

**HOUSING AUTHORITY  
OF THE  
TOWN OF LOGANSPOUT, LOUISIANA**

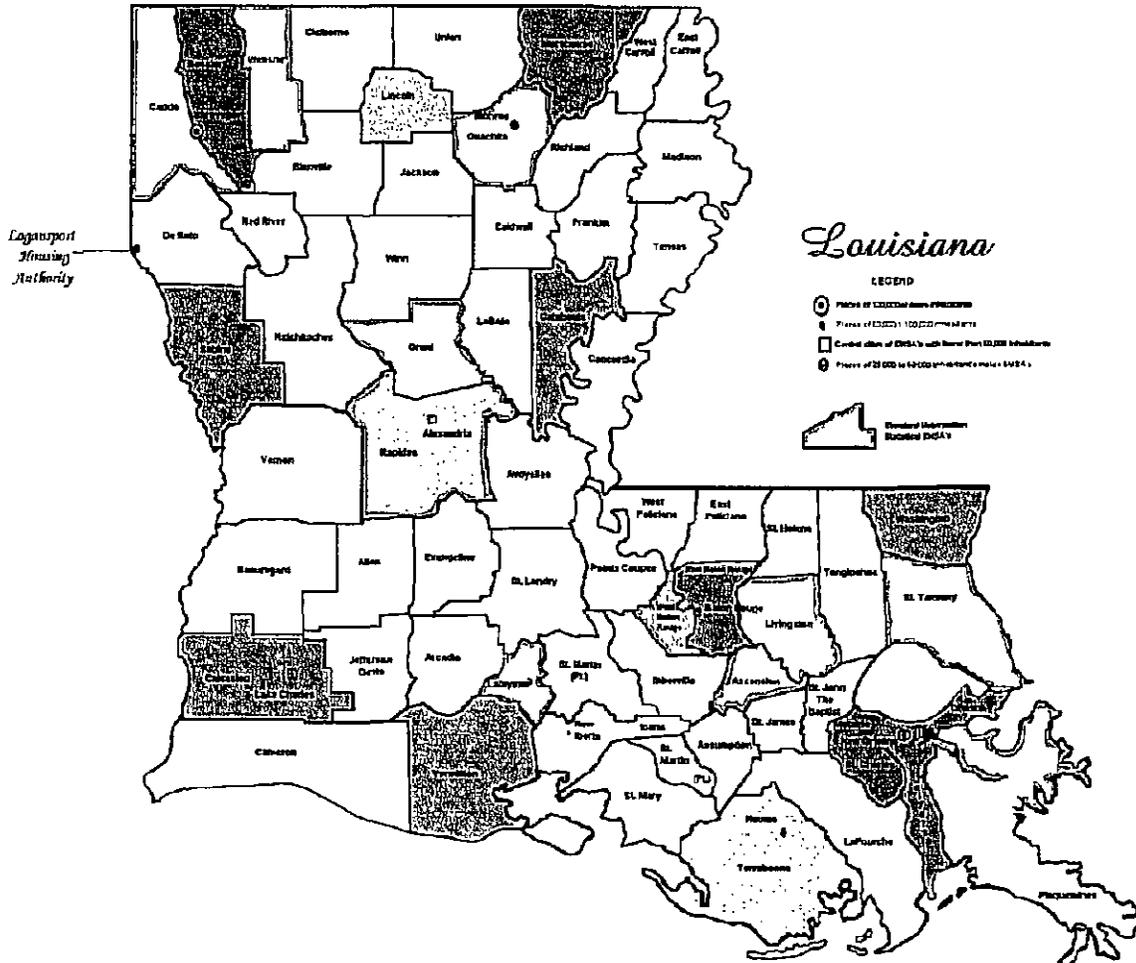
**Financial Statements &  
Supplemental Financial Information**

**June 30, 2009**

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 2/24/10

# HOUSING AUTHORITY OF LOGANSPORT LOGANSPORT, LOUISIANA



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 income housing programs in the United States. Accordingly, HUD has contracted with the entity to administer certain HUD funds. The entity is a public corporation, legally separate, fiscally independent and governed by Board of Commissioners.

