

**Housing Authority of the City of Shreveport
Shreveport, Louisiana**

Comprehensive Annual Financial Report

For the Year Ended September 30, 2001

**(Prepared Pursuant to GASB Statement No. 34
"New Reporting Model")**



**Donzetta H. Kimble
Executive Director**

**Bobbie R. Brown
Assistant Executive Director**

**Prepared by the Accounting and
Special Programs and Development Departments**

**Housing Authority of the City of Shreveport
Table of Contents**

	<u>Statement</u>	<u>Page</u>
INTRODUCTORY SECTION		
Letter of Transmittal		i-vi
Organizational Chart		vii
Appointed Officials		
Board of Commissioners		viii
Selected Administrative Officials		viii
FINANCIAL SECTION		
INDEPENDENT AUDITORS' REPORT		1-2
REQUIRED SUPPLEMENTAL INFORMATION		3
Management's Discussion and Analysis (MD&A)		4-8
BASIC FINANCIAL STATEMENTS		9
PROPRIETARY FUND TYPE - ENTERPRISE FUND:		
Balance Sheet	A	10-11
Statement of Revenues, Expenses, and Changes in Net Assets	B	12
Statement of Cash Flows	C	13-14
Notes to the Basic Financial Statements		
Index		15
Notes		16-23
<u>Exhibit</u>		
SUPPLEMENTAL INFORMATION		
NONMAJOR ENTERPRISE FUNDS		
Combining Balance Sheet	1	25
Combining Statement of Revenues, Expenses, and Changes in Net Assets	2	26
Combining Statement of Cash Flows	3	27-28
Schedule of Compensation Paid Board Members	4	29
HUD REQUIRED SCHEDULES:		
Financial Data Schedule	5	30-45
<u>Table</u>		
STATISTICAL SECTION		
General Fund Expenditures/Expenses By Function	1	47
General Fund Revenues By Source	2	48
Fund Balances/Equity - General Fund	3	49
Resident Demographics: Occupancy Ratios By Program	4	50
Property Characteristics and Dwelling Unit Composition	5	51
Construction Work in Progress	6	52
Public Housing Management Assessment Program (PHMAP) and Public Housing Assessment System (PHAS) Scores	7	53
Section 8 Management Assessment Program (SEMAP) Scores	8	54

INTRODUCTORY SECTION



Housing Authority

OF THE
City of Shreveport

COMMISSIONERS

BOB OWENS
CHAIRMAN
HAROLD KELLY
VICE CHAIRMAN
DAVID WATKINS
REVEREND DR. MURPHY L. HUNT
MARGY RAY

PHONE: (318) 227-8174
FAX: (318) 221-2579
TDD: (318) 221-2579
2500 Line Avenue
Shreveport, LA 71104

14 March 2002

DONZETTA H. KIMBLE
EXECUTIVE DIRECTOR

BOBBIE R. BROWN
ASST. EXECUTIVE
DIRECTOR

Mr. Bob Owens, Chairman
and Members of the Board of Commissioners
Housing Authority of the City of Shreveport
2500 Line Avenue
Shreveport, Louisiana 71104

RE: Fiscal Year '2001 Financial Report

Dear Members of the Board of Commissioners:

The Comprehensive Annual Financial Report of the Housing Authority of the City of Shreveport (Authority), for fiscal year ending 30 September 2001, is hereby submitted. The report has been prepared by the Authority's Accounting and Special Programs and Development Departments staff, in accordance with guidelines recommended by the Government Finance Officers Association of the United States and Canada. Additional information relative to the Authority's financial status is included in the management's disclosure and analysis.

- A. Management Responsibility** - Responsible for the accuracy of data and the completeness and fairness of its presentation, to include all disclosures. To the best of our knowledge and belief, the enclosed data is materially accurate in all aspects, and is reported in such a manner that has been designed to present fairly the financial position and results of various funds, accounts and other component units of the Authority's operations. All disclosures necessary to enable the reader to ascertain a clear understanding of the Authority's financial activities are included.
- B. Comprehensive Annual Financial Report (CAFR)** - The CAFR consists of the following component parts:
 1. **Introductory Section** - This section includes a transmittal letter, financial reporting achievements and the Authority's organizational structure;
 2. **Financial Section** - This section consist of management's disclosures and analysis, basic financial statements, and collective and individual fund statements and schedules. Collective statements are presented when a Public Housing Agency has at least one nonmajor fund of a given fund category. Various statements are utilized to illustrate finance-related

legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements; and

3. **Statistical Section** - This section consists of a number of tables containing unaudited data depicting the financial history, demographics and other miscellaneous data of the Authority for the preceding ten (10) years.

The Authority is required to undergo an annual audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular No. A-133, (Audits of states, local governments and non-profit organizations). Information related to the single audit includes the Schedule of Expenditures of federal awards, findings and recommendations, if applicable, and auditor's reports on internal control and compliance with applicable laws and regulations. The single audit report is issued apart from this CAFR.

Since its inception, the mission of the Authority has been to provide decent, safe, sanitary and affordable housing for low-income families residing in or expected to reside in the primary market area of which it has jurisdiction. It is further tasked with providing a network of resources to assist public housing families in their effort to become self reliant. Even though the Authority is not mandated to provide all direct social services to residents, it has a responsibility to help them secure such services. As a steward of taxpayers funds, the Authority will employ quality employees and encourage excellence to ensure that the Authority will achieve and maintain high performance standards.

To assist and enable low-income families in their plight from public housing to self-sufficiency, the Authority implemented and administer numerous resident-oriented programs which are discussed in the notes of the financial statements included in this report.

- C. **Reporting Entity** - This report includes all funds, accounts and component units of the Authority. Component units are legally separate entites for which a government is financially accountable.

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 Authority for the purpose of assisting the Authority in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the Authority for the purpose of maintaining this low-rent character.

The Authority was duly created pursuant to the authority of the constitution and statutes (LSA:RS 40: 381, Section 401) of the State of Louisiana and was

duly organized on the 11th day of March 1940, and since the date of its organization, the Authority has continued to exist without interruption in the performance of its public corporate purposes, with its principal place of business, located at 2500 Line Avenue, Shreveport, Louisiana.

The creation of the Authority was contingent upon the adoption of a resolution by the local governing body of the City of Shreveport constituting a declaration to the need of a Public Housing Agency in the City of Shreveport, Parish of Caddo, State of Louisiana. Even though the Authority has interconnection with the City of Shreveport in several respects, it is not a component unit of the City, as defined by the pronouncements of the Governmental Accounting Standards Board, in that it is not financially accountable for the operations of the Authority, has no responsibility to fund deficits or rights to receive surpluses, and has not guaranteed the Authority's debts.

The governing body of the Authority is its Board of Commissioners. The Board of Commissioners is comprised of five (5) members. They are appointed by the Mayor of the City of Shreveport and confirmed by the City Council, to serve a five (5) year staggered term with the option of reappointment. Each member serves until a successor is appointed. The Board of Commissioners appoints an Executive Director/Secretary who is charged with the responsibility to administer the day-to-day affairs of the Authority. The primary funding source for the Authority is through subsidy received from HUD, which oversees the expenses of most of its funds.

- D. **Major Initiatives** - The Authority received an 91.0% PHAS score and a 78.0% SEMAP score from HUD for FY '2001. By HUD's standards, ninety (90) percentile and above, qualifies as a "High Performer". These ratings are a result of cooperation from the residents, leadership of the Board of Commissioners, hard work by the Authority's staff and executive management's decision to set the PHAS and SEMAP scores as a priority.
1. **Homeownership Program** - The Authority developed a Section 5(h) Homeownership Plan by which an Implementation Agreement was authenticated by HUD, October 1999, authorizing the Authority to sell up to fifty (50) of its public housing units to eligible and qualifying public housing residents;

2. Capital Fund Program - Funding provided to the Authority by HUD to improve its management and maintenance operations and upgrade the housing stock to modernization and energy conservation standards. The major undertaking currently in effect is the comprehensive modernization of sixty (60) units in LA 2-8's scattered site housing units and bathrooms (100) at LA 2-5. The next renovation is scheduled for LA 2-7 and LA 2-9 totaling forty (40) units;
3. Public Housing Drug Elimination Program (PHDEP) FY'2001 - HUD provided PHDEP in the sum of \$229,476.00 to the Authority for the purpose of expanding and continuing its security and drug prevention programs in public housing developments and particularly at Naomi D. Jackson Heights and Wilkinson Terrace. A continuous effort by the management staff is initiated to make the public housing developments a safe, peaceful and enjoyable environment in which to reside;
4. Section 8 Programs - The Authority has administered various Section 8 Rental Assistance Programs since its inception under the Federal Housing and Community Development Act of 1974. Under the Section 8 Programs, rental assistance is provided to landlords on behalf of Section 8 participants who reside in privately-owned housing in the City of Shreveport;
 - a. FY'2001 Section 8 Vouchers - The Authority filed application and received Fair Share Voucher Allocation funding in the sum of \$1,369,890.00 to provide rental assistance to 320 Section 8 families;
 - b. FY'2002 Section 8 Voucher - The Authority will file application for Fair Share Voucher Allocation in response to Notice of Funding Availability (NOFA) issued by HUD on Friday, 22 February 2002; and
 - c. Family Self-Sufficiency - A \$63,635 grant was received from HUD under its FY'2001 Family Self-Sufficiency Coordinator Program Award.
5. Child Care Center - The Authority owns and operates a 41 client (6 weeks to 12 years old) capacity Class A Licensed Child Care Center. The center is funded through child care fees, Child and Adult Care Food Program sponsored by the Department of Education, State of Louisiana and subsidies from the Authority; and

6. **Low Income Housing Tax Credits** - The Authority filed application with Louisiana Housing Finance Agency and was awarded \$395,762.62 in low-income housing tax credits to construct forty (40) low-income lease-to-purchase housing units. Construction is pending expropriation of proposed site by and from the City of Shreveport.

E. Internal Control - The Authority's management staff is responsible for establishing and maintaining internal control which has been designed to ensure that the assets of the Authority are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accounting principles accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute assurance that such objectives are accomplished. The concept of reasonable assurance recognizes that:

1. The cost of control should not exceed the benefit likely to be derived; and
2. The valuation of costs and benefits requires estimates and judgement by management.

It is our opinion that the Authority's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the Authority is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations that govern those programs.

As a component part of the Authority's single audit, aforementioned, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the Authority has complied with applicable laws and regulations. The results of the Authority's single audit for fiscal year ending 30 September 2001, provided no instances of material weakness in internal control or significant violation of applicable laws and regulations.

F. Budgetary Controls - The Authority maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Authority's Board of Commissioners. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. Revision(s) to the budget enacted requires the Authority's Board of Commissioners approval.

As illustrated by the statements and schedules included in the financial section of this report, the Authority continues to meet its responsibility for sound financial management.

- G. Cash Management** - All funds invested by the Authority during the year were placed in Certificates of Deposits with local banks. The cumulative amount of interest earned during the year on these investments was \$336,921.00.

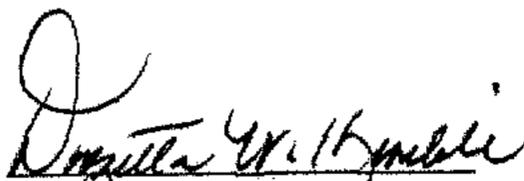
The Authority's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits in financial institutions were collateralized by instruments insured by the Federal Deposit Insurance Corporation.

- H. Risk Management** - The Authority has a safety program in-place which is designed to eliminate and/or reduce to a minimum, the possibilities of unsafe acts by the Authority's employees, residents, contract labors and the general public. The Authority encourages the philosophy of "Think Safety and Be Safe."

The Authority has Workers Compensation and Employers Liability Insurance coverage with a policy limit of \$1,000,000.00 per accident, per employee.

- I. Independent Audit** - The independent audit report of the Authority's Financial Statements as completed by Allen, Green & Company, LLP, Certified Public Accountants, 2414 Ferrand Street, Monroe, Louisiana 71201, follows as an integral component of this report. Their audit of the financial statements and accompanying combining and individual fund statements and schedules were performed in accordance with auditing standards generally accepted in the United States of America and accordingly, included a review of the Authority's Systems of budgetary and accounting controls.

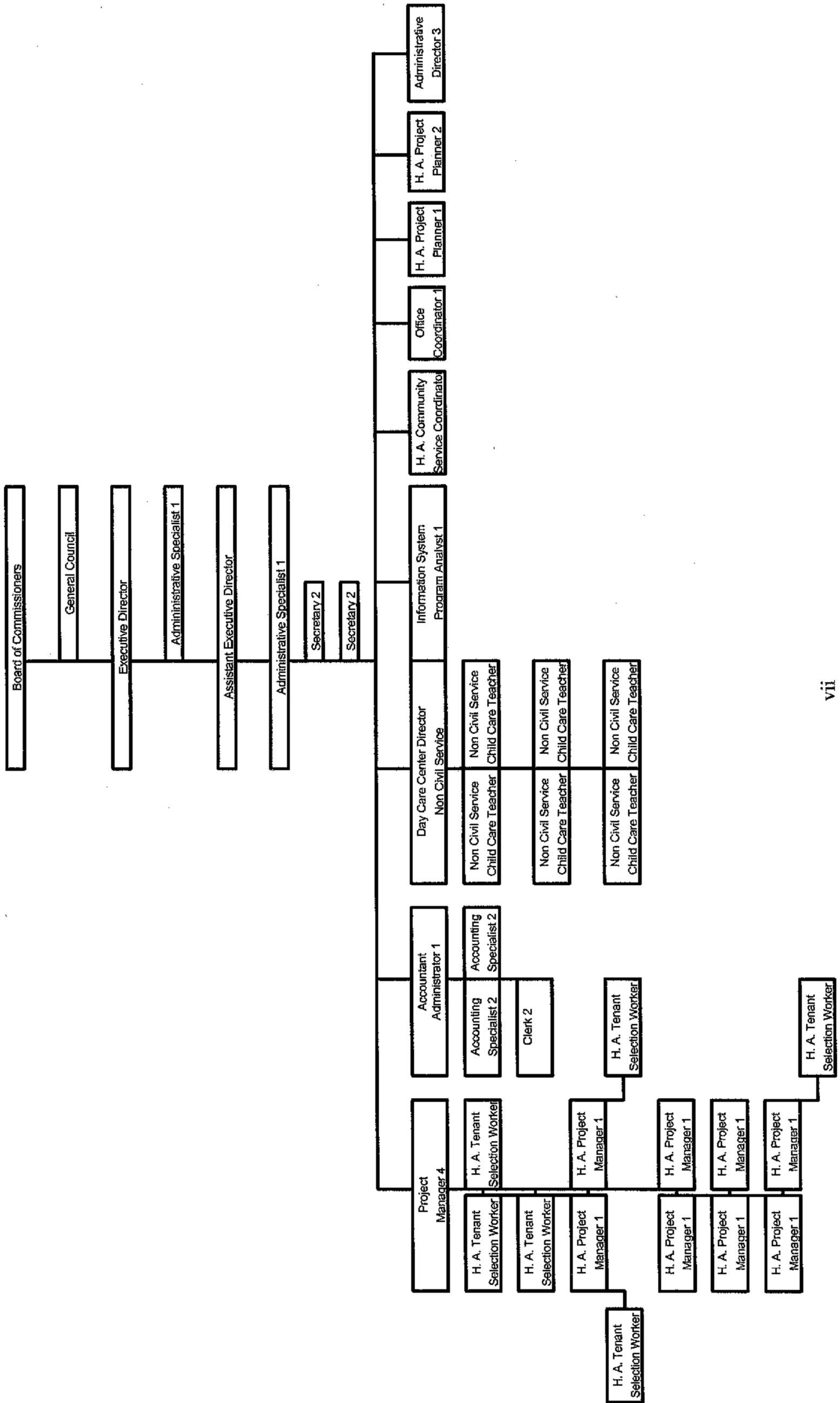
- J. Acknowledgments** - The preparation of this report could not have been accomplished with little ease without the Authority's efficient and dedicated Accounting and Special Programs and Development Departments staff. Our sincere thanks and appreciation are expressed to them for their enable and invaluable assistance. Thanks are also rendered to the Authority's entire staff for their interest and support in planning and conducting the financial operations of the Authority in a responsible and progressive manner.


