not submit the 1st quarter 2011 report.

Corrective action taken: HANI had changed its email address and it was never changed with HUD headquarters, therefore, the Housing Authority did not receive notification of the report not being filed. The ARRA grant was completed and the last report was submitted at the beginning of the 2011-2012 fiscal year. This finding was cleared for the 2011-2012 year.

