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

**General Purpose Financial Statements and
Independent Auditors Reports
As of and for the Year Ending September 30, 2001
With Supplemental Information Schedules**

**WILLIAM DANIEL McCASKILL, CPA
A PROFESSIONAL ACCOUNTING CORPORATION**

**5150 Highway 22, Suite C-15
Mandeville, Louisiana 70471**

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

Release Date 4/3/02

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INDEPENDENT AUDITOR'S REPORT UNQUALIFIED OPINION ON GENERAL PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

I have audited the accompanying general purpose financial statements of the Housing Authority of the Town of Youngsville (PHA) as of and for the year ended September 30, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the PHA's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and provisions of the Louisiana Governmental Audit Guide. Those standards required that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly in all material respects, the financial position of the Housing Authority of the Town of Youngsville as of September 30, 2001, and the results of its operations and the cash flows of its propriety fund types for the year ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated March 4, 2002 on my consideration of the PHA's internal control over financial reporting and my tests of its compliance with certain 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 my audit.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the PHA taken as a whole. The accompanying Schedule of Expenditures is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non Profit organizations, and is not a required part of the general purpose financial statements. The accompanying Combining Financial Statements / Financial Data Schedules are presented for purposes of additional analysis as required by HUD, and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements and any other included supplementary information taken as a whole.

This report is intended solely for the information and use of the Board of Commissioners of the PHA, and for filing with the Department of HUD and should not be used for any other purpose.



Signature Valid

**William Daniel
McCaskill, CPA, APAC**

Digitally signed by William
Daniel McCaskill, CPA,
APAC
DN: cn=William Daniel
McCaskill, CPA, APAC,
c=US
Date: 2002.03.26 14:36:48
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William Daniel McCaskill, CPA
A Professional Accounting Corporation

March 4, 2002

**Housing Authority of the Town of Youngsville
 Youngsville, Louisiana
 Combined Balance Sheet - All Funds
 As of September 30, 2001**

EXHIBIT A
 Page 1 of 1

Assets

Current Assets:	
Cash and Cash Equivalents	\$ 14,572
Total Accounts Receivable, Net of Allowance for Doubtful Accounts	4,168
Investments - Unrestricted	15,395
Interprogram Due From	-
Prepaid Expenses and Other Assets	3,993
Inventories	-
Total Current Assets	<u>\$ 38,128</u>
Noncurrent Assets:	
Total Fixed Assets, Net of Accumulated Depreciation	\$ 220,926
Other Assets	-
Total Noncurrent Assets	<u>\$ 220,926</u>
Total Assets	<u><u>\$ 259,054</u></u>

Liabilities and Equity

Current Liabilities:	
Accrued Compensated Absences	\$ -
Accrued Wage/Payroll Taxes Payable	-
Accounts Payable < 90 Days	-
Accounts Payable - HUD PHA Programs	-
Accounts Payable - Other Government	2,512
Tenant Security Deposits	1,775
Deferred Revenues	-
Current Portion of LT Debt - Capital Projects	-
Accrued Liabilities - Other	-
Interprogram Due To	-
Total Current Liabilities	<u>\$ 4,287</u>
Total Noncurrent Liabilities	-
Total Liabilities	\$ 4,287
Total Fund Equity	<u>\$ 254,767</u>
Total Liabilities and Equity	<u><u>\$ 259,054</u></u>