Donzetta H. Kimble
Executive Director


Bobbie R. Brown
Assistant Executive Director

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
Organizational Chart
Administrative Office

September 30, 2001



**Housing Authority of the City of Shreveport
Appointed Officials
September 30, 2001**

Board of Commissioners

Mr. Bob Owens, Chairman

Mr. Harold Kelly, Vice Chairman

Reverend Dr. Murphy L. Hunt

Mr. David Watkins

Ms. Margy Ray

Selected Administrative Officials

Donzetta H. Kimble

Executive Director

Bobbie R. Brown

Assistant Executive Director

Ivory Glover

Administrative Specialist 1

Maurine Crenshaw

Accountant Administrator 1

FINANCIAL SECTION



Allen, Green & Company, LLP

2924 Knight Street, Suite 430
Shreveport, LA 71105

Telephone: (318) 213-2200

Facsimile: (318) 213-2201

Toll free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA

Sylvia R. Fallin, CPA
Sharon K. French, CPA
Regina R. Mekus, CPA

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

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of Shreveport
Shreveport, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the City of Shreveport as of and for the year ended September 30, 2001, as listed in the table of contents. These basic financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on these basic 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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority, as of September 30, 2001, the results of its operations and cash flows of its proprietary fund types 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 under separate cover, our report dated March 5, 2002, 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. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information, and accordingly, express no opinion on it.

The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such 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 information identified in the table of contents as the introductory section, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic 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 & Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana

March 5, 2002

REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)

Housing Authority of the City of Shreveport

Management's Discussion and Analysis (MD&A) September 30, 2001

As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended September 30, 2001. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$28,933 (*net assets*). Of this amount, \$4,823 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Housing Authority's enterprise funds reported combined ending net assets of \$28,933, a decrease of \$1,015 in comparison with the prior year. Approximately seventeen percent of this total amount is *available for spending* at the Housing Authority's discretion (unrestricted net assets).
- At the end of the current fiscal year, unrestricted net assets for the general fund was \$1,962, or thirty-eight percent of total general fund operating expenses for the fiscal year.

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

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

USING THIS ANNUAL REPORT

The Housing Authority's annual report consist of financial statements that show information about the Housing Authority's most significant funds – such as the Housing Authority's general fund, Section 8 fund, and other enterprise funds.

Comprehensive Annual Financial Report
<u>Introductory Section</u> Transmittal Letter Organizational Chart Appointed Officials and Selected Administrative Officials
<u>Financial Section</u> (Details Outlined in the Next Chart)

Housing Authority of the City of Shreveport

Management's Discussion and Analysis (MD&A)
September 30, 2001

Statistical Section

Ten Years of Historical Financial Operating Data
Ten Years of Fund Balances/Equity for the General Fund
Occupancy Ratios by Program
Property Characteristics and Dwelling Unit Composition
Construction Work in Progress
Public Housing Management Assessment Program Scores
Section 8 Management Assessment Program Scores

(Refer to the Table of Contents in the front
of this report for more details and the specific
location of items identified above)

Financial Section

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Fund
Financial Statements**

**Notes to the Basic Financial
Statements**

Supplemental Information

Nonmajor Funds Combining Statements
Schedule of Compensation Paid Board Members
Financial Data Schedule

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Housing Authority of the City of Shreveport

Management's Discussion and Analysis (MD&A)
September 30, 2001

The Introductory Section and the Statistical Section were prepared by the Housing Authority without association by the independent auditors. Accordingly, the Housing Authority assumes full responsibility for the accuracy of these two sections.

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:

Proprietary funds -- All of the Housing Authority's services are reported in enterprise funds. They 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 proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

FINANCIAL ANALYSIS

The Housing Authority's net assets were \$28,933 at September 30, 2001. Of this amount, \$4,823 was unrestricted. Restricted net assets of \$471 are reported separately to show legal constraints from debt covenants and enabling legislation that limits the Housing Authority's ability to use those net assets for day-to-day operations.

As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. The general fund is used to account for the public housing, drug elimination, comprehensive grant, capital fund and resident opportunity programs. Section 8 certificates, voucher, moderate rehabilitation and new construction programs are accounted for in the section 8 fund. The I-49, University Oaks, Armstrong Center and Jackson Heights Child Care programs are accounted for in separate funds. Our analysis below focuses on the net assets and the change in net assets of the primary government as a whole.

Table 1
Net Assets
(in thousands)

	September 30,	
	2000	2001
Current assets	\$ 8,015	\$ 6,025
Restricted assets	972	623
Capital assets, net	<u>28,795</u>	<u>28,014</u>
Total assets	<u>37,782</u>	<u>34,662</u>
Current liabilities	2,956	941
Current liabilities payable from current restricted assets	137	135
Long-term liabilities	<u>4,741</u>	<u>4,653</u>
Total liabilities	<u>7,834</u>	<u>5,729</u>
Net assets		
Invested in capital assets, net of related debt	24,290	23,639
Restricted	835	471
Unrestricted	<u>4,823</u>	<u>4,823</u>
Total net assets	<u>\$29,948</u>	<u>\$28,933</u>

Housing Authority of the City of Shreveport

Management's Discussion and Analysis (MD&A)
September 30, 2001

Table 2
Changes in Net Assets
(in thousands)

	September 30,	
	2000	2001
Revenues/capital contributions:		
Operating revenues		
Rent and other	\$ 2,201	\$ 2,938
Nonoperating revenues		
Interest earnings	405	329
Federal grants	12,168	12,631
Capital contributions	1,051	1,393
Total revenues/capital contributions	15,825	17,291
Expenses:		
Operating expenses		
Administration	1,701	2,349
Tenant services	174	234
Utilities	556	563
Ordinary maintenance and operations	1,273	1,354
Protective services	299	356
General expenses	801	861
Nonroutine maintenance	14	814
Housing assistance payments	9,123	9,536
Depreciation	2,014	1,968
Interest and bank charges	283	271
Total expenses	16,238	18,306
Increase (decrease) in net assets	\$(413)	\$(1,015)

Total revenues increased by \$1,466 due primarily to an increase in other income of \$944, an increase in capital contributions of \$342, and an increase in federal revenue of \$463. The increase in other income is due to receipt of insurance proceeds for hail and wind damage to units. Section 8 federal revenue increased and capital fund and comprehensive grant program increases accounted for the increase in capital contributions.

Total expenses increased \$2,068 due primarily to an increase in administration expense of \$648, an increase in nonroutine maintenance of \$800 and an increase in housing assistance payments of \$413. Administration expense increased due to the costs associated with the purchase of the new office building such as repairs, upgrades, furniture, etc. The increases in nonroutine maintenance are due to repairs for hail and wind damage and bathroom and kitchen repairs. Housing assistance payments increased due to an increase in the number of leased units.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2001, the Housing Authority had \$28,014 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of \$781, or 3% from last year.

Housing Authority of the City of Shreveport

Management's Discussion and Analysis (MD&A)
September 30, 2001

Capital Assets at Year-end
(in thousands)

	<u>2000</u>	<u>2001</u>
Land	\$ 2,574	\$ 2,574
Buildings	25,414	23,775
Furniture and equipment	236	200
Construction in progress	<u>571</u>	<u>1,465</u>
Totals	<u>\$28,795</u>	<u>\$28,014</u>

No debt was issued for these additions.

Debt

At September 30, 2001, the Housing Authority had \$4,375,000 in mortgage revenue bonds outstanding. The bonds mature annually until 2019 and have a stated interest rate of 6.1%.

Our long-term debt includes accrued annual and sick leave of \$423. We present more detail about our long-term liabilities in the notes to the financial statements.

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 the Federal budget than by local economic conditions. The budgets for 2001-2002 have already been approved by HUD and no major changes are expected.

The comprehensive grant, capital fund and drug elimination programs are multiple year budgets and have remained relatively stable. Comprehensive grants are used for the modernization of public housing properties including administrative fees involved in the modernization. Drug elimination funds are used to pay for drug elimination initiatives.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and 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 Maurine Crenshaw, Accountant Administrator, at the Housing Authority of the City of Shreveport, 2500 Line Avenue, Shreveport, Louisiana 71104, telephone number (318) 227-8174.

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**ENTERPRISE FUNDS
Balance Sheet
September 30, 2001**

Statement A

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 361,913	\$ 136,367	\$ 220,624	\$ 718,904
Investments	1,667,473	1,500,886	493,088	3,661,447
Accounts receivable, net	378,306	693,547	8,396	1,080,249
Interest receivable	29,870	16,934	7,293	54,097
Prepaid items and other assets	122,755	287,141	0	409,896
Inventory	100,659	0	0	100,659
Total Current Assets	<u>2,660,976</u>	<u>2,634,875</u>	<u>729,401</u>	<u>6,025,252</u>
Restricted Assets				
Restricted deposits	45,389	47,560	13,344	106,293
Repair and replacement account	0	12,950	0	12,950
Surplus account	0	132	0	132
Bond fund account	0	87,773	0	87,773
Debt service fund account	0	415,667	0	415,667
Total Restricted Assets	<u>45,389</u>	<u>564,082</u>	<u>13,344</u>	<u>622,815</u>
Capital Assets				
Land, buildings, and equipment (net of accumulated depreciation)	19,219,758	4,788,721	4,005,263	28,013,742
TOTAL ASSETS	<u>\$ 21,926,123</u>	<u>\$ 7,987,678</u>	<u>\$ 4,748,008</u>	<u>\$ 34,661,809</u>

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**ENTERPRISE FUNDS
Balance Sheet
September 30, 2001**

Statement A

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 406,576	\$ 248,846	\$ 22,988	\$ 678,410
Deferred revenue	0	117,626	0	117,626
Current portion of long term debt	0	145,000	0	145,000
Total Current Liabilities	<u>406,576</u>	<u>511,472</u>	<u>22,988</u>	<u>941,036</u>
Current Liabilities Payable From Current Restricted Assets				
Deposits due others	57,211	9,675	22,541	89,427
Accrued interest	0	45,206	0	45,206
Total Current Liabilities Payable From Current Restricted Assets	<u>57,211</u>	<u>54,881</u>	<u>22,541</u>	<u>134,633</u>
Noncurrent Liabilities				
Compensated absences payable	280,919	119,085	23,122	423,126
Notes and bonds payable	0	4,230,000	0	4,230,000
Total Noncurrent Liabilities	<u>280,919</u>	<u>4,349,085</u>	<u>23,122</u>	<u>4,653,126</u>
Total Liabilities	<u>744,706</u>	<u>4,915,438</u>	<u>68,651</u>	<u>5,728,795</u>
NET ASSETS				
Invested in capital assets, net of related debt	19,219,758	413,721	4,005,263	23,638,742
Restricted	0	471,316	0	471,316
Unrestricted	1,961,659	2,187,203	674,094	4,822,956
NET ASSETS	<u>21,181,417</u>	<u>3,072,240</u>	<u>4,679,357</u>	<u>28,933,014</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 21,926,123</u>	<u>\$ 7,987,678</u>	<u>\$ 4,748,008</u>	<u>\$ 34,661,809</u>

(CONCLUDED)

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

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**ENTERPRISE FUNDS
Statement of Revenues, Expenses,
and Changes in Net Assets
For the Year Ended September 30, 2001**

