

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

**Annual Financial Report
As of and for the Year Ended March 31, 2005**

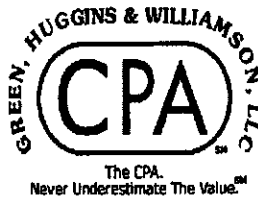
Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/7/05

Housing Authority of the Town of Broussard

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Independent Auditors' Report

Board of Commissioners
Housing Authority of the Town of Broussard
Broussard, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the Town of Broussard as of and for the year ended March 31, 2005, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority'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 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 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 as of March 31, 2005, 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.

As discussed in note 6 to the financial statements, the Housing Authority has implemented the new financial reporting model.

In accordance with Government Auditing Standards, we have also issued our report dated November 30, 2005, 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 grants 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 is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplemental 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 that collectively comprise the Housing Authority's basic financial statements. The accompanying supplemental information listed in the table of contents, which includes the Financial Data Schedule required by U.S. Department of Housing and Urban Development and the Schedule of Expenditures of Federal Awards which is required by U.S. Office of Management and Budget Circular No. 133, Audits of States, Local Governments, and Non-Profit Organizations, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The accompanying other information, as listed in the table of contents, 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.

Green, Huggins & Williamson, LLC

GREEN, HUGGINS & WILLIAMSON, LLC

Shreveport, Louisiana
November 30, 2005

Housing Authority of the Town of Broussard

REQUIRED SUPPLEMENTAL INFORMATION

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

Housing Authority of the Town of Broussard

Management's Discussion and Analysis (MD&A)
March 31, 2005

As management of the Housing Authority, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended March 31, 2005. Please read the MD&A in conjunction with the Housing Authority's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. Considering the financial resources necessary to prepare this information for the prior year, and that the GASB Statement No. 34 permits the omission of the comparative information in the first year of adoption of the new reporting model, the Housing Authority has elected to exclude the information in this report. Subsequent reports will include the comparative information.

For accounting purposes, the Housing Authority is classified as an enterprise fund. Enterprise funds account for activities similar to those found in the private business sector, where the determination of net income is necessary or useful to sound financial administration. Enterprise funds are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

Financial Highlights

The total assets of the Housing Authority exceed the liabilities by \$60,312 at March 31, 2005.

The total revenues of the Housing Authority increased from \$2,183,858 for the year ended March 31, 2004 to \$2,213,613 for the year ended March 31, 2005, an increase in total revenues of \$29,755.

The expenses of the Housing Authority increased from \$2,152,765 for the year ended March 31, 2004 to \$2,213,399 for the year ended March 31, 2005, an increase in expense of \$60,634.

Overview of the Financial Statements

This annual report includes this Management's Discussion and Analysis report, the Basic Financial Statements and the Notes to the Financial Statements. This annual report also contains the Financial Data Schedule (FDS) as referenced in the section of Supplemental Information Required by HUD. The Housing Authority's financial statements are presented as fund level financial statements because the Housing Authority only has one proprietary fund engaged only in business type activities.

Housing Authority of the Town of Broussard

Management's Discussion and Analysis (MD&A)

March 31, 2005

The financial statements of the Housing Authority report information of the Housing Authority using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about the Housing Authority's activities. The Balance Sheet includes all the Housing Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to the Housing Authority's creditors (liabilities). It also provides the basis for evaluating the capital structure of the Housing Authority and assessing the liquidity and financial flexibility of the Housing Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Fund Net Assets. This statement measures the success of the Housing Authority's operations over the past year and can be used to determine whether the Housing Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The section Supplemental Information contains the Financial Data Schedule (FDS). HUD has established Uniform Financial Reporting Standards that require the Housing Authority to submit financial information electronically to HUD using the FDS format. This financial information has been electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended March 31, 2005.

Financial Analysis

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 the reported fiscal year?" The information presented in this Management's Discussion and Analysis is to assist the reader in answering this question.