See notes to financial statements

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

EXHIBIT B
Page 1 of 1

**Combined Statement of Revenue, Expenses, and Change in Equity - All Funds
For Fiscal Year Ending September 30, 2001**

Revenues:	
Net Tenant Rental Revenue	\$ 25,557
HUD PHA Grants	27,999
Other Government Grants	17,366
Investment Income - Unrestricted	1,246
Other Revenue	2,218
Total Revenues	<u>\$ 74,386</u>
Operating Expenses:	
Administrative	\$ 27,682
Tenant Services	-
Utilities	434
Ordinary Maintenance & Operations	21,640
Protective Services	-
General Expenses	8,615
Total Operating Expenses Before Depreciation	<u>\$ 58,371</u>
Excess Revenue Over Expenses Before Depreciation	\$ 16,015
Extraordinary Maintenance	-
Casualty Losses - Non-Capitalized	-
Housing Assistance Payments	-
Depreciation Expense	26,572
Operating Transfers - In	-
Operating Transfers - Out	-
Net Operating Income (Loss) After Depreciation	<u>\$ (10,557)</u>
Beginning Equity @ 9/30/00	\$ 250,160
Net Operating Income (Loss) After Depreciation	(10,557)
Prior Period Adjustments	15,164
Capital Outlays	-
Ending Equity @ 9/30/01	<u>\$ 254,767</u>

See notes to financial statements

**Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Combined Statement of Cash Flows - All Funds
For Fiscal Year Ending September 30, 2001**

EXHIBIT C
Page 1 of 1

Cash flows from operating activities:		
Net Operating Income (Loss)	\$	(30,596)
<i>Adjustments to reconcile net income (loss) to net cash provided by operating activities:</i>		
(Gain) Loss on sale of equipment		
(Increase) Decrease in accounts receivable PHA projects		163
(Increase) Decrease in accounts receivable HUD		(2,815)
(Increase) Decrease in misc accounts receivable		(163)
(Increase) Decrease in prepaid items and other assets		3,121
(Increase) Decrease in supplies inventory		-
(Increase) Decrease in tenant security deposits (asset)		-
(Increase) Decrease in item not traced		512
Increase (Decrease) in accounts payable		(840)
Increase (Decrease) in accounts payable HUD		-
Increase (Decrease) in accrued compensated absences		-
Increase (Decrease) in tenant security deposits (liability)		(100)
Increase (Decrease) in other payables and deferred revenue		(13,922)
Net cash provided (used) by operating activities	\$	(44,640)
Cash flows from noncapital financing activities:		
Federal grants	\$	27,999
State or local grants		-
Net cash provided (used) from noncapital financing activities		27,999
Cash flows from capital and related financing activities:		
Acquisition of capital assets	\$	(17,366)
Proceeds from grants		17,366
Net cash provided (used) for capital and related financing activities		-
Cash flow from investing activities:		
Investment income (interest income)	\$	1,246
Net cash provided (used) by investing activities		1,246
Net increase (decrease) in cash and cash equivalents	\$	(15,395)
Cash and cash equivalents at beginning of year		29,967
Cash and cash equivalents at end of year (exhibit A)	\$	14,572
See notes to financial statements		-

**Housing Authority of the Town of Youngsville
 Youngsville, Louisiana
 Combined Statement of Revenues & Expenditures - Budget vs. Actual
 Low Rent
 For Fiscal Year Ending September 30, 2001**

EXHIBIT D
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	<i>Low Rent Public Housing</i>		
	Budget	Actual	Variance Actual-Budget Over (Under)
Revenues			
Local Sources:			
Total Tenant Rental Revenue	\$ 34,200	\$ 25,557	\$ (8,643)
Investment Income - Unrestricted	430	1,246	816
Receipts from Sale of Equipment	-	-	-
Other Revenue	2,100	2,218	118
Federal Sources:			
Operating Subsidy / HUD PHA Grants	21,609	25,304	3,695
Annual Contributions	-	-	-
Total Revenues	\$ 58,339	\$ 54,325	\$ (4,014)
Expenditures			
Administrative	\$ 20,110	\$ 21,147	\$ 1,037.00
Tenant Services	-	-	-
Utilities	260	433	173.00
Ordinary Maintenance & Operations	13,300	14,506	1,206.00
Protective Services	-	-	-
General Expenses	27,080	19,591	(7,489.00)
Nonroutine Maintenance	-	-	-
Capital Expenditures	-	-	-
Prior Year Adjustments	-	15,164	15,164.00
Housing Assistance Payments	-	-	-
Total Expenditures	\$ 60,750	\$ 70,841	\$ 10,091
Excess Revenues (Deficiency) Over Expenses	\$ (2,411)	\$ (16,516)	\$ (14,105)