Statement B

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
OPERATING REVENUES				
Dwelling rental	\$ 1,149,370	\$ 328,348	\$ 558,589	\$ 2,036,307
Other	787,924	76,617	37,461	902,002
Total operating revenues	<u>1,937,294</u>	<u>404,965</u>	<u>596,050</u>	<u>2,938,309</u>
OPERATING EXPENSES				
Administration	813,047	1,391,718	144,379	2,349,144
Tenant services	147,440	37,654	49,041	234,135
Utilities	393,327	136,805	32,541	562,673
Ordinary maintenance & operations	911,340	223,385	219,870	1,354,595
Protective services	255,127	100,600	0	355,727
General expenses	570,956	254,854	35,391	861,201
Nonroutine maintenance	495,925	0	318,023	813,948
Housing assistance payments	40,271	9,495,952	0	9,536,223
Depreciation and amortization	1,641,261	209,610	116,689	1,967,560
Total operating expenses	<u>5,268,694</u>	<u>11,850,578</u>	<u>915,934</u>	<u>18,035,206</u>
Operating Income (Loss)	<u>(3,331,400)</u>	<u>(11,445,613)</u>	<u>(319,884)</u>	<u>(15,096,897)</u>
Nonoperating revenues (expenses)				
Interest earnings	153,949	136,523	38,780	329,252
Federal grants	1,327,483	11,283,280	19,996	12,630,759
Interest and bank charges	0	(271,239)	0	(271,239)
Total nonoperating revenues (expenses)	<u>1,481,432</u>	<u>11,148,564</u>	<u>58,776</u>	<u>12,688,772</u>
NET INCOME (Loss) before Contributions	<u>(1,849,968)</u>	<u>(297,049)</u>	<u>(261,108)</u>	<u>(2,408,125)</u>
Capital contributions	<u>1,392,740</u>	<u>0</u>	<u>0</u>	<u>1,392,740</u>
Change in net assets	<u>(457,228)</u>	<u>(297,049)</u>	<u>(261,108)</u>	<u>(1,015,385)</u>
NET ASSETS AT BEGINNING OF YEAR	<u>21,638,645</u>	<u>3,369,289</u>	<u>4,940,465</u>	<u>29,948,399</u>
NET ASSETS AT END OF YEAR	<u>\$ 21,181,417</u>	<u>\$ 3,072,240</u>	<u>\$ 4,679,357</u>	<u>\$ 28,933,014</u>

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

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended September 30, 2001**

Statement C

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Rental receipts	\$ 1,148,872	\$ 328,348	\$ 545,718	\$ 2,022,938
Other receipts	788,090	953,724	49,618	1,791,432
Payments to vendors	(2,631,156)	(2,365,311)	(588,130)	(5,584,597)
Payments to employees	(997,831)	(358,065)	(199,844)	(1,555,740)
Other receipts (payments)	0	0	1,729	1,729
Payments to private landlords	(40,271)	(11,840,401)	0	(11,880,672)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(1,732,296)</u>	<u>(13,281,705)</u>	<u>(190,909)</u>	<u>(15,204,910)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Federal grants	<u>1,013,406</u>	<u>13,111,139</u>	<u>19,996</u>	<u>14,144,541</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>1,013,406</u>	<u>13,111,139</u>	<u>19,996</u>	<u>14,144,541</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase fixed assets	(765,649)	(225,631)	(4,428)	(995,708)
Contributed capital	1,392,740	0	0	1,392,740
Principal paid on capital debt	0	(145,000)	0	(145,000)
Interest paid on capital debt	0	(272,537)	0	(272,537)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ 627,091</u>	<u>\$ (643,168)</u>	<u>\$ (4,428)</u>	<u>\$ (20,505)</u>

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended September 30, 2001**

Statement C

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds from sales and maturities of investments	\$ 1,590,992	\$ 2,506,732	\$ 57,068	\$ 4,154,792
Interest and dividends	164,832	150,254	38,780	353,866
Purchase investments	<u>(1,712,862)</u>	<u>(2,064,968)</u>	<u>(9,422)</u>	<u>(3,787,252)</u>
 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	 <u>42,962</u>	 <u>592,018</u>	 <u>86,426</u>	 <u>721,406</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 (48,837)	 (221,716)	 (88,915)	 (359,468)
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 <u>410,750</u>	 <u>358,083</u>	 <u>309,539</u>	 <u>1,078,372</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	 <u>361,913</u>	 <u>136,367</u>	 <u>220,624</u>	 <u>718,904</u>
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	(3,331,400)	(11,445,613)	(319,884)	(15,096,897)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation and amortization expense	1,641,261	209,610	116,689	1,967,560
Change in assets and liabilities:				
Receivables, net	(332)	223,603	12,630	235,901
Inventories	(19,218)	0	0	(19,218)
Prepaid items	(24,349)	12,826	0	(11,523)
Accounts payables	(26,327)	(2,289,369)	3,121	(2,312,575)
Accrued expenses	(10,551)	(9,133)	(5,312)	(24,996)
Compensated absences	<u>38,620</u>	<u>16,371</u>	<u>1,847</u>	<u>56,838</u>
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>\$ (1,732,296)</u>	 <u>\$ (13,281,705)</u>	 <u>\$ (190,909)</u>	 <u>\$ (15,204,910)</u>

(CONCLUDED)

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

**Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements**

INDEX

	<u>Page</u>
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	16
A. REPORTING ENTITY	16
B. FUNDS	16
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	17
D. CASH AND CASH EQUIVALENTS	17
E. INVESTMENTS	17
F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES	17
G. INVENTORY AND PREPAID ITEMS	17
H. CAPITAL ASSETS	18
I. DEFERRED REVENUES	18
J. COMPENSATED ABSENCES	18
K. RESTRICTED NET ASSETS	18
L. INTERFUND ACTIVITY	18
M. USE OF ESTIMATES	18
NOTE 2 - DEPOSITS	18
NOTE 3 - RECEIVABLES	19
NOTE 4 - CAPITAL ASSETS	19
NOTE 5 - RETIREMENT SYSTEM	19
NOTE 6 - ACCOUNTS PAYABLE	20
NOTE 7 - COMPENSATED ABSENCES	20
NOTE 8 - LONG TERM OBLIGATIONS	20
NOTE 9 - COMMITMENTS AND CONTINGENCIES	21
NOTE 10 - RISK MANAGEMENT	21
NOTE 11 - SEGMENT INFORMATION	22

**Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of the City of Shreveport (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.

A. REPORTING ENTITY Housing authorities are chartered as public corporations under the laws (LSA-R.S. 40:391) of the state of Louisiana for the purpose of providing safe and sanitary dwelling accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority of the City of Shreveport is governed by a five-member board of commissioners. The members, appointed by the Honorable Mayor of the City of Shreveport, serve a staggered term of five years.

The Housing Authority has the following units:

	<u># of Units</u>	
PHA Owned Housing	FW 923	945
Homeownership		11
Section 8		
Rental Certificates	FW 2075	135
Rental Vouchers	FW 2215	2,889
Moderate Rehab	FW 2075	308
Existing - Stone Vista	FW 2163	151
New Construction - Goodman Plaza	FW 77-393	170
Non HUD Programs:		
I-49 Dwelling Rental Units		56
Child Care		1
University Oaks I		64
University Oaks II		60

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

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

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

All funds of the Housing Authority are classified as proprietary.

The general fund is used to account for the public housing, drug elimination, comprehensive grant, capital fund and resident opportunity programs. Section 8 certificates, voucher, moderate rehabilitation and new construction programs are accounted

Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements

for in the section 8 fund. The I-49, University Oaks, Armstrong Center and Jackson Heights Child Care programs are accounted for in separate funds.

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.

When both restricted and unrestricted resources are available for use, it is the Housing Authority's policy to use restricted resources first, then unrestricted resources as needed.

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

D. 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.

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 fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. 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.
2. The Housing Authority reports at amortized cost money market investments and *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 purposes.

**Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements**

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

H. CAPITAL ASSETS Capital assets 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:

Buildings	40 years
Building and site improvements	15 years
Office equipment (other than computers)	7 years
Computers	3 years
Automobiles and trucks	5 years

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

J. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 300 hours of annual leave which may be received upon termination or retirement. In a case where the employee notifies the Housing Authority not less than six months prior to retirement or resignation, annual leave in excess of 300 hours may be utilized prior to separation of employment. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

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 either 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 transactions are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting 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 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 expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - DEPOSITS At September 30, 2001, the Housing Authority has cash and cash equivalents (book balances) totaling \$718,904 as follows:

**Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements**

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair 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.

At year-end, the Housing Authority's carrying amount of deposits was \$5,003,166 (which includes \$3,661,447 of time deposits and \$622,815 of restricted deposits), and the bank balance was \$5,232,582. Of the bank balance, \$300,000 was covered by federal depository insurance or by collateral held by the Housing Authority's agent in the Housing Authority's name (GASB Category 1). The remainder of \$4,932,582 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 - RECEIVABLES The receivables at September 30, 2001 are as follows:

<u>Class of receivables</u>	<u>General</u>	<u>Section 8</u>	<u>Other Enterprise</u>	<u>Total</u>
Tenants	\$ 12,028	\$ 4,243	\$1,850	\$ 18,121
Others	661	7,740	6,546	14,947
HUD	<u>365,617</u>	<u>681,564</u>	<u>0</u>	<u>1,047,181</u>
Total	<u>\$378,306</u>	<u>\$693,547</u>	<u>\$8,396</u>	<u>\$1,080,249</u>

The Housing Authority expects to collect all balances in full.

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

	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, Ending</u>
Land	\$ 2,573,575	\$ 0	\$ 0	\$ 2,573,575
Buildings and improvements	47,492,603	188,207	0	47,680,810
Furniture and equipment	1,378,559	112,064	50,653	1,439,970
Construction in progress	<u>571,020</u>	<u>911,529</u>	<u>17,306</u>	<u>1,465,243</u>
Total	<u>52,015,757</u>	<u>1,211,800</u>	<u>67,959</u>	<u>53,159,598</u>
Less accumulated depreciation:				
Buildings and improvements	22,078,045	1,827,750	0	23,905,795
Furniture and equipment	<u>1,142,487</u>	<u>134,953</u>	<u>37,379</u>	<u>1,240,061</u>
Total	<u>23,220,532</u>	<u>1,962,703</u>	<u>37,379</u>	<u>25,145,856</u>
Fixed assets, net	<u>\$28,795,225</u>	<u>\$(750,903)</u>	<u>\$30,580</u>	<u>\$28,013,742</u>

NOTE 5 - RETIREMENT SYSTEM The Housing Authority provides pension benefits for all of its full-time employees through a defined contribution plan. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing one year of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to eight percent of each participant's basic (excludes overtime) compensation. The Housing Authority's contribution for each employee and income allocated to the employee's account are

**Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements**

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 September 30, 2001 was \$1,685,818. The Housing Authority's contributions were calculated using the base salary amount of \$1,234,969. Both the Housing Authority and the covered employees made the required contributions of \$200,407 for the year ended September 30, 2001

NOTE 6 - ACCOUNTS PAYABLE The payables at September 30, 2001 are as follows:

	<u>General</u>	<u>Section 8</u>	<u>Other Enterprise</u>	<u>Total</u>
Vendors	\$323,916	\$75,788	\$21,527	\$421,231
Wages	16,305	9,069	1,461	26,835
Payable to HUD	0	116,429	0	116,429
Other	<u>66,355</u>	<u>47,560</u>	<u>0</u>	<u>113,915</u>
Total	<u>\$406,576</u>	<u>\$248,846</u>	<u>\$22,988</u>	<u>\$678,410</u>

NOTE 7 - COMPENSATED ABSENCES At September 30, 2001 employees of the Housing Authority have accumulated and vested \$423,126 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 obligation transactions for the year ended September 30, 2001:

	<u>Compensated Absences</u>	<u>Notes and Bonds</u>	<u>Total</u>
Balance, beginning	\$366,288	\$ 4,505,000	\$ 4,871,288
Additions	56,838	0	56,838
Deductions	<u>0</u>	<u>(130,000)</u>	<u>(130,000)</u>
Balance, ending	<u>\$423,126</u>	<u>\$ 4,375,000</u>	<u>\$ 4,798,126</u>

The following bonds are outstanding at September 30, 2001. The Mortgage Revenue bonds are collateralized with all revenues derived from operations of Goodman Plaza.

	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Issue Amount</u>	<u>Balance September 30, 2001</u>
<u>Mortgage revenue bonds</u>					
Series 1993	8-1-93	2019	6.100%	<u>\$5,295,000</u>	<u>\$4,375,000</u>

At September 30, 2001, the Housing Authority has reserved \$471,316 in the debt service fund for future debt requirements. The bonds are due as follows:

Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 145,000	\$ 264,284	\$ 409,284
2003	150,000	256,309	406,309
2004	155,000	247,909	402,909
2005	170,000	239,074	409,074
2006	175,000	229,214	404,214
2007 to maturity	<u>3,580,000</u>	<u>1,710,006</u>	<u>5,290,006</u>
	<u>\$4,375,000</u>	<u>\$2,946,796</u>	<u>\$7,321,796</u>

**Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements**

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Litigation At September 30, 2001 the Housing Authority is involved in various litigation. In the opinion of legal counsel the potential loss on all claims will not materially affect the Housing Authority's financial position.

Construction Projects There are certain major construction projects in progress at September 30, 2001. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Self-Insurance The Housing Authority is partially self-insured for employee's group and health insurance coverage. Claims are funded through employee contributions and operating funds of the Housing Authority. The Housing Authority maintains stop-loss coverage with an insurance company for claims in excess of \$5,000 per claim for each employee. All known claims filed and an estimate of incurred but not reported claims based on experience of the Housing Authority are made and accrued as necessary in the financial statements.

Grant Disallowances The Housing Authority participates in a number of state and 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 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. The Housing Authority established a risk management program for employee's group health insurance in 1995.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims in excess of \$5,000. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Changes in the balances of claims liabilities during the past year are as follows:

	<u>Current Year</u>
Unpaid claims, beginning of fiscal year	\$ 54,589
Incurred claims (including IBNRs)	199,894
Claim payments	<u>147,709</u>
Unpaid claims, end of fiscal year	<u>\$106,774</u>

**Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements**

NOTE 11 - SEGMENT INFORMATION The Housing Authority issued mortgage revenue bonds to finance the acquisition of Goodman Plaza, a 170-unit multifamily rental apartment complex designed for elderly persons and families. All of the Section 8 programs are reported in one fund. Repayment of the bonds relies on revenue generated by activities of Goodman Plaza. Summarized financial information for Goodman Plaza is presented below.