The Housing Authority's basic financial statements are the Balance Sheet and the Statement of Revenues, Expenses, and Changes in Fund Net Assets. The Balance Sheet provides a summary of the Housing Authority's assets and liabilities as of the close of business on March 31, 2005. The Statement of Revenues, Expenses, and Changes in Fund Net Assets summarizes the revenues and sources of those revenues generated during the year ended March 31, 2005 and the expenses incurred in operating the Housing Authority for the year ended March 31, 2005.

The Housing Authority accounts for its housing activities in one program. The Housing Authority has a housing choice vouchers program that provides rental assistance for qualified tenants. Our analysis below focuses on the net assets and the change in net assets of the Housing Authority as a whole.

Housing Authority of the Town of Broussard

Management's Discussion and Analysis (MD&A)
March 31, 2005

Table 1
Statement of Net Assets
March 31, 2005

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 22,699
Investments	17,230
Receivables-HUD, Net	26,415
Prepaid Items and Other Assets	6,698
Inventories	<u>732</u>
Total Current Assets	<u>73,774</u>

Total Assets 73,774

LIABILITIES

Current Liabilities

Accounts Payable 13,462

Total Current Liabilities 13,462

Net Assets:

Unrestricted Assets 60,312

Total Net Assets \$ 60,312

Housing Authority of the Town of Broussard

Management's Discussion and Analysis (MD&A)
March 31, 2005

Table 2
Changes in Net Assets
For the Year Ended March 31, 2005

The following table reflects the condensed Statement of Revenues, Expenses, and Changes in Net Assets for the year ended March 31, 2005:

Beginning net assets	\$ 60,098
Revenues:	
Operating revenues	
Federal Operating Grants	2,212,939
Rent and other	<u>463</u>
Total operating revenues	<u>2,213,402</u>
Expenses:	
Operating expenses	
Administration	294,534
Utilities	3,204
General expenses	18,855
Depreciation	<u>1,896,806</u>
Total expenses	<u>2,213,399</u>
Non-operating revenues	
Interest earnings	<u>211</u>
Total non-operating revenues	<u>211</u>
Increase (decrease) in net assets	<u>\$214</u>
Ending net assets	<u>\$ 60,312</u>

The assets of the Housing Authority are accounted for as current assets. Current assets are resources that are reasonably expected, based on the plans and intentions of the Housing Authority, to be converted into cash or its equivalent during the next 12 months. Current assets consist of cash, net accounts receivables, investments, inventories and prepaid expenses.

The current assets of the Housing Authority were \$70,107 for the year ended March 31, 2004 and \$73,774 for the year ended March 31, 2005, an increase of \$3,667.

The liabilities of the Housing Authority are accounted for as current and non-current liabilities. Current liabilities are current debts that are owed by the Housing Authority and due within 12 months. It is expected that current liabilities will consume current financial resources of the Housing Authority to satisfy the debt. These consist of bank overdrafts, accounts payable, tenant security deposits, the current portion of accrued compensated absences, deferred revenues and the current portion of long-term debt.

The current liabilities of the Housing Authority, all of which are current, increased by \$3,455 for the year ended March 31, 2005.

Housing Authority of the Town of Broussard

Management's Discussion and Analysis (MD&A)
March 31, 2005

Non-current liabilities are debts that are owed by the Housing Authority but not due within 12 months. It is not expected that these liabilities will consume current financial resources of the Housing Authority to satisfy the debt.

The Housing Authority had no non-current or long term liabilities at March 31, 2005.

The total net assets of the Housing Authority were \$60,312 at March 31, 2005. Of the total, \$60,312 was in unrestricted assets which may be used to meet the future needs and obligations of the Housing Authority.

ECONOMIC FACTORS The Housing Authority is primarily dependent upon U.S. Department of Housing and Urban Development for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens and taxpayers 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 Mr. Walter Guillory, Executive Director, Housing Authority of the Town of Broussard, C/O Housing Authority of the City of Lafayette, 115 Kattie Drive, Lafayette, LA 70501, Telephone Number (337) 837-8855.