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

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June 30, 2009**

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**INDEPENDENT AUDITOR'S REPORT**

Housing Authority of the  
Town of Logansport  
Logansport, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the Town of Logansport as of and for the year ended June 30, 2009, 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. 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 basic 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 of the Town of Logansport, as of June 30, 2009, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2009, on our consideration of the Housing Authority of the Town of Logansport's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by 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 required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the authority's basic financial statements taken as a whole. The accompanying Financial Data Schedule, required by HUD, and other supplemental statements and schedules are presented for purposes of additional analysis, and are also not a required part of the basic financial statements. The Financial Data Schedule and other supplemental statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*John R. Vercher PC*

December 21, 2009  
Jena, Louisiana

**Housing Authority of the Town of Logansport  
Management's Discussion and Analysis  
June 30, 2009**

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As management of the Housing Authority of the Town of Logansport, we offer readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements, which are attached.

**Financial Highlights**

The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$193,631 (net assets).

As of the close of the current fiscal year, the Authority's ending unrestricted net assets were \$32,665.

The Authority's cash balance at June 30, 2009 was \$27,003. This amount includes tenant security deposits in the amount of \$3,525.

The Authority had total revenue of \$112,836, while expenses totaled \$118,105.

**Overview of the Basic Financial Statements**

The discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of the Statement of Net Assets, Statement of Revenue, Expenses and Changes in Net Assets, Statement of Cash Flows, and the notes to the basic financial statements. This report also contains the schedule of expenditures of federal award as supplementary information in addition to the basic financial statements themselves.

The Authority has only one fund type, namely a proprietary fund. The Statement of Net Assets includes all of the Authority's assets and liabilities. This fund type is unused for activities which are financed and operated in a manner similar to those in the private sector.

The Authority has two main funding sources in its financial operation. These are the Low Rent Public Housing and the Capital Fund programs. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula. The purpose of this program is to provide funding for low rent housing programs to allow them to make purchases and capital improvements for the current dwelling structures and assist in their operations.

**Housing Authority of the Town of Logansport  
Management's Discussion and Analysis - Continued  
June 30, 2009**

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The Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements.

The table below lists the asset and liability comparisons for the year ended June 30, 2009.

**Statement of Net Assets**

	<u>2008</u>	<u>2009</u>	<u>% Change</u>
Current & Restricted Assets	\$ 31,813	\$ 39,966	26%
Capital Assets Net of Depreciation	172,695	160,966	7%
<b>Total Assets</b>	<u>204,508</u>	<u>200,932</u>	2%
Current Liabilities	5,608	7,301	30%
Non-Current Liabilities	-0-	-0-	0%
<b>Total Liabilities</b>	<u>5,608</u>	<u>7,301</u>	30%
Equity			
Invest in Capital Assets	172,695	160,966	7%
Unrestricted Net Assets	26,205	32,665	25%
<b>Total Net Assets</b>	<u>\$ 198,900</u>	<u>\$ 193,631</u>	3%

- Current assets increased by \$8,153 or 26% from last year. The primary reason for this increase was due to an increase in prepaid insurance and cash on hand.
- Total liabilities increased by \$1,693 or 30%. The primary reason for this change is that Accrued Pilot increased by \$971.
- Unrestricted assets increased by \$6,450 or 25%. The increase in current assets as a result of prepaid insurance and cash on hand are the main contributors for this increase.

**Housing Authority of the Town of Logansport  
Management's Discussion and Analysis - Continued  
June 30, 2009**

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The table below lists the revenue and expense comparisons for the year ended June 30, 2009.