Condensed Statement of Net Assets

Assets:	
Current assets	\$ 1,772,628
Restricted assets	516,522
Capital assets (net)	<u>3,832,452</u>
Total assets	<u>6,121,602</u>
Liabilities:	
Current liabilities	204,934
Current liabilities payable from current restricted assets	54,881
Noncurrent liabilities	<u>4,292,239</u>
Total liabilities	<u>4,552,054</u>
Net assets:	
Invested in capital assets, net of related debt	(542,548)
Restricted	471,316
Unrestricted	<u>1,640,780</u>
Total net assets	<u>\$1,569,548</u>

**Condensed Statement of Revenues, Expenses,
and Changes in Net Assets**

Rental income	\$ 328,348
Other income	194,205
Depreciation and amortization expense	(139,236)
Other expenses	<u>(746,362)</u>
Operating income (loss)	(363,045)
Nonoperating revenues (expenses)	
Interest earnings	49,512
Federal grants	602,375
Interest and back charges	<u>(271,239)</u>
Change in net assets	17,603
Net assets at beginning of year	<u>1,551,945</u>
Net assets at end of year	<u>\$ 1,569,548</u>

**Housing Authority of the City of Shreveport
Notes to the Basic Financial Statements**

Condensed Statement of Cash Flows

Net cash provided (used) by:	
Operating activities	\$(154,429)
Noncapital financing activities	602,375
Capital and related financing activities	(416,750)
Investing activities	<u>363,818</u>
Net increase (decrease)	395,014
Beginning cash and cash equivalents	<u>(26,302)</u>
Ending cash and cash equivalents	<u><u>\$ 368,712</u></u>

Housing Authority of the City of Shreveport

Nonmajor Enterprise Funds

I-49

This fund originated from the displacement of homes caused by the construction of Interstate 49. The fund consists of rental income and expenses of single family rental units scattered throughout Caddo Parish. The fund also accounts for proceeds from the sale of rental units.

UNIVERSITY OAKS

Apartment complex purchased in September 1999 to provide units under Section 8 and the open market.

ARMSTRONG CENTER

Community Center for Goodman Plaza. The center was closed during the year.

JACKSON HEIGHTS

This fund accounts for the revenues and expenditures of a child care center operated for Housing Authority employees and residents.

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**NONMAJOR ENTERPRISE FUNDS
Combining Balance Sheet
September 30, 2001**

Exhibit 1

	<u>I-49</u>	<u>UNIVERSITY OAKS</u>	<u>ARMSTRONG CENTER</u>	<u>JACKSON HEIGHTS</u>	<u>TOTAL NONMAJOR FUNDS</u>
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 80,297	\$ 123,115	\$ 0	\$ 17,212	\$ 220,624
Investments	380,245	0	112,843	0	493,088
Accounts receivable, net	1,500	6,896	0	0	8,396
Interest receivable	5,163	0	2,130	0	7,293
TOTAL CURRENT ASSETS	<u>467,205</u>	<u>130,011</u>	<u>114,973</u>	<u>17,212</u>	<u>729,401</u>
Restricted Assets					
Restricted deposits	<u>0</u>	<u>13,344</u>	<u>0</u>	<u>0</u>	<u>13,344</u>
Capital Assets					
Capital assets (net of accumulated depreciation)	<u>1,596,388</u>	<u>2,393,217</u>	<u>15,658</u>	<u>0</u>	<u>4,005,263</u>
TOTAL ASSETS	<u>2,063,593</u>	<u>2,536,572</u>	<u>130,631</u>	<u>17,212</u>	<u>4,748,008</u>
LIABILITIES					
Current Liabilities					
Accounts payable	10,387	8,388	0	4,213	22,988
Current Liabilities Payable from Current Restricted Assets					
Deposits due others	<u>5,219</u>	<u>17,322</u>	<u>0</u>	<u>0</u>	<u>22,541</u>
Noncurrent Liabilities					
Compensated absences payable	<u>19,902</u>	<u>3,220</u>	<u>0</u>	<u>0</u>	<u>23,122</u>
Total Liabilities	<u>35,508</u>	<u>28,930</u>	<u>0</u>	<u>4,213</u>	<u>68,651</u>
NET ASSETS					
Invested in capital assets, net of related debt	1,596,388	2,393,217	15,658	0	4,005,263
Unrestricted	<u>431,697</u>	<u>114,425</u>	<u>114,973</u>	<u>12,999</u>	<u>674,094</u>
NET ASSETS	<u>2,028,085</u>	<u>2,507,642</u>	<u>130,631</u>	<u>12,999</u>	<u>4,679,357</u>
TOTAL LIABILITIES AND NET ASSETS					
	<u>\$ 2,063,593</u>	<u>\$ 2,536,572</u>	<u>\$ 130,631</u>	<u>\$ 17,212</u>	<u>\$ 4,748,008</u>

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**NONMAJOR ENTERPRISE FUNDS
Combining Statement of Revenues, Expenses, and Changes in Net Assets
For the Year Ended September 30, 2001**

Exhibit 2

	<u>I-49</u>	<u>UNIVERSITY OAKS</u>	<u>ARMSTRONG CENTER</u>	<u>JACKSON HEIGHTS</u>	<u>TOTAL NONMAJOR FUNDS</u>
OPERATING REVENUES					
Dwelling rent	\$ 161,134	\$ 397,455	\$ 0	\$ 0	\$ 558,589
Other	5,699	7,480	0	24,282	37,461
Total operating revenues	<u>166,833</u>	<u>404,935</u>	<u>0</u>	<u>24,282</u>	<u>596,050</u>
OPERATING EXPENSES					
Administration	81,314	57,557	0	5,508	144,379
Tenant services	1,785	1,860	0	45,396	49,041
Utilities	846	30,077	0	1,618	32,541
Ordinary maintenance & operations	101,398	114,816	0	3,656	219,870
General expenses	31,617	0	0	3,774	35,391
Nonroutine maintenance	1,800	316,223	0	0	318,023
Depreciation and amortization expense	57,802	58,205	682	0	116,689
Total operating expenses	<u>276,562</u>	<u>578,738</u>	<u>682</u>	<u>59,952</u>	<u>915,934</u>
Operating Income (Loss)	<u>(109,729)</u>	<u>(173,803)</u>	<u>682</u>	<u>(35,670)</u>	<u>(319,884)</u>
Nonoperating revenues (expenses)					
Interest earnings	31,420	792	6,568	0	38,780
Federal grants	0	0	0	19,996	19,996
Total nonoperating revenues (expenses)	<u>31,420</u>	<u>792</u>	<u>6,568</u>	<u>19,996</u>	<u>58,776</u>
Change in net assets	<u>(78,309)</u>	<u>(173,011)</u>	<u>5,886</u>	<u>(15,674)</u>	<u>(261,108)</u>
NET ASSETS AT BEGINNING OF YEAR					
	<u>2,106,394</u>	<u>2,680,653</u>	<u>124,745</u>	<u>28,673</u>	<u>4,940,465</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,028,085</u>	<u>\$ 2,507,642</u>	<u>\$ 130,631</u>	<u>\$ 12,999</u>	<u>\$ 4,679,357</u>

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**NONMAJOR ENTERPRISE FUNDS
Combining Statement of Cash Flows
For the Year Ended September 30, 2001**

Exhibit 3

	<u>I-49</u>	<u>UNIVERSITY OAKS</u>	<u>ARMSTRONG CENTER</u>	<u>JACKSON HEIGHTS</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Rental receipts	\$ 161,957	\$ 383,761	\$ 0	\$ 0	\$ 545,718
Other receipts	5,699	19,637	0	24,282	49,618
Payments to vendors	(123,278)	(452,258)	0	(12,594)	(588,130)
Payments to employees	(87,035)	(67,406)	0	(45,403)	(199,844)
Other receipts (payments)	(337)	2,066	0	0	1,729
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(42,994)</u>	<u>(114,200)</u>	<u>0</u>	<u>(33,715)</u>	<u>(190,909)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Federal grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,996</u>	<u>19,996</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,996</u>	<u>19,996</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase fixed assets	<u>(2,657)</u>	<u>(1,771)</u>	<u>0</u>	<u>0</u>	<u>(4,428)</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ (2,657)</u>	<u>\$ (1,771)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (4,428)</u>

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**NONMAJOR ENTERPRISE FUNDS
Combining Statement of Cash Flows
For the Year Ended September 30, 2001**

Exhibit 3

	<u>I-49</u>	<u>UNIVERSITY OAKS</u>	<u>ARMSTRONG CENTER</u>	<u>JACKSON HEIGHTS</u>	<u>TOTAL</u>
CASH FLOW FROM INVESTING ACTIVITIES:					
Proceeds from sales and maturities of investments	\$ 57,068	\$ 0	\$ 0	\$ 0	\$ 57,068
Interest and dividends	31,420	792	6,568	0	38,780
Purchase investments	0	0	(9,422)	0	(9,422)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>88,488</u>	<u>792</u>	<u>(2,854)</u>	<u>0</u>	<u>86,426</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	42,837	(115,179)	(2,854)	(13,719)	(88,915)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>37,460</u>	<u>238,294</u>	<u>2,854</u>	<u>30,931</u>	<u>309,539</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>80,297</u>	<u>123,115</u>	<u>0</u>	<u>17,212</u>	<u>220,624</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	(109,729)	(173,803)	(682)	(35,670)	(319,884)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization expense	57,802	58,205	682	0	116,689
Change in assets and liabilities:					
Receivables, net	823	11,807	0	0	12,630
Inventories	0	0	0	0	0
Prepaid items	0	0	0	0	0
Accounts payables	7,955	(6,789)	0	1,955	3,121
Accrued expenses	(2,580)	(2,732)	0	0	(5,312)
Compensated absences	2,735	(888)	0	0	1,847
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (42,994)</u>	<u>\$ (114,200)</u>	<u>\$ 0</u>	<u>\$ (33,715)</u>	<u>\$ (190,909)</u>

(CONCLUDED)

Housing Authority of the City of Shreveport

**Schedule of Compensation Paid Board Members
For the Year Ended September 30, 2001**

Exhibit 4

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

Bob Owens, Chairman

Harold Kelly, Vice Chairman

Reverend Dr. Murphy L. Hunt

David Watkins

Margy Ray

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Line Item No.	Account Description	Business Activities	Child and Adult Care Food Program	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing
111	Cash - Unrestricted	\$ 220,624	\$ -	\$ 566,885	\$ 9,349	\$ 475,601
113	Cash - Other Restricted	\$ -	\$ -	\$ 516,522	\$ -	\$ -
114	Cash - Tenant Security Deposits	\$ 13,344	\$ -	\$ -	\$ -	\$ 57,211
100	Total Cash	\$ 233,968	\$ -	\$ 1,083,407	\$ 9,349	\$ 532,812
122	Accounts Receivable - HUD Other Projects	\$ -	\$ -	\$ -	\$ -	\$ -
125	Accounts Receivable - Miscellaneous	\$ 6,546	\$ -	\$ 6,266	\$ -	\$ 891
126	Accounts Receivable - Tenants - Dwelling Rents	\$ 1,850	\$ -	\$ 4,243	\$ -	\$ 12,028
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$ -	\$ -	\$ -	\$ -	\$ -
126.2	Allowance for Doubtful Accounts - Other	\$ -	\$ -	\$ -	\$ -	\$ -
129	Accrued Interest Receivable	\$ 7,293	\$ -	\$ 12,382	\$ -	\$ 29,870
120	Total Receivables, net of allowances for doubtful accounts	\$ 15,689	\$ -	\$ 22,891	\$ -	\$ 42,789
131	Investments - Unrestricted	\$ 493,088	\$ -	\$ 1,236,986	\$ -	\$ 1,667,473
132	Investments Restricted	\$ -	\$ -	\$ -	\$ -	\$ 45,389
142	Prepaid Expenses and Other Assets	\$ -	\$ -	\$ 287,141	\$ -	\$ 122,755
143	Inventories	\$ -	\$ -	\$ -	\$ -	\$ 100,659
143.1	Allowance for Obsolete Inventories	\$ -	\$ -	\$ -	\$ -	\$ -
144	Interprogram Due From	\$ -	\$ -	\$ -	\$ -	\$ -
150	Total Current Assets	\$ 742,745	\$ -	\$ 2,630,425	\$ 9,349	\$ 2,511,877
161	Land	\$ 533,010	\$ -	\$ 411,180	\$ -	\$ 1,659,715
162	Buildings	\$ 4,524,124	\$ -	\$ 4,283,636	\$ -	\$ 37,273,188
163	Furniture, Equipment & Machinery - Dwellings	\$ 4,870	\$ -	\$ 111,349	\$ -	\$ 451,070
164	Furniture, Equipment & Machinery - Administration	\$ 44,692	\$ -	\$ 49,285	\$ -	\$ 485,784
165	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
166	Accumulated Depreciation	\$ (1,101,433)	\$ -	\$ (1,022,998)	\$ -	\$ (22,745,125)
167	Construction In Progress	\$ -	\$ -	\$ -	\$ -	\$ -
160	Total Fixed Assets, Net of Accumulated Depreciation	\$ 4,005,263	\$ -	\$ 3,832,452	\$ -	\$ 17,124,632
174	Other Assets	\$ -	\$ -	\$ -	\$ -	\$ -
180	Total Non-Current Assets	\$ 4,005,263	\$ -	\$ 3,832,452	\$ -	\$ 17,124,632
190	Total Assets	\$ 4,748,008	\$ -	\$ 6,462,877	\$ 9,349	\$ 19,636,509

Exhibit 5

Development	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program	Section 8 Mod Rehab LA002MR0002	Section 8 Mod Rehab LA002MR0003	Section 8 Mod Rehab LA002MR0004	Section 8 Mod Rehab LA002MR0006	Section 8 Mod Rehab LA002MR0007
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 1,086	\$ 6,024	\$ -	\$ -	\$ 30,329
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,474	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 1,086	\$ 6,024	\$ 1,474	\$ -	\$ 30,329
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 24,970	\$ -	\$ -	\$ 228,101	\$ 181,745
\$ -	\$ -	\$ -	\$ 26,056	\$ 6,024	\$ 1,474	\$ 228,101	\$ 212,074
\$ 583,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 98,011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ 1,788	\$ -	\$ 8,253	\$ 14,411
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ (2,450)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,253)	\$ (14,411)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 679,430	\$ -	\$ -	\$ -	\$ 1,788	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 679,430	\$ -	\$ -	\$ -	\$ 1,788	\$ -	\$ -	\$ -
\$ 679,430	\$ -	\$ -	\$ 26,056	\$ 7,812	\$ 1,474	\$ 228,101	\$ 212,074