Housing Authority of the Town of Brossard

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE TOWN OF BROUSSARD

ENTERPRISE FUND
Balance Sheet
March 31, 2005

Statement A

ASSETS

Current Assets

Cash and cash equivalents	\$	22,699
Investments		17,230
Receivable - HUD, net		26,415
Prepaid items and other assets		6,698
Inventory		<u>732</u>

Total Current Assets 73,774

TOTAL ASSETS 73,774

LIABILITIES

Current Liabilities

Accounts payable 13,462

Total Current Liabilities 13,462

Total Liabilities 13,462

NET ASSETS

Unrestricted Assets 60,312

TOTAL NET ASSETS 60,312

TOTAL LIABILITIES AND NET ASSETS \$ 73,774

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS.

HOUSING AUTHORITY OF THE TOWN OF BROUSSARD

ENTERPRISE FUND
Statement of Revenues, Expenses,
and Changes in Fund Net Assets
For the Year Ended March 31, 2005

Statement B

OPERATING REVENUES	
Federal operating grants	\$ 2,212,939
Other	<u>463</u>
Total operating revenues	<u>2,213,402</u>
OPERATING EXPENSES	
Administration	294,534
Utilities	3,204
General expenses	18,855
Housing assistance payments	<u>1,896,806</u>
Total operating expenses	<u>2,213,399</u>
Income (loss) from Operations	<u>3</u>
NONOPERATING REVENUES (EXPENSES)	
Interest earnings	<u>211</u>
Total nonoperating revenues (expenses)	<u>211</u>
Change in net assets	214
NET ASSETS AT BEGINNING OF YEAR	<u>60,098</u>
NET ASSETS AT END OF YEAR	<u>\$ 60,312</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS.

HOUSING AUTHORITY OF THE TOWN OF BROUSSARD

**ENTERPRISE FUND
Statement of Cash Flows
For the Year Ended March 31, 2005**

Statement C

	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Federal grants	\$ 2,197,721
Other receipts	463
Payments to vendors	(2,047,301)
Payments to employees	<u>(154,429)</u>
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>(3,546)</u>
 CASH FLOW FROM INVESTING ACTIVITIES:	
Interest and dividends	211
Purchase investments	<u>(211)</u>
 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	 <u>0</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 <u>(3,546)</u>
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 <u>26,245</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	 <u>\$ 22,699</u>

(CONTINUED)

HOUSING AUTHORITY OF THE TOWN OF BOUSSARD

ENTERPRISE FUND
Statement of Cash Flows
For the Year Ended March 31, 2005

Statement C

	<u>TOTAL</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ 3
Change in assets and liabilities:	
(Increase) decrease receivables, net	(15,218)
(Increase) decrease inventories	991
(Increase) decrease prepaid items	7,226
Increase (decrease) accounts payable	<u>3,452</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ (3,546)</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS.

**Housing Authority of the Town of Brossard
Notes to the Financial Statements**

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**Housing Authority of the Town of Broussard
Notes to the Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying basic financial statements of the Housing Authority of the Town of Broussard 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 of the Town of Broussard is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the Town of Broussard, serve a term of four years.

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

The Housing Authority has the following units:

Section 8		
Housing Choice Vouchers	LA136VO	653

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

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

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

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

Housing Authority of the Town of Broussard
Notes to the Financial Statements

The fund of the Housing Authority is a proprietary fund.

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

Operating Revenues and Expenses Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 this fund is 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.

D. BUDGETS

General Budget Policies The Housing Authority adopted budgets for all funds. HUD approves all budgets for all HUD-funded programs. The budget is controlled by fund at the function level. Budgetary amendments require approval of the governing body. All appropriations lapse at year-end.

Formal budget integration (within the accounting records) is not employed as a management control device.

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

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. Investments are stated at the lower of market or cost.

F. 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.

Housing Authority of the Town of Broussard
Notes to the Financial Statements

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.