**Statement of Revenues, Expenses, & Changes in Net Assets**

	<u>2008</u>	<u>2009</u>	<u>% Change</u>
<b>Revenues</b>			
Tenant Revenue	\$ 30,309	\$ 40,200	33%
HUD PHA OPERATING	70,716	57,519	19%
Capital Grants	31,104	10,671	51%
Investment Income	120	268	123%
Other Income	3,877	4,178	8%
<b>Total Revenues</b>	<u>126,957</u>	<u>112,836</u>	11%
<b>Expenses</b>			
Administrative	38,642	41,796	8%
Utilities	7,682	7,858	2%
Maintenance	43,637	32,263	26%
General	12,918	13,787	7%
Depreciation	35,525	22,401	36%
<b>Total Expenses</b>	<u>138,404</u>	<u>118,105</u>	15%
<b>Change in Net Assets</b>	\$ <u>(11,447)</u>	\$ <u>(5,269)</u>	54%

- Total revenues decreased by \$14,121 or 11%. The primary reason is because of an decrease in grants of \$11,264.
- Total expenses decreased by \$20,299, or 15%. This decrease was a result of reduced maintenance expenses in the amount of \$11,364 and a decrease in depreciation expense of \$13,124.
- Maintenance and general expenses increased by roughly 26% due to hurricane damage and increased insurance costs.

**Housing Authority of the Town of Logansport  
Management's Discussion and Analysis - Continued  
June 30, 2009**

**Capital Asset and Debt Administration**

**Capital Assets**

As of June 30, 2009 the Authority's investment in capital assets was \$160,966 (net of accumulated depreciation). This investment included land, building, building improvements, office equipment, and maintenance equipment.

<b>Capital Assets</b>	<b>2008</b>	<b>2009</b>
Land	\$ 21,739	\$ 21,739
Building & Improvements	755,583	755,583
Furniture & Equipment	39,397	39,397
Construction in Progress	12,175	22,846
<b>Total Capital Assets</b>	<b>828,894</b>	<b>839,565</b>
<b>Less Accumulated Depreciation</b>	<b>(656,199)</b>	<b>(678,599)</b>
<b>Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ 172,695</b>	<b>\$ 160,966</b>

Land in the amount of \$21,739 and Construction in Progress in the amount of \$22,846 are not being depreciated.

**Long Term Debt**

The Authority does not have any long-term liabilities at this time.

**Future Events That Will Impact the Authority**

The Authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the June 30, 2010 year. Therefore, any results of budget shortfalls cannot be determined.

The Authority is under a contract through its Capital Fund Program to continue with the work as stated above and incorporate any new work items into its operation.

**Contacting the Authority's Financial Management**

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following address:

Housing Authority of the Town of Logansport  
210 North Highland Drive  
P O Box 1565  
Many, LA 71449-1565

**Basic Financial Statements**

**Housing Authority of the Town of Logansport  
Logansport, Louisiana  
Statement of Fund Net Assets  
June 30, 2009**

<b>ASSETS</b>	<b>ENTERPRISE FUND</b>
<b>CURRENT ASSETS</b>	
Cash & Cash Equivalents	\$ 23,478
Receivables (Net of Allowance For Uncollectibles)	5,376
Prepaid Items	7,587
<b>TOTAL CURRENT ASSETS</b>	<u>36,441</u>
<b>RESTRICTED ASSETS</b>	
Tenants' Security Deposits	3,525
<b>TOTAL RESTRICTED ASSETS</b>	<u>3,525</u>
<b>NON-CURRENT ASSETS</b>	
Capital Assets (Net of Accumulated Depreciation)	160,966
<b>TOTAL NON-CURRENT ASSETS</b>	<u>160,966</u>
<b>TOTAL ASSETS</b>	<u>200,932</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Deferred Revenues	191
Accounts Payable	351
Accrued Pilot	3,234
Tenant Security Deposits	3,525
<b>TOTAL CURRENT LIABILITIES</b>	<u>7,301</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>-0-</u>
<b>TOTAL LIABILITIES</b>	<u>7,301</u>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	160,966
Unrestricted	32,665
<b>TOTAL NET ASSETS</b>	<u>\$ 193,631</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Logansport  
Logansport, Louisiana  
Statement of Revenues, Expenses, & Changes In Fund Net Assets  
Year Ended June 30, 2009**