(continued)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Line Item No.	Account Description	Business Activities	Child and Adult Care Food Program	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing
311	Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts Payable <= 90 Days	\$ 22,988	\$ -	\$ 75,121	\$ -	\$ 118,960
321	Accrued Wage/Payroll Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ 16,305
	Accrued Compensated Absences - Current					
322	Portion	\$ 23,122	\$ -	\$ 50,724	\$ -	\$ 280,919
325	Accrued Interest Payable	\$ -	\$ -	\$ 45,206	\$ -	\$ -
331	Accounts Payable - HUD PHA Programs	\$ -	\$ -	\$ 23,762	\$ -	\$ -
333	Accounts Payable - Other Government	\$ -	\$ -	\$ -	\$ -	\$ 66,355
341	Tenant Security Deposits	\$ 22,541	\$ -	\$ 9,675	\$ -	\$ 57,211
342	Deferred Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
	Current Portion of Long-term Debt - Capital					
343	Projects/Mortgage Revenue Bonds	\$ -	\$ -	\$ 130,000	\$ -	\$ -
345	Other Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
347	Interprogram Due To	\$ -	\$ -	\$ -	\$ -	\$ -
310	Total Current Liabilities	\$ 68,651	\$ -	\$ 334,488	\$ -	\$ 539,750
	Long-term Debt, Net of Current - Capital					
351	Projects/Mortgage Revenue Bonds	\$ -	\$ -	\$ 4,245,000	\$ -	\$ -
	Accrued Compensated Absences - Non					
354	Current	\$ -	\$ -	\$ -	\$ -	\$ -
353	Noncurrent Liabilities - Other	\$ -	\$ -	\$ -	\$ -	\$ -
350	Total Noncurrent Liabilities	\$ -	\$ -	\$ 4,245,000	\$ -	\$ -
300	Total Liabilities	\$ 68,651	\$ -	\$ 4,579,488	\$ -	\$ 539,750
	Invested in Capital Assets, Net of					
508.1	Related Debt	\$ 4,005,263	\$ -	\$ (542,548)	\$ -	\$ 17,124,632
511.1	Restricted Net Assets	\$ -	\$ -	\$ 471,316	\$ -	\$ -
512.1	Unrestricted Net Assets	\$ 674,094	\$ -	\$ 1,954,621	\$ 9,349	\$ 1,972,127
513	Total Net Assets	\$ 4,679,357	\$ -	\$ 1,883,389	\$ 9,349	\$ 19,096,759
600	Total Liabilities and Equity/Net Assets	\$ 4,748,008	\$ -	\$ 6,462,877	\$ 9,349	\$ 19,636,509

Exhibit 5

Development	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program	Section 8 Mod Rehab LA002MR0002	Section 8 Mod Rehab LA002MR0003	Section 8 Mod Rehab LA002MR0004	Section 8 Mod Rehab LA002MR0006	Section 8 Mod Rehab LA002MR0007
\$ 18,154	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,828	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 18,154	\$ -	\$ -	\$ -	\$ 1,937	\$ 1,474	\$ 73,828	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 18,154	\$ -	\$ -	\$ -	\$ 1,937	\$ 1,474	\$ 73,828	\$ -
\$ 679,430	\$ -	\$ -	\$ -	\$ 1,788	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ (18,154)	\$ -	\$ -	\$ 26,056	\$ 4,087	\$ -	\$ 154,273	\$ 212,074
\$ 661,276	\$ -	\$ -	\$ 26,056	\$ 5,875	\$ -	\$ 154,273	\$ 212,074
\$ 679,430	\$ -	\$ -	\$ 26,056	\$ 7,812	\$ 1,474	\$ 228,101	\$ 212,074

(continued)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Line Item No.	Account Description	Business Activities	Child and Adult Care Food Program	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing
703	Net Tenant Rental Revenue	\$ 558,589	\$ -	\$ 328,348	\$ -	\$ 1,149,370
704	Tenant Revenue - Other	\$ 5,728	\$ -	\$ -	\$ -	\$ 71,123
705	Total Tenant Revenue	\$ 564,317	\$ -	\$ 328,348	\$ -	\$ 1,220,493
706	HUD PHA Operating Grants	\$ -	\$ 19,996	\$ 1,483,459	\$ 46,831	\$ 1,280,652
706.1	Capital Grants	\$ -	\$ -	\$ -	\$ -	\$ -
711	Investment Income - Unrestricted	\$ 38,780	\$ -	\$ 82,540	\$ -	\$ 153,949
715	Other Revenue	\$ 31,733	\$ -	\$ 65,432	\$ -	\$ 716,801
720	Investment Income - Restricted	\$ -	\$ -	\$ 22	\$ -	\$ -
700	Total Revenue	\$ 634,830	\$ 19,996	\$ 1,959,801	\$ 46,831	\$ 3,371,895
911	Administrative Salaries	\$ 78,901	\$ -	\$ 76,477	\$ -	\$ 397,981
912	Auditing Fees	\$ 170	\$ -	\$ 1,365	\$ -	\$ 4,466
914	Compensated Absences	\$ 1,848	\$ -	\$ 6,973	\$ -	\$ -
	Employee Benefit Contributions -					
915	Administrative	\$ 14,172	\$ -	\$ 36,535	\$ -	\$ 130,650
916	Other Operating - Administrative	\$ 53,102	\$ -	\$ 38,140	\$ 10	\$ 206,671
921	Tenant Services - Salaries	\$ 25,390	\$ 19,996	\$ -	\$ -	\$ 23,558
922	Relocation Costs	\$ -	\$ -	\$ -	\$ -	\$ -
	Employee Benefit Contributions - Tenant					
923	Services	\$ 3,774	\$ -	\$ -	\$ -	\$ 11,877
924	Tenant Services - Other	\$ 3,645	\$ -	\$ 5,239	\$ -	\$ 116,915
931	Water	\$ 10,169	\$ -	\$ 9,066	\$ -	\$ 77,628
932	Electricity	\$ 18,165	\$ -	\$ 115,920	\$ -	\$ 198,011
933	Gas	\$ 5,277	\$ -	\$ -	\$ -	\$ 30,153
938	Other Utilities Expense	\$ 4,654	\$ -	\$ 10,651	\$ -	\$ 86,897
	Ordinary Maintenance and Operations -					
941	Labor	\$ 72,085	\$ -	\$ 67,856	\$ -	\$ 470,145
	Ordinary Maintenance and Operations -					
942	Materials and Other	\$ 64,252	\$ -	\$ 48,247	\$ -	\$ 225,159
	Ordinary Maintenance and Operations -					
943	Contract Costs	\$ 83,533	\$ -	\$ 77,804	\$ -	\$ 209,239
	Employee Benefit Contributions - Ordinary					
945	Maintenance	\$ 11,668	\$ -	\$ 27,283	\$ -	\$ 154,405
952	Protective Services - Other Contract Costs	\$ -	\$ -	\$ 100,600	\$ -	\$ 27,971
961	Insurance Premiums	\$ 9,249	\$ -	\$ 23,143	\$ -	\$ 160,496
962	Other General Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
963	Payments in Lieu of Taxes	\$ -	\$ -	\$ -	\$ -	\$ 75,668
964	Bad Debt - Tenant Rents	\$ 1,172	\$ -	\$ 211	\$ -	\$ 36,859
967	Interest Expense	\$ -	\$ -	\$ 271,239	\$ -	\$ -
969	Total Operating Expenses	\$ 461,226	\$ 19,996	\$ 916,749	\$ 10	\$ 2,644,749

Exhibit 5

Development	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program	Section 8 Mod Rehab LA002MR0002	Section 8 Mod Rehab LA002MR0003	Section 8 Mod Rehab LA002MR0004	Section 8 Mod Rehab LA002MR0006	Section 8 Mod Rehab LA002MR0007
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 41,692	\$ 227,156	\$ -	\$ 14,651	\$ 35,964	\$ -	\$ 401,690	\$ 599,178
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 260	\$ 743	\$ -	\$ 1,591	\$ 1,591
\$ -	\$ -	\$ -	\$ 6,925	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 41,692	\$ 227,156	\$ -	\$ 21,836	\$ 36,707	\$ -	\$ 403,281	\$ 600,769
\$ -	\$ -	\$ -	\$ 1,027	\$ 1,982	\$ -	\$ 7,175	\$ 11,208
\$ -	\$ -	\$ -	\$ 34	\$ 170	\$ -	\$ 679	\$ 678
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 88	\$ 1,707	\$ -	\$ 4,851	\$ 5,202
\$ 15	\$ -	\$ -	\$ 11,451	\$ 105,079	\$ -	\$ 83,317	\$ 23,906
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 120	\$ 150	\$ -	\$ 1,830	\$ 1,710
\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 98	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,859	\$ -	\$ -	\$ -	\$ 2,758	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 373	\$ -	\$ -	\$ -	\$ 10,890	\$ -	\$ 16,688	\$ -
\$ 449	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 227,156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 123	\$ 1,292	\$ -	\$ 4,569	\$ 4,569
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 6,962	\$ 227,156	\$ -	\$ 12,843	\$ 124,028	\$ -	\$ 119,109	\$ 47,273

(continued)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Line Item No.	Account Description	Business Activities	Child and Adult Care Food Program	N/C S/R Section 8 Programs	Shelter Plus Care	Low Rent Public Housing
	Excess Operating Revenue over Operating					
970	Expenses	\$ 173,604	\$ -	\$ 1,043,052	\$ 46,821	\$ 727,146
971	Extraordinary Maintenance	\$ 318,025	\$ -	\$ -	\$ -	\$ 79,033
972	Casualty Losses - Non-Capitalized	\$ -	\$ -	\$ -	\$ -	\$ 405,702
973	Housing Assistance Payments	\$ -	\$ -	\$ 806,942	\$ 40,271	\$ -
974	Depreciation Expense	\$ 116,689	\$ -	\$ 139,236	\$ -	\$ 1,479,903
900	Total Expenses	\$ 895,940	\$ 19,996	\$ 1,862,927	\$ 40,281	\$ 4,609,387
1010	Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -
	Excess (Deficiency) of Operating Revenue					
1000	Over (Under) Expenses	\$ (261,110)	\$ -	\$ 96,874	\$ 6,550	\$ (1,237,492)
1101	Capital Outlays Enterprise Fund	\$ -	\$ -	\$ -	\$ -	\$ -
1102	Allowance for Doubtful Accounts - Other	\$ -	\$ -	\$ -	\$ -	\$ -
1103	Beginning Equity	\$ 4,940,467	\$ -	\$ 1,786,515	\$ 2,799	\$ 18,757,350
	Prior Period Adjustments, Equity Transfers					
1104	and Correction of Errors	\$ -	\$ -	\$ -	\$ -	\$ 1,576,901
1112	Depreciation Add Back	\$ -	\$ -	\$ -	\$ -	\$ -
	Maximum Annual Contributions					
1113	Commitment (Per ACC)	\$ -	\$ -	\$ 987,787	\$ -	\$ -
	Prorata Maximum Annual Contributions					
	Applicable to a Period of less than Twelve					
1114	Months	\$ -	\$ -	\$ -	\$ -	\$ -
	Contingency Reserve, ACC Program					
1115	Reserve	\$ -	\$ -	\$ 508,582	\$ -	\$ -
1116	Total Annual Contributions Available	\$ -	\$ -	\$ 1,496,369	\$ -	\$ -
1120	Unit Months Available	2,156	-	3,399	135	11,027
1121	Number of Unit Months Leased	2,080	-	3,270	135	10,053

Exhibit 5

Development	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program	Section 8 Mod Rehab LA002MR0002	Section 8 Mod Rehab LA002MR0003	Section 8 Mod Rehab LA002MR0004	Section 8 Mod Rehab LA002MR0006	Section 8 Mod Rehab LA002MR0007
\$ 34,730	\$ -	\$ -	\$ 8,993	\$ (87,321)	\$ -	\$ 284,172	\$ 553,496
\$ 11,192	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 10,752	\$ 28,748	\$ -	\$ 370,516	\$ 548,335
\$ 2,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 20,604	\$ 227,156	\$ -	\$ 23,595	\$ 152,776	\$ -	\$ 489,625	\$ 595,608
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 21,088	\$ -	\$ -	\$ (1,759)	\$ (116,069)	\$ -	\$ (86,344)	\$ 5,161
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 640,188	\$ -	\$ 391,347	\$ 27,815	\$ 121,944	\$ 10,077	\$ 240,617	\$ 206,913
\$ -	\$ -	\$ (391,347)	\$ -	\$ -	\$ (10,077)	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ 24,767	\$ -	\$ -	\$ 717,750
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 276,371	\$ 26,817	\$ -	\$ 437,314	\$ 1,864,081
\$ -	\$ -	\$ -	\$ 276,371	\$ 51,584	\$ -	\$ 437,314	\$ 2,581,831
-	-	-	96	268	-	1,222	1,776
-	-	-	96	175	-	854	1,246

(continued)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Line Item No.	Account Description	Section 8 Mod Rehab LA002MR0009	Section 8 Mod Rehab LA002MR0010	Section 8 Rental Certificate Program	Public Housing Comp Grant Program
111	Cash - Unrestricted	\$ -	\$ -	\$ -	\$ -
113	Cash - Other Restricted	\$ -	\$ -	\$ -	\$ -
114	Cash - Tenant Security Deposits	\$ -	\$ -	\$ -	\$ -
100	Total Cash	\$ -	\$ -	\$ -	\$ -
122	Accounts Receivable - HUD Other Projects	\$ 4,574	\$ 8,541	\$ 631,011	\$ 135,807
125	Accounts Receivable - Miscellaneous	\$ -	\$ -	\$ -	\$ -
	Accounts Receivable - Tenants - Dwelling				
126	Rents	\$ -	\$ -	\$ -	\$ -
	Allowance for Doubtful Accounts - Dwelling				
126.1	Rents	\$ -	\$ -	\$ -	\$ -
126.2	Allowance for Doubtful Accounts - Other	\$ -	\$ -	\$ -	\$ -
129	Accrued Interest Receivable	\$ -	\$ -	\$ -	\$ -
	Total Receivables, net of allowances for				
120	doubtful accounts	\$ 4,574	\$ 8,541	\$ 631,011	\$ 135,807
131	Investments - Unrestricted	\$ -	\$ -	\$ -	\$ -
132	Investments Restricted	\$ -	\$ -	\$ -	\$ -
142	Prepaid Expenses and Other Assets	\$ -	\$ -	\$ -	\$ -
143	Inventories	\$ -	\$ -	\$ -	\$ -
143.1	Allowance for Obsolete Inventories	\$ -	\$ -	\$ -	\$ -
144	Interprogram Due From	\$ 66,921	\$ 53,208	\$ -	\$ -
150	Total Current Assets	\$ 71,495	\$ 61,749	\$ 631,011	\$ 135,807
161	Land	\$ -	\$ -	\$ -	\$ -
162	Buildings	\$ -	\$ -	\$ 887,650	\$ -
163	Furniture, Equipment & Machinery - Dwellings	\$ -	\$ -	\$ -	\$ -
	Furniture, Equipment & Machinery -				
164	Administration	\$ -	\$ -	\$ 256,744	\$ -
165	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -
166	Accumulated Depreciation	\$ -	\$ -	\$ (189,914)	\$ (38,613)
167	Construction In Progress	\$ -	\$ -	\$ -	\$ 965,246
	Total Fixed Assets, Net of Accumulated				
160	Depreciation	\$ -	\$ -	\$ 954,480	\$ 926,633
174	Other Assets	\$ -	\$ -	\$ -	\$ -
180	Total Non-Current Assets	\$ -	\$ -	\$ 954,480	\$ 926,633
190	Total Assets	\$ 71,495	\$ 61,749	\$ 1,585,491	\$ 1,062,440