See notes to financial statements

**Housing Authority of the Town of Youngsville
 Youngsville, Louisiana
 Statement and Certification of Actual Modernization Costs
 For Fiscal Year Ending September 30, 2001**

EXHIBIT E
 Page 1 of 1

Modernization Project Number LA 48P100906699 1999

Original Funds Approved	\$	34,209
Less Funds Expended (Actual Modernization Cost)		34,209
Excess Funds Approved	\$	-
Funds Disbursed	\$	34,209
Less Funds Expended (Actual Modernization Cost)		34,209
Excess Funds Disbursed	\$	-

The distribution of costs by project as shown on HUD Final Performance and Evaluation Report dated 2/06/2001 accompanying the Actual Modernization Cost Certificates, submitted to HUD for approval are in agreement with the PHA's records.

All modernization costs have been paid and all related liabilities have been discharged through payments.

See notes to financial statements

**Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Notes to Financial Statements**

Housing Authorities are chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of Youngsville, Louisiana. This creation was contingent upon the local governing body of the city, county, or parish as applicable. A five member Board of Commissioners governs the PHA. The members, appointed by the Mayor of Youngsville, Louisiana, serve a four year staggered term.

Under the United States Housing Act of 1937, as amended, the US Department of 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 PHA for the purpose of assisting the PHA in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the PHA for the purpose of maintaining this low rent character.

NOTE A - FINANCIAL REPORTING:

(1) Financial Reporting Entity

Generally accepted accounting principles require that the financial statements present the accounts and operations of the PHA and its component units, entities for which the PHA is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the PHA's operations and data from these units, if any are combined with data of the PHA. Each discretely presented component, if any, would be reported in a separate column in the combined financial statements to emphasize that it is legally separate from the PHA. As of September 30, 2001, and for the fiscal then ended, the PHA had no discretely presented component units or any component units that are required to be blended in these financial statements.

(2) Accounting Principle

The PHA uses the governmental GAAP enterprise method of accounting.

The enterprise method accounts for operations in a manner similar to a private business. Under this method, all assets, including fixed assets, and all liabilities are in one fund, and one financial statement.

The enterprise method recognizes revenues and expenses on the full accrual basis. Revenues are recognized when earned and become measurable. Expenses are recognized in the period incurred, if measurable.

Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Notes to Financial Statements
(continued)

Depreciation expense must be recognized for the enterprise method of accounting. Under the HUD regulatory method of accounting, depreciation was not recognized.

The PHA applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

(3) Budgetary Data

The PHA is required by its HUD Annual Contributions Contract to adopt annual budgets for the Low Rent Housing Program and the Section 8 Programs. Annual budgets are not required for CIAP grants as their budgets are approved for the length of the project. Both annual and project length budgets require grantor approval.

(4) Cash and Cash Equivalents

The entity defines cash and cash equivalents to include certificates of deposit, money market funds, savings accounts, and demand deposits.

(5) Tenant Receivables

Receivables for rental and service charges are reported in the General Fund, net of allowances for doubtful accounts.

(6) Compensated Absences

Authority employees accrue personal leave, or compensated absences, by a prescribed formula based on length of service.

(7) Fixed Assets

Fixed 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. Interest costs during construction have not been capitalized.

Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Notes to Financial Statements
 (continued)

NOTE B - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS:

It is the entity's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at September 30, 2001. The categories are described as follows:

Category 1: Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3: Uncollateralized, uninsured and unregistered, but with securities held by the bank, its agent, pledged to the PHA, but not in the PHA's name.

Cash Deposits, categorized by level of risk, (at cost, which approximates market) are:

Total Bank Balances	Category 1	Category 2	Category 3
\$ 33,960	\$33,960	\$ -0-	\$-0-

Whereas the reconciled general ledger reflects a balance of \$29,967, the actual bank balances were \$33,960.