	<b>ENTERPRISE FUND</b>
<b>OPERATING REVENUES</b>	
Tenant Rental Revenue	\$ 40,200
Revenue Other	4,178
HUD PHA Operating Grant	57,519
<b>TOTAL OPERATING REVENUE</b>	<b>101,897</b>
<b>OPERATING EXPENSES</b>	
<i>Administration:</i>	
Administrative Salaries	690
EBC Administrative	32
Outside Management Fees	18,000
Other Operating - Administrative	23,074
<i>Cost of Sales &amp; Service:</i>	
Water	7,068
Electricity	790
Ordinary Maintenance – Labor	2,757
Materials	6,272
Contract Cost	23,234
EBC Maintenance	589
Insurance	9,464
Payment in Lieu of Taxes	3,234
<i>Depreciation</i>	22,401
<b>TOTAL OPERATING EXPENSES</b>	<b>117,605</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(15,708)</b>
<b>NON-OPERATING REVENUE (EXPENSE)</b>	
Capital Grant	10,671
Interest Earnings	268
Casualty Loss Not Capitalized	(500)
<b>TOTAL NON-OPERATING REVENUE (EXPENSES)</b>	<b>10,439</b>
<b>CHANGE IN NET ASSETS</b>	<b>(5,269)</b>
<b>TOTAL NET ASSETS – BEGINNING</b>	<b>198,900</b>
<b>TOTAL NET ASSETS - ENDING</b>	<b>\$ 193,631</b>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Logansport  
Logansport, Louisiana  
Statement of Cash Flows  
Year Ended June 30, 2009**

	<b>ENTERPRISE FUND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts From Customers & Users	\$ 45,450
Receipts From Operating Grants	57,519
Payments to Suppliers	(92,095)
Payments to Employees	(3,447)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>7,427</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Cash Provided by Other Sources of Income	-0-
Proceeds From Casualty & Other Losses	(500)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>(500)</b>
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	
Cash Provided by Federal Capital Grants	10,671
Acquisition of Capital Assets	-0-
Expenditures for Construction	(10,671)
<b>NET CASH PROVIDED (USED) BY CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	<b>-0-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investments	-0-
Interest Received	268
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>268</b>
<b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>7,195</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>16,283</b>
<b>CASH, END OF YEAR</b>	<b>23,478</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Operating Income (Loss)	(15,708)
Depreciation Expense	22,401
(Increase) Decrease in Accounts Receivable	672
(Increase) Decrease in Prepaid Expenses & Inventories	(1,631)
Increase (Decrease) in Accounts Payable	351
Increase (Decrease) in Other Liabilities	942
Increase (Decrease) in Customer Deposits	400
<b>TOTAL ADJUSTMENTS</b>	<b>23,135</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>7,427</b>
<b>LISTING OF NONCASH INVESTING, CAPITAL, &amp; FINANCIAL ACTIVITIES</b>	
Contributions of Capital Assets From Government	<b>\$ -0-</b>

The accompanying notes are an integral part of this statement.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**INTRODUCTION**

The Housing Authority of the Town of Logansport is a 26 unit apartment complex for persons of low income located in Logansport, Louisiana. The Authority is chartered as a public corporation for the purpose of administering decent, safe and sanitary dwelling for persons of low-income.

Legal title to the Authority is held by the Housing Authority of the Town of Logansport, Louisiana, a non-profit corporation. The Authority is engaged in the acquisition, modernization, and administration of low-rent housing. The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of Logansport, Louisiana. Each member serves a four-year term and receives no compensation for their services. Substantially all of the Authority's revenue is derived from subsidy contracts with the U. S. Department of Housing and Urban Development (HUD). The annual contributions contracts entered into by the Authority and HUD provide operating subsidies for Authority-owned public housing facilities for eligible individuals.

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-income housing programs in the United States. Accordingly, HUD has entered into a contract with the entity to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

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

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

**BASIS OF PRESENTATION**

As required by Louisiana State Reporting Law (LSA-R.S. 24:514) and HUD regulations, financial statements are presented in accordance with accounting principles generally accepted in the United States of America.

The accounts of the PHA are accounted for under the proprietary fund. Accordingly, the accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applied to governmental units.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**Proprietary Fund Type** – Proprietary fund is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The PHA applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. The PHA's funds include the following type:

**Enterprise Fund** – Enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

**1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIC FINANCIAL STATEMENTS**

The basic financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the activities of the primary government and its component units. For the most part, the effect of the Interfund activity has been removed from these statements. The Housing Authority uses enterprise funds to account for its activities.