Exhibit 5

Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
\$ -	\$ -	\$ -	\$ 1,272,459
\$ -	\$ -	\$ -	\$ 516,522
\$ -	\$ -	\$ -	\$ 70,555
\$ -	\$ -	\$ -	\$ 1,859,536
\$ 8,839	\$ -	\$ 220,970	\$ 1,047,181
\$ (230)	\$ -	\$ -	\$ 14,947
\$ -	\$ -	\$ -	\$ 18,121
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ 4,552	\$ -	\$ 54,097
\$ 8,609	\$ 4,552	\$ 220,970	\$ 1,134,346
\$ -	\$ 263,900	\$ -	\$ 3,661,447
\$ -	\$ 47,560	\$ -	\$ 92,949
\$ -	\$ -	\$ -	\$ 409,896
\$ -	\$ -	\$ -	\$ 100,659
\$ -	\$ -	\$ -	\$ -
\$ -	\$ 850,668	\$ -	\$ 1,405,613
\$ 8,609	\$ 1,166,680	\$ 220,970	\$ 8,664,446
\$ -	\$ -	\$ -	\$ 3,187,774
\$ -	\$ -	\$ -	\$ 47,066,609
\$ -	\$ -	\$ -	\$ 567,289
\$ -	\$ 11,724	\$ -	\$ 872,681
\$ -	\$ -	\$ -	\$ -
\$ -	\$ (11,724)	\$ (10,935)	\$ (25,145,856)
\$ -	\$ -	\$ 499,997	\$ 1,465,243
\$ -	\$ -	\$ 489,062	\$ 28,013,740
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 489,062	\$ 28,013,740
\$ 8,609	\$ 1,166,680	\$ 710,032	\$ 36,678,186

(continued)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Line Item No.	Account Description	Section 8 Mod Rehab LA002MR0009	Section 8 Mod Rehab LA002MR0010	Section 8 Rental Certificate Program	Public Housing Comp Grant Program
311	Bank Overdraft	\$ -	\$ -	\$ -	\$ 1,310
312	Accounts Payable <= 90 Days	\$ -	\$ -	\$ 2,997	\$ 136,161
321	Accrued Wage/Payroll Taxes Payable	\$ -	\$ -	\$ -	\$ -
322	Accrued Compensated Absences - Current Portion	\$ -	\$ -	\$ -	\$ -
325	Accrued Interest Payable	\$ -	\$ -	\$ -	\$ -
331	Accounts Payable - HUD PHA Programs	\$ -	\$ -	\$ -	\$ -
333	Accounts Payable - Other Government	\$ -	\$ -	\$ -	\$ -
341	Tenant Security Deposits	\$ -	\$ -	\$ -	\$ -
342	Deferred Revenues	\$ -	\$ -	\$ -	\$ -
Current Portion of Long-term Debt - Capital					
343	Projects/Mortgage Revenue Bonds	\$ -	\$ -	\$ -	\$ -
345	Other Current Liabilities	\$ -	\$ -	\$ -	\$ -
347	Interprogram Due To	\$ -	\$ -	\$ 1,402,202	\$ -
310	Total Current Liabilities	\$ -	\$ -	\$ 1,405,199	\$ 137,471
Long-term Debt, Net of Current - Capital					
351	Projects/Mortgage Revenue Bonds	\$ -	\$ -	\$ -	\$ -
354	Accrued Compensated Absences - Non Current	\$ -	\$ -	\$ -	\$ -
353	Noncurrent Liabilities - Other	\$ -	\$ -	\$ -	\$ -
350	Total Noncurrent Liabilities	\$ -	\$ -	\$ -	\$ -
300	Total Liabilities	\$ -	\$ -	\$ 1,405,199	\$ 137,471
Invested in Capital Assets, Net of					
508.1	Related Debt	\$ -	\$ -	\$ 954,480	\$ 926,633
511.1	Restricted Net Assets	\$ -	\$ -	\$ -	\$ -
512.1	Unrestricted Net Assets	\$ 71,495	\$ 61,749	\$ (774,188)	\$ (1,664)
513	Total Net Assets	\$ 71,495	\$ 61,749	\$ 180,292	\$ 924,969
600	Total Liabilities and Equity/Net Assets	\$ 71,495	\$ 61,749	\$ 1,585,491	\$ 1,062,440

Exhibit 5

Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
\$ 8,609	\$ 430,518	\$ 152,175	\$ 610,766
\$ -	\$ 54,299	\$ 68,795	\$ 479,321
\$ -	\$ -	\$ -	\$ 16,305
\$ -	\$ 68,361	\$ -	\$ 423,126
\$ -	\$ -	\$ -	\$ 45,206
\$ -	\$ 18,839	\$ -	\$ 116,429
\$ -	\$ -	\$ -	\$ 66,355
\$ -	\$ -	\$ -	\$ 89,427
\$ -	\$ 117,626	\$ -	\$ 117,626
\$ -	\$ -	\$ -	\$ 130,000
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 1,405,613
\$ 8,609	\$ 689,643	\$ 220,970	\$ 3,500,174
\$ -	\$ -	\$ -	\$ 4,245,000
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 4,245,000
\$ 8,609	\$ 689,643	\$ 220,970	\$ 7,745,174
\$ -	\$ -	\$ 489,062	\$ 23,638,740
\$ -	\$ -	\$ -	\$ 471,316
\$ -	\$ 477,037	\$ -	\$ 4,822,956
\$ -	\$ 477,037	\$ 489,062	\$ 28,933,012
\$ 8,609	\$ 1,166,680	\$ 710,032	\$ 36,678,186

(continued)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Line Item No.	Account Description	Section 8 Mod Rehab LA002MR0009	Section 8 Mod Rehab LA002MR0010	Section 8 Rental Certificate Program	Public Housing Comp Grant Program
703	Net Tenant Rental Revenue	\$ -	\$ -	\$ -	\$ -
704	Tenant Revenue - Other	\$ -	\$ -	\$ -	\$ -
705	Total Tenant Revenue	\$ -	\$ -	\$ -	\$ -
706	HUD PHA Operating Grants	\$ 142,593	\$ 164,525	\$ 965,134	\$ -
706.1	Capital Grants	\$ -	\$ -	\$ -	\$ 433,159
711	Investment Income - Unrestricted	\$ 530	\$ 530	\$ 23,927	\$ -
715	Other Revenue	\$ -	\$ 4,261	\$ -	\$ -
720	Investment Income - Restricted	\$ -	\$ -	\$ -	\$ -
700	Total Revenue	\$ 143,123	\$ 169,316	\$ 989,061	\$ 433,159
911	Administrative Salaries	\$ 3,123	\$ 3,123	\$ 8,924	\$ -
912	Auditing Fees	\$ 170	\$ 170	\$ 270	\$ -
914	Compensated Absences	\$ -	\$ -	\$ -	\$ -
	Employee Benefit Contributions -				
915	Administrative	\$ 1,812	\$ 1,812	\$ 11,228	\$ -
916	Other Operating - Administrative	\$ 8,798	\$ 8,354	\$ 286,766	\$ 12,281
921	Tenant Services - Salaries	\$ -	\$ -	\$ -	\$ -
922	Relocation Costs	\$ -	\$ -	\$ -	\$ -
	Employee Benefit Contributions - Tenant				
923	Services	\$ -	\$ -	\$ -	\$ -
924	Tenant Services - Other	\$ 615	\$ 600	\$ 1,980	\$ -
931	Water	\$ -	\$ -	\$ -	\$ -
932	Electricity	\$ -	\$ -	\$ -	\$ -
933	Gas	\$ -	\$ -	\$ -	\$ -
938	Other Utilities Expense	\$ -	\$ -	\$ -	\$ -
	Ordinary Maintenance and Operations -				
941	Labor	\$ -	\$ -	\$ -	\$ -
	Ordinary Maintenance and Operations -				
942	Materials and Other	\$ -	\$ -	\$ -	\$ -
	Ordinary Maintenance and Operations -				
943	Contract Costs	\$ -	\$ -	\$ 1,450	\$ -
	Employee Benefit Contributions - Ordinary				
945	Maintenance	\$ -	\$ -	\$ -	\$ -
952	Protective Services - Other Contract Costs	\$ -	\$ -	\$ -	\$ -
961	Insurance Premiums	\$ 1,221	\$ 1,221	\$ 992	\$ -
962	Other General Expenses	\$ -	\$ -	\$ 188	\$ -
963	Payments in Lieu of Taxes	\$ -	\$ -	\$ -	\$ -
964	Bad Debt - Tenant Rents	\$ -	\$ -	\$ -	\$ -
967	Interest Expense	\$ -	\$ -	\$ -	\$ -
969	Total Operating Expenses	\$ 15,739	\$ 15,280	\$ 311,798	\$ 12,281

Exhibit 5

Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
\$ -	\$ -	\$ -	\$ 2,036,307
\$ -	\$ -	\$ -	\$ 76,851
\$ -	\$ -	\$ -	\$ 2,113,158
\$ 13,571	\$ 7,476,086	\$ -	\$ 12,913,178
\$ -	\$ -	\$ 677,162	\$ 1,110,321
\$ -	\$ 24,789	\$ -	\$ 329,230
\$ -	\$ -	\$ -	\$ 825,152
\$ -	\$ -	\$ -	\$ 22
\$ 13,571	\$ 7,500,875	\$ 677,162	\$ 17,291,061
\$ -	\$ 181,650	\$ 113,359	\$ 884,930
\$ -	\$ 8,729	\$ -	\$ 16,901
\$ -	\$ -	\$ -	\$ 8,821
\$ -	\$ 64,683	\$ -	\$ 272,740
\$ 5,115	\$ 509,222	\$ 67,100	\$ 1,419,327
\$ 6,971	\$ -	\$ -	\$ 75,915
\$ -	\$ -	\$ 6,050	\$ 6,050
\$ 552	\$ -	\$ -	\$ 16,203
\$ (4)	\$ 25,410	\$ -	\$ 158,210
\$ -	\$ 303	\$ -	\$ 97,168
\$ 372	\$ 742	\$ -	\$ 333,308
\$ -	\$ 123	\$ -	\$ 35,693
\$ -	\$ -	\$ -	\$ 102,228
\$ -	\$ -	\$ -	\$ 618,703
\$ -	\$ -	\$ -	\$ 337,658
\$ 565	\$ 450	\$ -	\$ 400,992
\$ -	\$ -	\$ -	\$ 193,805
\$ -	\$ -	\$ -	\$ 355,727
\$ -	\$ 56,036	\$ -	\$ 262,911
\$ -	\$ 6,088	\$ -	\$ 6,276
\$ -	\$ -	\$ -	\$ 75,668
\$ -	\$ -	\$ -	\$ 38,242
\$ -	\$ -	\$ -	\$ 271,239
\$ 13,571	\$ 853,436	\$ 186,509	\$ 5,988,715

(continued)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Line Item No.	Account Description	Section 8 Mod Rehab LA002MR0009	Section 8 Mod Rehab LA002MR0010	Section 8 Rental Certificate Program	Public Housing Comp Grant Program
970	Excess Operating Revenue over Operating Expenses	\$ 127,384	\$ 154,036	\$ 677,263	\$ 420,878
971	Extraordinary Maintenance	\$ -	\$ -	\$ -	\$ -
972	Casualty Losses - Non-Capitalized	\$ -	\$ -	\$ -	\$ -
973	Housing Assistance Payments	\$ 120,683	\$ 142,131	\$ 896,019	\$ -
974	Depreciation Expense	\$ -	\$ -	\$ 70,374	\$ 148,284
900	Total Expenses	\$ 136,422	\$ 157,411	\$ 1,278,191	\$ 160,565
1010	Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$ 6,701	\$ 11,905	\$ (289,130)	\$ 272,594
1101	Capital Outlays Enterprise Fund	\$ -	\$ -	\$ -	\$ -
1102	Allowance for Doubtful Accounts - Other	\$ -	\$ -	\$ -	\$ -
1103	Beginning Equity	\$ 64,794	\$ 49,844	\$ 469,422	\$ 2,238,311
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$ -	\$ -	\$ -	\$ (1,585,936)
1112	Depreciation Add Back	\$ -	\$ -	\$ -	\$ -
1113	Maximum Annual Contributions Commitment (Per ACC)	\$ 137,034	\$ 143,980	\$ 965,134	\$ -
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$ -	\$ -	\$ -	\$ -
1115	Contingency Reserve, ACC Program Reserve	\$ 125,959	\$ 75,708	\$ -	\$ -
1116	Total Annual Contributions Available	\$ 262,993	\$ 219,688	\$ 965,134	\$ -
1120	Unit Months Available	540	552	1,710	-
1121	Number of Unit Months Leased	540	552	1,710	-

Exhibit 5

Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
\$ -	\$ 6,647,439	\$ 490,653	\$ 11,302,346
\$ -	\$ -	\$ -	\$ 408,250
\$ -	\$ -	\$ -	\$ 405,702
\$ -	\$ 6,571,826	\$ -	\$ 9,536,223
\$ -	\$ -	\$ 10,624	\$ 1,967,560
\$ 13,571	\$ 7,425,262	\$ 197,133	\$ 18,306,450
\$ -	\$ -	\$ -	\$ -
\$ -	\$ 75,613	\$ 480,029	\$ (1,015,389)
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 29,948,403
\$ -	\$ 401,424	\$ 9,033	\$ (2)
\$ -	\$ -	\$ -	\$ -
\$ -	\$ 10,234,103	\$ -	\$ 13,210,555
\$ -	\$ -	\$ -	\$ -
\$ -	\$ 4,388,663	\$ -	\$ 7,703,495
\$ -	\$ 14,622,766	\$ -	\$ 20,914,050
-	28,902	-	51,783
-	21,980	-	42,691

(concluded)

Housing Authority of the City of Shreveport



STATISTICAL SECTION

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Table 1

**General Fund Expenditures/Expenses By Function
Fiscal Years Ended September 30,**

Fiscal Year	Administration	Tenant Services	Utilities	Ordinary Maintenance and Operations	Protective Services and General	Non routine Maintenance	Capital Outlay	Depreciation	Total
1992 (1)	311,332	90,311	286,280	482,198	511,439	(567)	0	0	1,680,992
1993	341,312	75,463	266,409	670,077	394,664	10,400	0	0	1,758,325
1994 (2)	359,224	103,685	306,864	573,462	593,729	10,919	0	0	1,947,883
1995	311,672	79,932	334,840	595,796	588,593	4,529	0	0	1,915,363
1996	336,313	90,735	346,820	748,798	390,948	16,374	0	0	1,929,988
1997	384,028	49,806	344,615	619,165	602,025	21,636	0	0	2,021,275
1998	423,323	0	387,625	867,726	373,226	4,254	59,122	0	2,115,276
1999	672,205	42,805	379,720	695,309	675,136	7,606	0	1,830,572	2,472,781
2000 (3)	846,797	98,355	382,506	795,373	453,024	2,497	58,917	1,578,849	4,216,318
2001	813,047	147,440	393,327	911,340	866,354	495,925	0	1,641,261	5,268,694

Notes:

- (1) The financial statements for the fiscal years 1992 and 1993 were prepared in conformity with the accounting practices prescribed by the U. S. Department of Housing and Urban Development for public housing authorities. Fixed asset purchases were capitalized.
- (2) Beginning with the fiscal year 1994, the financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. The funds were reported as governmental funds.
- (3) The funds of the Housing Authority were reported as enterprise funds beginning for the 1999 year. Previously, they were treated as governmental fund types.