NOTE C - ACTIVITIES OF THE PHA:

At September 30, 2001, the PHA was managing a low-rent public housing program under FW -1172, a Capital Fund Program and a Public Housing Comprehensive Improvement Assistance Program.

NOTE D - CONTINGENCIES:

The entity is subject to possible examinations by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refund by the entity to federal grantors and/or program beneficiaries.

Housing Authority of the Town of Youngsville
 Youngsville, Louisiana
 Notes to Financial Statements
 (continued)

NOTE E - FIXED ASSETS:

As noted in Note A, soft costs formerly capitalized have been written off and fixed assets are now depreciated on the straight-line method over their estimated useful lives as follows:

Site improvements	20 Years
Buildings	20 Years
Building improvements	10 Years
Non-dwelling structures	20 Years
Equipment	3-7 Years

Low Rent	Cost	Current Depreciation	Accumulated Depreciation	Net Asset Value
Land	\$19,760			\$19,760
Buildings	561,087	26,570	403,115	
Furniture & Equipment - Dwellings				
Leasehold Improvements	58,785		58,785	
TOTAL	\$639,632	\$26,570	\$461,900	\$177,732

Capital Fund Program	Cost	Current Depreciation	Accumulated Depreciation	Net Asset Value
Land	\$	\$	\$	\$
Buildings	12,185	1	1	12,184
TOTAL	\$12,185	\$1	\$1	\$12,184

CIAP	Cost	Current Depreciation	Accumulated Depreciation	Net Asset Value
Land	\$	\$	\$	\$
Buildings	29,570	1	1	29,569
Furniture & Equipment - Administration	1,441			1,441
TOTAL	\$31,011	\$1	\$1	\$31,010

Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Notes to Financial Statements
(continued)

The capitalization limit is \$5,000.

All land and building are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the government and to protect other interests of the government.

NOTE F - LONG-TERM DEBT:

To provide for the development and modernization of low-rent housing units, the PHA issued New Housing Authority Bonds and Permanent Notes-FFB. These bonds and notes are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the authority, and accordingly, have not been reported in the accompanying financial statements. The amount of this debt that has been reclassified to HUD Equity is \$ 105,000.

NOTE G - RETIREMENT PLAN:

The entity provides benefits for all full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. The entity contributes 8% of the employee's base monthly salary. The entity's contributions for each employee (and interest allocated to the employee's account) vest at 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

The entity's total payroll for the fiscal year ending September 30, 2001 was \$14,904. The entity's contribution was calculated using the base salary amount of \$14,904. Contributions to the plan by the entity were \$1,226.88.

NOTE H - DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS:

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Investments

The carrying amount approximates fair value because of the short maturity of these instruments.

Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Notes to Financial Statements
(continued)

NOTE I - USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE J - PRIOR PERIOD ADJUSTMENTS:

Low Rent

PILOT forgiven by City	-16,393
To balance the balance sheet analysis	31,557
TOTAL	15,164

NOTE K - INTERFUND RECEIVABLES / PAYABLES:

None

NOTE L - COMPENSATED ABSENCES:

At September 30, 2001, employees of the PHA have accumulated and vested \$ -0- of employee leave benefits, computed in accordance with GASB Codification Section C60. The balance of accrued compensated absences at September 30, 2001 was \$ -0-.

**Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Expenditures of Federal Awards
For Fiscal Year Ending September 30, 2001**

SCHEDULE I
Page 1 of 1

<i>CFDA #</i>	<i>Name of Federal Program</i>	<i>Federal Award Expenditure</i>
14.850a	Low Rent Public Housing	25,304
14.852	Public Housing Comprehensive Improvement Assistance Program	5,181
14.872	Public Housing Capital Fund Program	12,184
Total Federal Expenditures		<u>\$ 42,669</u>

See notes to financial statements

**Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Combining Balance Sheet - Financial Data Schedule - All Funds
As of September 30, 2001**