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION**

The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to their same limitation. The Housing Authority has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of Interfund activity has been eliminated from the basic financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The primary operating revenue of the housing authority is derived from tenant revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 they are needed.

**C. DEPOSITS & INVESTMENTS**

The Housing Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Housing Authority's investment policy allow the Housing Authority to invest in collateralized certificated of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the housing authority are reported at fair value.

**D. RECEIVABLES & PAYABLES**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year referred to as either "due to/from other funds" (i.e., the current portion of Interfund loans) or "advances to/from other funds" (i.e., the non-current portion of Interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the accompanying basic financial statements, are offset by a restriction on net assets. All trade and other receivables are shown net of an allowance for uncollectives.

**E. INVENTORIES & PREPAID ITEMS**

All inventories are valued at cost using the first-in/first out method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

**F. CAPITAL ASSETS**

Capital Assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable columns in the basic financial statements. Capital assets are capitalized at historical cost. The housing maintains a threshold level of \$500 or more for capitalizing capital assets.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense included during the current fiscal year was \$-0-. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with construction projects.

All Capital Assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings	20 years
Building Improvements	10 years
Furniture & Fixtures	5 years
Vehicles	5 years
Equipment	5 years

**G. LONG-TERM OBLIGATIONS**

In the basic financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

**H. EXTRAORDINARY & SPECIAL ITEMS**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the housing authority, which are either unusual in nature or infrequent in occurrence.

**I. ESTIMATES**

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**J. COMPENSATED ABSENCES**

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

**2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)**

At June 30, 2009, the housing authority has cash and investments (book balances) totaling \$27,003 as follows:

Demand Deposits	\$ 27,003
<b>Total</b>	<b>\$ <u>27,003</u></b>

These deposits are stated at cost, which approximated market. 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 market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

***Deposits***

It is the housing authority's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The housing authority's deposits are categorized to give an indication of the level of risk assumed by the housing authority at year end. The categories are described as follows:

- ***Category 1*** – Insured or collateralized with securities held by the housing authority or by its agent in the housing authority's name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution's trust department or agent in the housing authority's name.
- ***Category 3*** – Uncollateralized.
- As of June 30, 2009, all deposits were covered by FDIC insurance.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**3. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2009 was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Land *	\$ 21,739	\$ -0-	\$ -0-	\$ 21,739
Leasehold Improvements	116,423	-0-	-0-	116,423
Buildings	639,160	-0-	-0-	639,160
Furniture & Equipment, Etc.	39,397	-0-	-0-	39,397
Construction in Progress *	12,175	10,671	-0-	22,846
<b>Total</b>	<b>828,894</b>	<b>10,671</b>	<b>-0-</b>	<b>839,565</b>
<b>Less Accumulated Depreciation</b>	<b>(656,199)</b>	<b>(22,400)</b>	<b>-0-</b>	<b>(678,599)</b>
<b>Net Capital Assets</b>	<b>\$ 172,695</b>	<b>\$ (11,729)</b>	<b>\$ -0-</b>	<b>\$ 160,966</b>

\* Land in the amount of \$21,739 and Construction in Progress in the amount of \$22,846 are not being depreciated.

**4. ACCOUNTS, SALARIES & OTHER PAYABLES**

The payables of \$3,776 at June 30, 2009 are as follows:

Accounts Payable (Vendors)	\$ 351
Deferred Revenues	191
Accrued PILOT	3,234
<b>Total</b>	<b>\$ 3,776</b>

**5. CONTINGENT LIABILITIES**

At June 30, 2009, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

**6. COMPENSATED ABSENCES**

The housing authority has only part-time personnel and does not have a vacation or sick time policy.

**7. ECONOMIC DEPENDENCY**

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$68,190 to the housing authority, which represents approximately 60% of the housing authority's revenue for the year.

**Other Supplemental Statements  
& Schedules**

**Housing Authority of the Town of Logansport  
Logansport, Louisiana  
Schedule of Compensation Paid to Board Members  
Year Ended June 30, 2009**

<u>Board Member</u>	<u>Title</u>
Marjorie McKinney	Chairman
Virginia Campbell	Commissioner
Ann Anderson	Commissioner
James Markham	Commissioner
Sharon Stewart	Commissioner

Board members are paid \$30 per meeting when present.