Source: Comprehensive Annual Financial Reports of the Housing Authority of the City of Shreveport.

Table 2

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

General Fund Revenues by Source
Fiscal Years Ended September 30,

Fiscal Year	Dwelling rentals		Federal sources		Interest earnings		Other (4)		Total	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
1992 (1)	778,431	31.35%	1,655,562	66.66%	28,314	1.14%	20,583	0.83%	2,482,891	100%
1993	850,238	31.21%	1,836,122	67.39%	14,862	0.55%	23,198	0.85%	2,724,419	100%
1994 (2)	872,438	44.76%	1,038,877	53.30%	13,922	0.71%	23,760	1.22%	1,948,997	100%
1995	773,974	40.00%	1,123,915	58.09%	18,635	0.96%	18,197	0.94%	1,934,721	100%
1996	837,964	37.19%	1,358,334	60.29%	32,579	1.45%	24,211	1.07%	2,253,089	100%
1997	966,326	33.76%	1,138,100	39.76%	48,803	1.70%	709,461	24.78%	2,862,690	100%
1998	1,061,490	43.62%	1,253,804	51.53%	91,361	3.75%	26,625	1.09%	2,433,280	100%
1999	1,063,770	43.39%	1,247,289	50.87%	99,942	4.08%	40,836	1.67%	2,451,837	100%
2000 (3)	1,116,641	43.75%	1,241,805	48.66%	117,956	4.62%	75,830	2.97%	2,552,232	100%
2001	1,149,370	33.62%	1,327,483	38.83%	153,949	4.50%	787,924	23.05%	3,418,726	100%

Notes:

- (1) The financial statements for the fiscal years 1992 and 1993 were prepared in conformity with the accounting practices prescribed by the U. S. Department of Housing and Urban Development for public housing authorities.
- (2) Beginning with the fiscal year 1994, the financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. The funds were reported as governmental funds.
- (3) The funds of the Housing Authority were reported as enterprise funds beginning for the 1999 year. Previously, they were treated as governmental fund types.
- (4) The other amount column includes maintenance charges, late charges and other miscellaneous revenue.

Source: Comprehensive Annual Financial Reports of the Housing Authority of the City of Shreveport.

Table 3

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**Fund Balances/Equity - General Fund
Fiscal Years Ended September 30,**

Fiscal Year	General Fund
1992	503,250
1993	721,569
1994	503,594
1995	548,206
1996	883,380
1997	1,794,655
1998	2,177,659
1999	1,714,127
2000 (1)	1,504,431
2001	1,961,659

(1) For the years ended September 30, 2000 and thereafter, the numbers reflect unrestricted net assets.

Source: Comprehensive Annual Financial Reports of the Housing Authority of the City of Shreveport.

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**Resident Demographics:
Occupancy Ratios by Program
Fiscal Years Ended September 30,**

Fiscal Year	General Fund			Section 8 Program			Total		
	Number of Units	Average occupied units	Occupied ratio	Number of units	Average occupied units	Occupied ratio	Number of Units	Average occupied units	Occupied ratio
1992	884	767	86.76%	2,000	1,871	93.55%	2,884	2,638	91.47%
1993	884	773	87.44%	1,276	1,212	94.98%	2,160	1,985	91.90%
1994	898	832	92.65%	2,054	1,863	90.70%	2,952	2,695	91.29%
1995	898	836	93.10%	2,359	2,150	91.14%	3,257	2,986	91.68%
1996	934	850	91.01%	2,367	2,210	93.37%	3,301	3,060	92.70%
1997	934	882	94.43%	1,994	1,883	94.43%	2,817	2,765	98.15%
1998	934	878	94.00%	1,943	1,803	92.79%	2,877	2,681	93.19%
1999	934	852	91.22%	2,055	1,978	96.25%	2,987	2,830	94.74%
2000	945	869	91.96%	3,128	2,175	69.53%	4,073	3,044	74.74%
2001	945	863	91.32%	3,332	2,263	67.92%	4,277	3,126	73.09%

Source: Records of the Housing Authority of the City of Shreveport.

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**Property Characteristics and Dwelling Unit Composition
September 30, 2001**

Project Number	Name of Development	Address	Year built or acquired	Bedroom Composition				Total	
				Zero	One	Two	Three		Four
LA48-P002-001	Naomi D. Jackson Heights	1411 Milam Street	1950		104	114	52		270
LA48-P002-002	Wilkinson Terrace	2725 Southern Avenue	1950		52	74	58		184
LA48-P002-003	Hollywood Heights	5000 Armstrong Place	1966			66	65		131
LA48-P002-004	Greenwood Terrace	4619 Luciana Circle	1976		8	46	36	10	100
LA48-P002-005	Barton Drive Manor	1625 Barton Drive	1980		30	24	46		100
LA48-P002-007	Briarwood Village	4223 Greenbriar Lane	1987				32		32
LA48-P002-008	67 Unit Acquisition	Scattered Sites	1987				67		67
LA48-P002-009	14 Unit Acquisition	Scattered Sites	1994				14		14
LA48-P002-010	36 Unit Acquisition	Scattered Sites	1996				36		36
LA48-P002-011	11 Unit Acquisition	Scattered Sites	2000			1	10		11
Total Units				0	194	325	416	10	945
Managed Units									
LA48-0002-004	U. S. Goodman Plaza	625 Jordan Street	1978	20	100	50			170
	I-49 Housing Program	Scattered Sites		4	10	10	42		56
LA48-E002-009	University Oaks I & II Apartments	4701/15 Shreveport-Blanchard Hwy	1999		56	64	4		124
Total Managed Units				20	160	124	46	0	350

Source: Records of the Housing Authority of the City of Shreveport.

Table 6

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Construction Work in Progress
September 30, 2001

Project Number	Name of Construction	Current Contract Amount
LA48-P002-008	Comprehensive Modernization of Scattered Sites - Public Housing Units	\$2,022,981
LA48-P002-005	Comprehensive Modernization of Bathrooms at Barton Drive Manor	404,050
Total Contract Amount		\$2,427,031

Table 7

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Public Housing Management Assessment Program (PHMAP) SCORES
Fiscal Years Ended September 30, 1992 through September 30, 1998
Public Housing Assessment System (PHAS) SCORES
Fiscal Year Ended September 30, 1999 through September 30, 2001

<u>Fiscal Year</u>	<u>Score</u>
1992	72.16%
1993	78.00%
1994	75.48%
1995	78.10%
1996	94.12%
1997	93.50%
1998	94.70%
1999	84.30%
2000	85.90%
2001	91.00%

Source: Real Estate Assessment Center (REAC)

Table 8

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**Section 8 Management Assessment Program (SEMAP) SCORES
Fiscal Years Ended September 30, 2000 through September 30, 2001**

<u>Fiscal Year</u>	<u>Score</u>
2000	95.00%
2001	78.00%

Source: Real Estate Assessment Center (REAC)

**Housing Authority of the City of Shreveport
Shreveport, Louisiana**

**Single Audit Report
As of and for the Year Ended September 30, 2001**

Housing Authority of the City of Shreveport

Table of Contents

	<u>Page</u>
OTHER REPORTS REQUIRED BY <u>GOVERNMENT AUDITING STANDARDS AND BY OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR NO. A-133</u>	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>	1-2
Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With <u>OMB Circular No. A-133</u>	3-4
Schedule of Expenditures of Federal Awards	5
Notes to the Schedule of Expenditures of Federal Awards	6
Schedule of Findings and Questioned Costs	7-9
OTHER INFORMATION	10
Summary Schedule of Prior-Year Findings	11
Corrective Action Plan for Current-Year Findings and Questioned Costs	12-13
Management Letter Items	14
Management Letter	15-17



Allen, Green & Company, LLP

2924 Knight Street, Suite 430
Shreveport, LA 71105

Telephone: (318) 213-2200

Facsimile: (318) 213-2201

Toll free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA

Sylvia R. Fallin, CPA
Sharon K. French, CPA
Regina R. Mekus, CPA

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

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

Board of Commissioners
Housing Authority of the City of Shreveport
Shreveport, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the City of Shreveport, Louisiana, as of and for the year ended September 30, 2001, and have issued our report thereon dated March 5, 2002. 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 of America.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under Government Auditing Standards.

Management Letter Items

We noted certain immaterial instances of noncompliance which we have reported to management of the Housing Authority in a separate letter dated March 5, 2002.

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 assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. 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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Management Letter Items

We noted other matters involving the internal control over financial reporting, which we have reported to management of the Housing Authority in a separate letter dated March 5, 2002.

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.

Allen, Green + Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
March 5, 2002



Allen, Green & Company, LLP

2924 Knight Street, Suite 430

Shreveport, LA 71105

Telephone: (318) 213-2200

Facsimile: (318) 213-2201

Toll free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA

Sylvia R. Fallin, CPA
Sharon K. French, CPA
Regina R. Mekus, CPA

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

Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular No. A-133

Board Members

Housing Authority of the City of Shreveport
Shreveport, Louisiana

Compliance

We have audited the compliance of the Housing Authority of the City of Shreveport 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 September 30, 2001. 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 No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and (OMB) Circular No. 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 September 30, 2001. 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 Costs as items 01-F1, 01-F2, and 01-F3.

Internal Control Over Compliance

The management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with 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 No. A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. 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 noncompliance with applicable requirements of laws, regulations, contracts and grants 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. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the Housing Authority of the City of Shreveport, as of and for the year ended September 30, 2001, and have issued our report thereon dated March 5, 2002. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the basic financial statements. Such 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.

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.

Allen, Green + Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
March 5, 2002

**Housing Authority of the City of Shreveport
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2001**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
United States Department of Agriculture			
Passed through Louisiana Department of Education:			
Child and Adult Care Food Program	10.558	N/A	\$ 19,996
United States Department of Housing and Urban Development			
Direct Programs			
Public and Indian Housing			
HOME Program	14.850(b)	FW923	41,692
Operating Subsidy	14.850(a)	FW923	<u>1,280,652</u>
Total Program			<u>1,342,340</u>
Public and Indian Housing Drug Elimination Program	14.854	N/A	227,156
Public and Indian Housing Comprehensive Grant Programs	14.859	N/A	433,159
Public Housing Capital Fund Program	14.872	N/A	677,162
Section 8 Rental Certificate Program	14.857	FW2075	965,134
Section 8 Moderate Rehabilitation			
Mod Rehab #2	14.856	FW2075	14,651
Mod Rehab #3	14.856	FW2075	35,964
Mod Rehab #6	14.856	FW2075	401,690
Mod Rehab #7	14.856	FW2075	599,178
Mod Rehab #9	14.856	FW2075	142,593
Mod Rehab #10	14.856	FW2075	<u>164,525</u>
Total Program			<u>3,661,212</u>
Housing Choice Vouchers	14.871	FW2075	7,476,086
Section 8 New Construction	14.182	N/A	1,483,459
Shelter Plus Care	14.238	N/A	46,831
Resident Opportunity and Supportive Services	14.870	N/A	<u>13,571</u>
Total United States Department of HUD			<u>9,019,947</u>
 Total			 <u>\$14,023,499</u>

Housing Authority of the City of Shreveport
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2001

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 Shreveport, Shreveport, Louisiana. The Housing Authority of the City of Shreveport (the Housing Authority) reporting entity is defined in Note 1 to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other 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 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:

General Fund	\$ 2,720,223
Section 8	11,283,280
Other Enterprise	<u>19,996</u>
Total	<u>\$14,023,499</u>

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 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**Housing Authority of the City of Shreveport
Schedule of Findings and Questioned Costs
As of and for the Year Ended September 30, 2001**

PART I - Summary of the Auditors' Results

Financial statement audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the basic financial statement.

Audit of federal awards

- iv. There were no reportable conditions required to be disclosed 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 programs are:
 - CFDA #14.850 Public and Indian Housing HOME Program and Operating Subsidy

 - Section 8 Tenant-Based Cluster
 - CFDA #14.871 Section 8 Housing Choice Vouchers Program
 - CFDA #14.857 Section 8 Rental Certificate Program

 - Section 8 Project-Based Cluster
 - CFDA #14.856 Section 8 Moderate Rehabilitation
 - CFDA #14.182 Section 8 New Construction
- 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 \$420,705.
- ix. The auditee does not qualify as a low-risk auditee under OMB Circular No. A-133, Section .530.