SCHEDULE II
Page 1 of 2

<u>Assets</u>	<u>Public Housing Programs</u>			<u>Total</u>
	<u>Low Rent</u>	<u>CFP</u>	<u>CIAP</u>	
Current Assets:				
Cash - Unrestricted	\$ 14,572	\$ -	\$ -	\$ 14,572
Cash - Restricted	-	-	-	-
Total Cash	\$ 14,572	\$ -	\$ -	\$ 14,572
Accounts Receivable - PHA Projects	\$ -	\$ -	\$ -	\$ -
Accounts Receivable - HUD Other Projects	4,005	-	-	4,005
Accounts Receivable - Other Government	-	-	-	-
Accounts Receivable - Miscellaneous	163	-	-	163
Accounts Receivable - Tenants Dwelling Rents	-	-	-	-
Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-
Accrued Interest Receivable	-	-	-	-
Total Accounts Receivable, Net of Allowance	\$ 4,168	\$ -	\$ -	\$ 4,168
Interprogram Due From	\$ -	\$ -	\$ -	\$ -
Investments - Unrestricted	15,395	-	-	15,395
Prepaid Expenses and Other Assets	3,993	-	-	3,993
Inventories	-	-	-	-
Total Other Assets	\$ 19,388	\$ -	\$ -	\$ 19,388
Total Current Assets	\$ 38,128	\$ -	\$ -	\$ 38,128
Noncurrent Assets:				
Land	\$ 19,760	\$ -	\$ -	\$ 19,760
Buildings	561,087	12,185	29,570	602,842
Furniture, Equipment & Machinery - Dwellings	-	-	-	-
Furniture, Equipment & Machinery - Administration	-	-	1,441	1,441
Leasehold Improvements	58,785	-	-	58,785
Accumulated Depreciation	(461,900)	(1)	(1)	(461,902)
Construction In Progress	-	-	-	-
Total Fixed Assets, Net of Accumulated Depreciation	\$ 177,732	\$ 12,184	\$ 31,010	\$ 220,926
Other Assets	\$ -	\$ -	\$ -	\$ -
Total Noncurrent Assets	\$ 177,732	\$ 12,184	\$ 31,010	\$ 220,926
Total Assets	\$ 215,860	\$ 12,184	\$ 31,010	\$ 259,054

See notes to financial statements

**Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Combining Balance Sheet - Financial Data Schedule - All Funds
As of September 30, 2001**

SCHEDULE II
Page 2 of 2

<u>Liabilities and Equity</u>	<u>Public Housing Programs</u>			<u>Total</u>
	<u>Low Rent</u>	<u>CFP</u>	<u>CIAP</u>	
Current Liabilities:				
Accrued Compensated Absences	\$ -	\$ -	\$ -	\$ -
Accrued Wage/Payroll Taxes Payable	-	-	-	-
Accounts Payable < 90 Days	-	-	-	-
Accounts Payable - HUD PHA Programs	-	-	-	-
Accounts Payable - Other Government	2,512	-	-	2,512
Tenant Security Deposits	1,775	-	-	1,775
Deferred Revenues	-	-	-	-
Current Portion of LT Debt - Capital Projects	-	-	-	-
Accrued Liabilities - Other	-	-	-	-
Interprogram Due To	-	-	-	-
Total Current Liabilities	\$ 4,287	\$ -	\$ -	\$ 4,287
Noncurrent Liabilities:				
Long-term Debt, Net of Current - Capital Projects	\$ -	\$ -	\$ -	\$ -
Noncurrent Liabilities - Other	-	-	-	-
Total Noncurrent Liabilities	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ 4,287	\$ -	\$ -	\$ 4,287
Equity:				
Project Notes (HUD)	\$ -	\$ -	\$ -	\$ -
Long-term Debt - HUD Guaranteed	105,000	-	-	105,000
Net HUD PHA Contributions	71,502	-	25,828	97,330
Fund Balance reserved for capital activities	-	-	-	-
Total Contributed Capital	\$ 176,502	\$ -	\$ 25,828	\$ 202,330
Undesignated Fund Balance/Retained Earnings	\$ 35,071	\$ 12,184	\$ 5,182	52,437
Total Equity	\$ 211,573	\$ 12,184	\$ 31,010	\$ 254,767
Total Liabilities and Equity	\$ 215,860	\$ 12,184	\$ 31,010	\$ 259,054