G. COMPENSATED ABSENCES Employees may accumulate up to 240 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.

H. INVENTORY 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.

I. 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 statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - DEPOSITS Deposits of the primary government are stated at cost which approximates market. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

NOTE 3 - CONTINGENCIES

Grant Disallowances The Housing Authority participates in 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 disallowances, if any, which may arise from future audits will not be material.

NOTE 4 - 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 5 – ECONOMIC DEPENDENCY Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The U. S. Department of Housing and Urban Development provided \$2,212,939 to the Housing Authority, which represents approximately 100% of the Housing Authority's total revenue for the year.

NOTE 6 - NEW FINANCIAL REPORTING MODEL The Governmental Accounting Standards Board (GASB) issued Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments in June 1999. The Statement, Commonly referred to as the new financial reporting model,

**Housing Authority of the Town of Broussard
Notes to the Financial Statements**

retained much of the reporting under the present reporting model, with modifications, and added new information. The most significant addition is the Management's Discussion and Analysis (which follows the independent auditors' report). The most apparent modifications to the format of the old reporting model that is being carried forward will be the display of major funds in the Funds Financial Statements, rather than the traditional fund-type display.

Housing Authority of the Town of Broussard

Financial Data Schedule
For the Year Ended March 31, 2005

Line Item No.	Account Description	Housing Choice Vouchers	Total
111	Cash - Unrestricted	\$22,699	\$22,699
100	Total Cash	\$22,699	\$22,699
122	Accounts Receivable - HUD Other Projects	\$26,415	\$26,415
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0
120	Total Receivables, net of allowances for doubtful accounts	\$26,415	\$26,415
131	Investments - Unrestricted	\$17,230	\$17,230
142	Prepaid Expenses and Other Assets	\$6,698	\$6,698
143	Inventories	\$732	\$732
143.1	Allowance for Obsolete Inventories	\$0	\$0
150	Total Current Assets	\$73,774	\$73,774
160	Total Fixed Assets, Net of Accumulated Depreciation	\$0	\$0
180	Total Non-Current Assets	\$0	\$0
190	Total Assets	\$73,774	\$73,774
312	Accounts Payable <= 90 Days	\$13,462	\$13,462
310	Total Current Liabilities	\$13,462	\$13,462
350	Total Noncurrent Liabilities	\$0	\$0
300	Total Liabilities	\$13,462	\$13,462
508	Total Contributed Capital	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$0	\$0
511	Total Reserved Fund Balance	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0
512.1	Unrestricted Net Assets	\$60,312	\$60,312
513	Total Equity/Net Assets	\$60,312	\$60,312
600	Total Liabilities and Equity/Net Assets	\$73,774	\$73,774

Housing Authority of the Town of Broussard

Financial Data Schedule
For the Year Ended March 31, 2005

Line Item No.	Account Description	Housing Choice Vouchers	Total
705	Total Tenant Revenue	\$0	\$0
706	HUD PHA Operating Grants	\$2,212,939	\$2,212,939
711	Investment Income - Unrestricted	\$153	\$153
714	Fraud Recovery	\$463	\$463
720	Investment Income - Restricted	\$58	\$58
700	Total Revenue	\$2,213,613	\$2,213,613
911	Administrative Salaries	\$154,429	\$154,429
912	Auditing Fees	\$11,480	\$11,480
915	Employee Benefit Contributions - Administrative	\$29,780	\$29,780
916	Other Operating - Administrative	\$98,845	\$98,845
932	Electricity	\$3,204	\$3,204
961	Insurance Premiums	\$17,945	\$17,945
962	Other General Expenses	\$910	\$910
969	Total Operating Expenses	\$316,593	\$316,593
970	Excess Operating Revenue over Operating Expenses	\$1,897,020	\$1,897,020
973	Housing Assistance Payments	\$1,896,806	\$1,896,806
900	Total Expenses	\$2,213,399	\$2,213,399
1010	Total Other Financing Sources (Uses)	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$214	\$214
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0
1103	Beginning Equity	\$60,098	\$60,098
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0
1113	Maximum Annual Contributions Commitment (Per ACC)	\$1,641,700	\$1,641,700
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$531,444	\$531,444
1115	Contingency Reserve, ACC Program Reserve	\$293,250	\$293,250
1116	Total Annual Contributions Available	\$2,466,394	\$2,466,394
1120	Unit Months Available	7,752	7,752
1121	Number of Unit Months Leased	7,622	7,622