**Housing Authority of the City of Shreveport
Schedule of Findings and Questioned Costs
As of and for the Year Ended September 30, 2001**

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

Reference # and title: **01-F1** **Problems Noted in Test of Resident Files**

Federal program and specific federal award identification: This finding applies to the Public and Indian Housing Low Rent Program, CFDA# 14.850(a), contract #FW 923.

Criteria or specific requirement: The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the total rent as necessary (24 CFR Section 5.617 and 960.209) changes in the rent calculation resulting from a reexamination should be reflected on the rental register.

The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or reexamination. The following key line items contain critical information: effective date of action, names, dates of birth, social security numbers, unit address, unit inspection date, total annual income, and gross rent of unit.

Condition found: In testing of fifteen resident files the following exceptions were noted:

1. One file in which utility allowance is incorrect.
2. One file with no documentation for social security numbers reported on Form 50058.
3. Five files with no documentation for birth dates reported on Form 50058.
4. Five files with no original application in the file.
5. Six files in which Form 50058 conflicted with the documentation in the file.

Possible asserted effect (cause and effect):

Cause: The auditor could not determine the cause.

Effect: It appears the resident files referred to above do not meet some federal standards.

Recommendations to prevent future occurrences: Files should be reviewed after all forms are complete to ensure all the required documentation is present, any changes in the rent calculation are correct and all information entered in the system reflects correctly on Form 50058.

Reference # and title: **01-F2** **Problems in Processing Housing Assistance Payments**

Federal program and specific federal award identification: This finding applies to:
Section 8 Housing Choice Vouchers, CFDA# 14.871, FW 2075, Section 8 Certificates, CFDA# 14.857, FW 2075, Section 8 Moderate Rehab, CFDA# 14.856, FW 2075

Criteria or specific requirement: The Housing Authority calculates the housing assistance payments (HAP) to landlords based on the residents income. These payments are made on a monthly basis. The Housing Authority receives an administration fee and HAP reimbursement from HUD based on the HAP paid and number of units leased.

**Housing Authority of the City of Shreveport
Schedule of Findings and Questioned Costs
As of and for the Year Ended September 30, 2001**

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

Condition found: The HAP register was reviewed for two months to review rents paid to landlord and units leased. There were nine instances that:

1. Several landlords were overpaid.
2. Two different landlords received payment for the same resident
3. Some units were reported as leased up, when the unit was actually vacant.

Identification of questioned costs and how they were computed: The total estimated questioned cost is \$40,570. This was determined by reviewing the cost for two months and projecting it for the year.

Possible asserted effect (cause and effect):

Cause: The software program does not notify the operator of duplicate social security numbers.

Effect: The Housing Authority paid out more than it should to landlords and received more than it should from HUD in administrative fees.

Recommendations to prevent future occurrences: The Housing Authority should review the housing assistance payment register in more detail. There should be a system check when a resident moves off the program to ensure the landlord is not receiving payment and that the unit is not considered as being leased.

Reference # and title: **01-F3** **Documentation for MASS Submission**

Federal program and specific federal award identification: This finding applies to the Public Housing and Indian Housing Low Rent Program, CFDA# 14.850, FW 923

Criteria or specific requirement: The Housing Authority is required to electronically submit the Management Assessment Subsystem (MASS) to the Real Estate Assessment Center (REAC). The critical information submitted reflects the unit turnaround, work orders, annual inspections, capital fund, and security.

Condition found: The MASS information submitted to REAC was reviewed along with supporting documentation. No documentation was provided to support the information concerning the work orders and the documentation presented to support the annual inspections did not agree to the submission.

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause.

Effect: The Housing Authority submitted information to REAC that may result in an inaccurate score on the MASS.

Recommendations to prevent future occurrences: The Housing Authority should review all supporting documentation before submitting information to REAC to ensure that the data is accurate. All documentation should be retained.

Housing Authority of the City of Shreveport

Other Information

The information in the following section concerns management's actions or intentions concerning prior- and current-year audit findings and is required by U. S. Office of Management and Budget (OMB) Circular No. A-133. This information has been prepared by the management of the Housing Authority. Management accepts full responsibility, as required by OMB Circular No. A-133, for the accuracy of the information. This information has not been audited by the auditors except as required by OMB Circular No. A-133 Section 500(e), and accordingly, no opinion is expressed. Section 500(e) requires the auditor to follow-up on prior audit findings, perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings prepared by the auditee, and report, as a current-year audit finding when the auditor concludes that the Summary Schedule of Prior Audit Findings materially misrepresents the status of any prior audit finding.

**Housing Authority of the City of Shreveport
Summary Schedule of Prior Audit Findings
September 30, 2001**

Finding reference #: **00-F1** **Rent Collections Controls at University Oaks**

Initially occurred: Year ended September 30, 2000.

Condition: The rental register for University Oaks is maintained by the employees at University Oaks who are also collecting the rent. Rent is accepted by money order only. The money orders are delivered to the administrative office of the Housing Authority and the deposit is made by an accounting department employee. The rental income posted to the general ledger of the Housing Authority is the amount collected. No rental register is maintained by the accounting department.

Corrective action taken: Beginning with November 2001, the Housing Authority monthly generates a rental register for University Oaks I and II through the Housing Authority's automated central processing department. Resident's monthly statements are generated and mailed through the Housing Authority's accounting department. The management staff of University Oaks I and II forward changes in family composition and income (Form 50058) to the accounting department for indexing in the computer. The accounting department established records on all residents at University Oaks I and II. Management forwards all new move ins to the accounting department.

Finding reference #: **00-F2** **Problems Noted in Test of Resident Files**

Initially occurred: Year ended September 30, 1999.

Condition: In testing of resident files the following exceptions were noted:

1. Two files with no reexamination within the twelve-month period.
2. One file in which the rent calculation did not agree to the rental register.
3. One file with no documentation for social security numbers reported on Form 50058.

Corrective action planned: See Corrective Action Plan for Current-Year Findings and Questioned Costs 01-F1.

Finding reference #: **00-F3** **Selection from the Waiting List**

Initially occurred: Year ended September 30, 2000.

Condition: From a listing of applicants placed in housing a name was chosen and traced to the waiting list to see if the applicant was placed according to the policy. Five names were noted ahead of the applicant placed who had not been placed in housing. Of the five applicants noted, two of these names should have been on the Goodman Plaza waiting list instead of the low rent waiting list. The other three applicants had not been offered housing.

Corrective action taken: The Housing Authority's Central Processing Department head was directed to accept applications after public notice and house each applicant on a first-come - first-serve basis in accordance with the Housing Authority's policy.

**Housing Authority of the City of Shreveport
Corrective Action Plan for Current-Year Findings and Questioned Costs
For the Year Ended September 30, 2001**

Reference # and title: **01-F1** **Problems Noted in Test of Resident Files**

Condition found: In testing of fifteen resident files the following exceptions were noted:

1. One file in which utility allowance is incorrect.
2. One file with no documentation for social security numbers reported on Form 50058.
3. Five files with no documentation for birth dates reported on Form 50058.
4. Five files with no original application in the file.
5. Six files in which Form 50058 conflicted with the documentation in the file.

Corrective action planned: Develop and implement quality control procedures for the central processing department staff to review all files to ensure the files are compiled with all required documents and the information is accurate and recheck documents for accuracy before confirming for electronic transmission to HUD. A staff person will be assigned to review documents for accuracy to eliminate or minimize the possibility of errors reoccurring. The Housing Authority will monitor this process for effectiveness and modify as needed.

Person responsible for corrective action:

Ms. Donzetta Kimble, Executive Director
Housing Authority of the City of Shreveport
2500 Line Avenue
Shreveport, Louisiana 71104

Telephone: (318) 227-8174
Fax: (318) 221-2579

Anticipated completion date: September 30, 2002.

Reference # and title: **01-F2** **Problems in Processing Housing Assistance Payments**

Condition found: The Housing Authority calculates the housing assistance payments (HAP) to landlords based on the residents income. These payments are made on a monthly basis. The Housing Authority receives an administration fee and HAP reimbursement from HUD based on the HAP paid and number of units leased. The HAP register was reviewed for two months to review rents paid to landlords and units leased. The following was noted:

1. Several landlords were overpaid.
2. Two different landlords received payment for the same resident
3. Some units were reported as leased up, when the unit was actually vacant.

Corrective action planned: The Housing Authority will issue a directive to the Section 8 contract administrator to establish and implement a computer program that will not permit the duplication of social security number and notify the user that the social security number is currently in use. Procedures will be developed and implemented for the Section 8 contract administrator to review records for accuracy and completeness. The Housing Authority's Section 8 staff person will review the HAP register for accuracy before initiating payments.

Person responsible for corrective action:

Ms. Donzetta Kimble, Executive Director
Housing Authority of the City of Shreveport
2500 Line Avenue
Shreveport, Louisiana 71104

Telephone: (318) 227-8174
Fax: (318) 221-2579

**Housing Authority of the City of Shreveport
Corrective Action Plan for Current-Year Findings and Questioned Costs
For the Year Ended September 30, 2001**

Anticipated completion date: September 30, 2002.

Reference # and title: **01-F3** **Inaccurate Documentation for MASS Submission**

Condition found: The Housing Authority is required to electronically submit the Management Assessment Subsystem (MASS) to the Real Estate Assessment Center (REAC). The critical information submitted reflects the unit turnaround, work orders, annual inspections, capital fund, and security. The MASS information submitted to REAC was reviewed along with supporting documentation. There was no documentation to support the information concerning the work orders and the documentation presented to support the annual inspections did not agree to the submission.

Corrective action planned: Each applicable department will be assigned the responsibility of maintaining records for retrieving data for compilation into the Housing Authority's MASS submission. A work group will be formed to collect, analyze and format the correct data in draft form.

Person responsible for corrective action:

Ms. Donzetta Kimble, Executive Director
Housing Authority of the City of Shreveport
2500 Line Avenue
Shreveport, Louisiana 71104

Telephone: (318) 227-8174
Fax: (318) 221-2579

Anticipated completion date: September 30, 2002.

**Housing Authority of the City of Shreveport
Management Letter Items
For the Year Ended September 30, 2001**

Management Letter Items



Allen, Green & Company, LLP

2924 Knight Street, Suite 430
Shreveport, LA 71105

Telephone: (318) 213-2200

Facsimile: (318) 213-2201

Toll free: (888) 741-0205
www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA

Sylvia R. Fallin, CPA
Sharon K. French, CPA
Regina R. Mekus, CPA

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

Management Letter

Board of Commissioners
Housing Authority of the City of Shreveport
Shreveport, LA

In planning and performing our audit of the basic financial statements of the Housing Authority of the City of Shreveport for the year ended September 30, 2001, we considered the Housing Authority's internal control to plan our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the 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 March 5, 2002, on the basic 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:

01-M1 Rent Reasonableness

Comment: The Housing Authority has not recently performed a thorough rent reasonableness study. This study determines if rents being charged by landlords are reasonable compared to that specific area.

Recommendation: The Housing Authority should perform a rent reasonableness study as each unit is added onto the Housing Assistance Program for the specific area in which the unit resides.

Management's Response: The Housing Authority will seek proposals from fee appraisals to conduct a rent reasonableness study in its jurisdiction to determine if the rents being charged by Section 8 landlords are comparable to those in the private market.

01-M2 Cost Analysis Performed for Contracted Services

Comment: The Housing Authority outsources the administration of its Section 8 programs. A study could be conducted by the Housing Authority to determine if it would be more beneficial for the Housing Authority to administer the program in-house since the Housing Authority's office space will accommodate more employees.

Recommendation: The Housing Authority should have a cost analysis performed to determine if it is more beneficial to the Housing Authority to maintain and operate the Section 8 Housing Assistance Programs in-house versus contracting to an independent corporation.

Management's Response: Management will request the adoption of a resolution by the Housing Authority's Board of Commissioners to seek proposals from consulting firms to conduct a cost assessment on the administration of the Section 8 program in-house versus contracting with an independent contractor.

01-M3 Controls for SHA Resident Advisory Board, Inc.

Comment: In accordance with HUD's rule to provide for more resident involvement and participation in the affairs of public housing authorities, the Housing Authority assisted its residents in the creation of the SHA Resident Advisory Board, Inc., a domestic non-profit corporation. The operations of the Resident Advisory Board are funded fully by the Housing Authority. Presently, the accounting functions of the Resident Advisory Board are decentralized from the Housing Authority.

Recommendation: The Housing Authority should at a minimum establish control procedures for the Resident Advisory Board. The bank statement could be mailed directly to the Housing Authority and the invoices forwarded to the Housing Authority so a reconciliation could be performed by the finance department. To be more cost efficient all the accounting functions could be performed by the Housing Authority thereby establishing controls and reducing the accounting fees of the Resident Advisory Board.

Management's Response: The Housing Authority is establishing procedures for the daily operation of the Resident Advisory Board office fiscal responsibility. The Housing Authority accounting department is making assignment to staff to maintain the following; accounts payable, payroll, general ledger and reconciliation of monthly checking accounts. This procedure should eliminate any noncompliance. This process will be implemented upon the board acceptance of recommendation.

01-M4 Selection From The Waiting List

Comment: The Housing Authority has established written policies for admission of residents. According to the policy all applications for public housing are date and time stamped when submitted in completed form. This date and time stamp are to be used to determine the priority of the applications within each category, regardless of when the application is approved. All applicants for public housing shall be assigned to units on a first-come, first-serve basis in accordance with the date and time of their application and according to the following order of priority; (a) applicants being displaced by public action; (b) servicemen or veteran status; (c) elderly or disabled; (d) homeless; (e) an applicant who will accept a location occupied predominately by a race different from his own; (f) all other applicants.

Condition found: In testing of federal compliance for the public housing program, the waiting list was tested. The test reflected that applicants who were applying for two specific developments were placed ahead of several applicants on the list. The Housing Authority has a problem placing applicants in these two specific developments and when an applicant expresses a preference for either of these two developments, they are placed.

Recommendation: The Housing Authority could consider granting a local preference for the two developments discussed above. In practice applicants expressing a preference for either of these developments are placed ahead of others on the list. A resolution could be adopted making this practice a policy.

Management's Response: Management will request the approval and adoption of a resolution by the Board of Commissioners to assign local housing preference to applicants who will accept housing in hard-to-house developments and authorize amending the admission and continued occupancy policy to incorporate this resolution.

* * * * *

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 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.

Allen, Green + Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
March 5, 2002