See notes to financial statements

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

SCHEDULE III
Page 1 of 2

**Combining Statement of Revenue, Expenses, and Change in Equity / Financial Data Schedule - All Funds
For Fiscal Year Ending September 30, 2001**

	<i>Public Housing Programs</i>			<i>Total</i>
	<i>Low Rent</i>	<i>CFP</i>	<i>CIAP</i>	
Revenues:				
Net Tenant Rental Revenue	\$ 25,557	\$ -	\$ -	\$ 25,557
Net Tenant Revenue - Other	-	-	-	-
Total Tenant Rental Revenue	\$ 25,557	\$ -	\$ -	\$ 25,557
HUD PHA Operating Grants	\$ 25,304	\$ 2,695	\$ -	\$ 27,999
Capital Grants	-	12,184	5,182	17,366
Investment Income - Unrestricted	1,246	-	-	1,246
Other Revenue	2,218	-	-	2,218
Total Other Revenue	\$ 28,768	\$ 14,879	\$ 5,182	\$ 48,829
Total Revenue	\$ 54,325	\$ 14,879	\$ 5,182	\$ 74,386
Operating Expenses:				
Administrative Salaries	\$ 5,260	\$ -	\$ -	\$ 5,260
Auditing Fees	3,250	-	-	3,250
Compensated Absences	-	-	-	-
Employee Benefit Contributions-Administrative	3,841	-	-	3,841
Other Operating - Administrative	12,637	2,694	-	15,331
Tenant Services-Salaries	-	-	-	-
Employee Benefit Contributions-Tenant Services	-	-	-	-
Tenant Services-Other	-	-	-	-
Water	-	-	-	-
Electricity	282	-	-	282
Gas	152	-	-	152
Other Utilities Expense	-	-	-	-
Ordinary Maintenance & Operations-Labor	9,644	-	-	9,644
Ordinary Maintenance & Operations-Materials	818	-	-	818
Ordinary Maintenance & Operations-Contract	4,044	-	-	4,044
Employee Benefit Contributions-Maintenance	7,134	-	-	7,134
Protective Services - Labor	-	-	-	-
Protective Services - Other Contract Costs	-	-	-	-
Protective Services - Other	-	-	-	-
Employee Benefits Contributions-Protective Services	-	-	-	-
Insurance Premiums	6,103	-	-	6,103
Other General Expenses	-	-	-	-
Payments in Lieu of Taxes	2,512	-	-	2,512
Bad Debt - Other	-	-	-	-
Interest Expense	-	-	-	-
Total Operating Expenses Before Depreciation	\$ 55,677	\$ 2,694	\$ -	\$ 58,371

See notes to financial statements

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

SCHEDULE III
Page 2 of 2

**Combining Statement of Revenue, Expenses, and Change In Equity / Financial Data Schedule - All Funds
For Fiscal Year Ending September 30, 2001**

	<i>Public Housing Programs</i>			<i>Total</i>
	<i>Low Rent</i>	<i>CFP</i>	<i>CIAP</i>	
Excess Revenue Over Expenses Before Depreciation	\$ (1,352)	\$ 12,185	\$ 5,182	\$ 16,015
Extraordinary Maintenance	-	-	-	-
Casualty Losses - Non-Capitalized	-	-	-	-
Housing Assistance Payments	-	-	-	-
Depreciation Expense	26,570	1	1	26,572
Operating Transfers - In	-	-	-	-
Operating Transfers - Out	-	-	-	-
Net Operating Income (Loss) After Depreciation	\$ (27,922)	\$ 12,184	\$ 5,181	\$ (10,557)
Beginning Equity @ 9/30/00	\$ 224,331	\$ -	\$ 25,829	\$ 250,160
Net Operating Income (Loss) After Depreciation	(27,922)	12,184	5,181	(10,557)
Prior Period Adjustments	15,164	-	-	15,164
Capital Outlays Enterprise Fund	-	-	-	-
Ending Equity @ 9/30/01	\$ 211,573	\$ 12,184	\$ 31,010	\$ 254,767