Housing Authority of the Town of Broussard

Supplemental Information

GENERAL

COMPENSATION PAID BOARD MEMBERS

The members of the Board of Commissioners serve with compensation. The members of the Board of Commissioners are as follows:

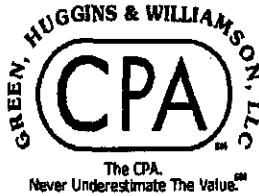
Gertrude Batis, Chairman

Marie Larriviere

Alton Pitre

Raymond Hollier

Lana Davidson



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

Board Members

Housing Authority of the Town of Broussard
Broussard, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Broussard as of and for the year ended March 31, 2005, and have issued our report thereon dated November 30, 2005. 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's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Housing Authority's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as item 05-F1 and 05-F2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable condition described above are a material weakness.

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 grants 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.

Management Letter Items

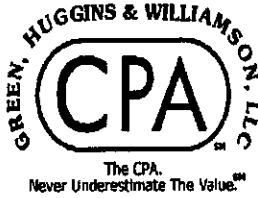
We also noted certain additional matters that we have reported to management of the Housing Authority in a separate letter dated November 30, 2005.

This report is intended solely for the information and use of the Board, management, 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.

Green, Huggins & Williamson, LLC

GREEN, HUGGINS & WILLIAMSON, LLC

Shreveport, Louisiana
November 30, 2005



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Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board Members

Housing Authority of the Town of Broussard
Broussard, Louisiana

Compliance

We have audited the compliance of the Housing Authority of the Town of Broussard with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended March 31, 2005. 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 of America; 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 on 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 are applicable to each of its major federal programs for the year ended March 31, 2005. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Cost as item 05-F3 and 05-F4.

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 requirements that could have a direct and material effect on a major federal program in order to determine our 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.

We noted certain matters involving internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Housing Authority's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 05-F3 and 05-F4.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants, caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

This report is intended solely for the information and use of the Board, management, 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.

Green Huggins Williamson, LLC

GREEN, HUGGINS & WILLIAMSON, LLC

Shreveport, Louisiana
November 30, 2005

**Housing Authority of the Town of Broussard
 Schedule of Expenditures of Federal Awards
 For the Year Ended March 31, 2005**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Grant ID#</u>	<u>Expenditures</u>
CASH FEDERAL AWARDS			
United States Department of Housing and Urban Development Section 8 Housing Choice Voucher Program	14.871	LA136VO	<u>\$ 2,212,939</u>
Total United States Department of Housing and Urban Development			<u>\$ 2,212,939</u>

Housing Authority of the Town of Broussard
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended March 31, 2005

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority. The Housing Authority reporting entity is defined in Note 1 of the Housing Authority's Notes to the 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 of the Housing Authority's Notes to the Financial Statements.

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

Federal Sources

Section 8 Housing Choice Voucher Program

\$2,212,939

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.

**Housing Authority of the Town of Broussard
Schedule of Findings and Questioned Costs
For the Year Ended March 31, 2005**

PART I - Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.

The reportable conditions disclosed were not considered a material weakness as defined by the Government Auditing Standards.

- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were reportable conditions required to be disclosed by OMB Circular No. A-133.

The reportable conditions disclosed were not considered material weaknesses as defined by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal program is:

CFDA #14.871 Section 8 Housing Choice Vouchers
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.
- ix. The auditee does not qualify as a low-risk auditee under OMB Circular No. A-133, Section .530.

**Housing Authority of the Town of Broussard
Summary Schedule of Prior Audit Findings
March 31, 2005**

Finding reference #: 04-F1

Sick and Annual Leave Policy

Initially occurred: Fiscal year ended March 31, 2004.

Condition: The Housing Authority does not keep records to accrue sick and annual leave. The balance sheet does not include a liability for annual leave because that amount cannot be calculated.

Corrective action planned: See response to current year finding 05-F1

Person responsible for corrective action:

Mr. Tim DeClouet
Housing Authority of the
Town of Broussard
P. O. Box 553
Broussard, LA 70518

Telephone: (337) 837-8855
Fax: (337) 837-5742

Finding reference #: 04-F2

Resident File Deficiencies

Initially occurred: Fiscal year ended March 31, 2004

Condition: The following was noted in testing of resident files:

- 2 instances of no income verification in file
- 1 instance of income verification not agreeing to income reported on 50058
- 1 instance noted of no documentation of social security number entered on 50058
- 1 instance noted of dependency deduction understated in rent calculation
- 1 instance noted of utility allowance used in rent calculation not agreeing to utility allowance schedule
- 14 instances noted of keypunch errors in entering names, birth dates, social security numbers, inspection dates and reexamination dates.

Corrective action planned: See response to current year finding 05-F3.

Person responsible for corrective action:

Mr. Tim DeClouet
Housing Authority of the
Town of Broussard
P. O. Box 553
Broussard, LA 70518

Telephone: (337) 837-8855
Fax: (337) 837-5742

**Housing Authority of the Town of Broussard
Summary Schedule of Prior Audit Findings
March 31, 2005**

Finding reference #: 04-F3

Quality Control Re-inspections

Initially occurred: Fiscal year ended March 31, 2004

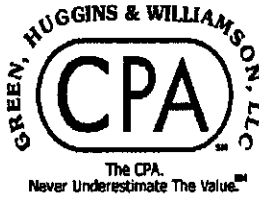
Condition: .The procedures used by Housing Authority employees for quality control re-inspections are to have another inspector perform re-inspections of units which failed the first inspection. These procedures result in re-inspections only of units that failed and provide little feedback to inspectors. Also, an inspection form is not completed on the re-inspection.

Corrective action planned: See response to current year finding 05-F4.

Person responsible for corrective action:

Mr. Tim DeClouet
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Town of Broussard
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Broussard, LA 70518

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Management Letter

Board Members
Housing Authority of the Town of Broussard
Broussard, Louisiana

In planning and performing our audit of basic financial statements of the Housing Authority of the Town of Broussard for the year ended March 31, 2005, we considered the Housing Authority's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated November 30, 2005, on the financial statements of the Housing Authority. We will review the status of these comments during our next audit engagement.

Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

05-M1 **Travel Policy**

Comment: Travel policy requires reimbursement of actual expenses with receipts and payment for actual miles driven. Per diem was paid and travel allowance instead of actual expenses and actual mileage, which is in violation of Housing Authority's policy.

Recommendations: The PHA should reimburse travel expenses as required by the travel policy.

Management's response: The Broussard Housing Authority has merged with the Lafayette Housing Authority and will follow the Lafayette Housing Authority travel policy.

05-M2 **Housing Authority Policies**

Comment: The Housing Authority has a policy and procedure manual that has not been updated in several years.

Recommendation: The policy and procedure manual should be reviewed and updated for changes in the law or to add any additional policies not presently included

Management's Response: The Broussard Housing Authority has merged with the Lafayette Housing Authority. We have an administrative plan that is updated annually and then during the course of the year whenever there are any

PIH notices or anything that affects us, we will make the change which is presented to our board of commissioners, they will pass a resolution to approve the changes

* * * * *

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and use of the Board, management, 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.

Green, Huggins & Williamson, LLC
GREEN, HUGGINS & WILLIAMSON, LLC

Shreveport, Louisiana
November 30, 2005