See notes to financial statements

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

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

I have audited the financial statements of the Housing Authority of the Town of Youngsville (PHA), as of and for the year ended September 30, 2001 and have issued my report thereon dated March 4, 2002. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Audit Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the PHA's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of *noncompliance that are required to be reported under Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the PHA's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all

matters in the internal control over financial reporting 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 the 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and for HUD. However, this report is a matter of public record and its distribution is not limited.

 **William Daniel
McCaskill, CPA, APAC**
Signature Valid

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William Daniel McCaskill, CPA
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March 4, 2002

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

I have audited the compliance of the Housing Authority of the Town of Youngsville (PHA) 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 PHA's major federal programs are identified in the summary of auditor's 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 PHA's management. My responsibility is to express an opinion on the PHA's compliance based on my audit.

I conducted my audit of compliance in accordance with: generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non Profit Organizations. Those standards and OMB Circular A-133 require that I 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 PHA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. I believe that my audit provides a reasonable

basis for my opinion. My audit does not provide a legal determination on the PHA's compliance with those requirements.

In my opinion, the PHA's 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.

Internal Control Over Compliance

The management of the PHA 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 my audit, I considered the PHA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My 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 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. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and HUD. However, this report is a matter of public record and its distribution is not limited.

 **William Daniel McCaskill, CPA,
APAC**
Signature Valid

Digitally signed by William Daniel
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Date: 2002.03.26 14:37:58 -06'00'

William Daniel McCaskill, CPA
A Professional Accounting Corporation

March 4, 2002

**Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Schedule of Prior Audit Findings**

There were no findings in the prior audit.

**Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Schedule of Audit Adjusting Journal Entries**

	<i>DEBIT</i>	<i>CREDIT</i>
<i>Capital Fund Program</i>		
510 Fund Balance reserved for Capital Activities	12,184	
512 Undesignated Fund Balance Retained Earnings		12,184
 <i>CIAP</i>		
512 Undesignated Fund Balance Retained Earnings	25,828	
504 Net HUD PHA Contributions To correctly code equity per GASB 33		25,828
 <i>Low Rent</i>		
503 Long Term Debt – HUD guaranteed		105,000
504 Net HUD PHA Contributions To correctly report equity	105,000	

**Housing Authority of the Town of Youngsville
 Youngsville, Louisiana
 Schedule of Current Audit Findings
 And Questioned Costs**

Per A-133, Section 505(d)

1. Summary Schedule of Auditors Results:

- i. The report includes an unqualified opinion on the financial statements.
- ii. There were no reportable conditions in internal controls found that are required to be disclosed at the financial statement level.
- iii. The audit disclosed no noncompliance that is material to the financial statements.
- iv. No reportable conditions in internal control over major programs were disclosed by the audit.
- v. The compliance reports issued for major programs was unqualified.
- vi. The report disclosed no audit findings required to be reported under Section 510a of A-133.
- vii. All major programs have oversight by HUD and are identified as follows:

<u>CFDA#</u>	<u>Name of Program</u>
14.850a	Low Rent Public Housing
14.872	Capital Fund Program

- viii. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
 - ix. The auditee was considered a low risk auditee.
2. Finding relating to the financial statements required to be reported with GAGAS are as follows: NONE
3. Findings and questioned costs for Federal awards as defined in A-133, Section 510a all with HUD oversight: NONE

Housing Authority of the Town of Youngsville
Youngsville, Louisiana
Schedule of Corrective Action Plan

None