**Housing Authority of the Town of Logansport  
Logansport, Louisiana  
Statement & Certification of Actual Modernization Cost  
Annual Contribution Contract**

	<b>Project 2007-501</b>	<b>Total</b>
<b><i>The Actual Modernization Costs Are As Follows:</i></b>		
Funds Approved	\$ 37,669	37,669
Funds Expended	(37,669)	(37,669)
Excess of Funds Approved	-0-	-0-
2. Funds Advanced	37,669	37,669
Funds Expended	(37,669)	(37,669)
Excess of Funds Advanced	\$ -0-	\$ -0-

The accompanying notes are an integral part of this statement.



**Other Reports**

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Housing Authority of the Town of Logansport  
Logansport, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the Town of Logansport, Louisiana, as of and for the year ended June 30, 2009, and have issued our report thereon dated December 21, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

***Internal Control Over Financial Reporting***

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the Housing Authority of the Town of Logansport's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Housing Authority of the Town of Logansport's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### ***Compliance and Other Matters***

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

#### **2009-C-1 Compensation to Board of Commissioners**

The Housing Authority of the Town of Logansport's response to the finding identified in our audit is described in the accompanying Management's Corrective Action. We did not audit the Housing Authority of the Town of Logansport's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

*John R. Vercher PC*

December 21, 2009

Jena, Louisiana



**HOUSING AUTHORITY OF THE TOWN OF LOGANSPORT  
LOGANSPORT, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
For the Year Ended June 30, 2009**

**Section II Financial Statement Findings Required To Be Reported In Accordance With GAGAS**

Reference	Description of Finding	Recommendation				
2009-C-1	<p style="text-align: center;"><u>Compensation to Board of Commissioners</u></p> <p>In the HUD publication "Terms and Conditions" under Section 14 of Employer Requirements, Part B states that "No funds of any project may be used to pay any compensation for services of members of Housing Authority Board of Commissioners. The PHA paid the Board of Commissioners the following fees per board meeting:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Chairman</td> <td>\$30</td> </tr> <tr> <td>Members</td> <td>\$30</td> </tr> </table>	Chairman	\$30	Members	\$30	The PHA should discontinue paying compensation to the Board of Commissioners.
Chairman	\$30					
Members	\$30					

**Section III – Internal Control**

No items to report.

**Section IV Federal Awards Findings and Questioned Costs**

Not applicable.

**HOUSING AUTHORITY OF THE TOWN OF LOGANSPORT  
LOGANSPORT, LOUISIANA**

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**STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2009**

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Legislative Auditor  
State of Louisiana  
Baton Rouge, Louisiana 70804-9397

The management of the Housing Authority of the Town of Logansport, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2008.

**PRIOR YEAR FINDINGS:**

**2008-M-1 Annual Filing of Financial Statements (Resolved)**

*Finding:* LSA-RS 24:514, LSA-RS 33:463, and/or LSA-RS 39:92, as applicable, require that governmental units file their financial statements annually with the Legislative Auditor's Office within six months of the entity's year end closing. The PHA's auditor was unable to complete the "submission" to REAC within the six month time frame to finalize the engagement because the REAC website was under repair and not functioning.

*Entity's Corrective Action:* The Authority began filing its financial statements within six months of its year end closing when REAC completed its repair of its website.

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**MANAGEMENT LETTER COMMENTS**

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During the course of our audit, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the Housing Authority's plan for corrective action.

**MANAGEMENT LETTER COMMENTS:**

No items to report.

**HOUSING AUTHORITY OF THE TOWN OF LOGANSPORT  
LOGANSPORT, LOUISIANA**

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**MANAGEMENT'S CORRECTIVE ACTION FOR CURRENT YEAR AUDIT FINDINGS**

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**CURRENT YEAR FINDINGS**

	<b>DESCRIPTION OF FINDINGS</b>	<b>CORRECTIVE ACTION PLANNED</b>	<b>CONTACT PERSON</b>	<b>ANTICIPATED COMPLETION DATE</b>
<b>2009-C-1</b>	<b>Compensation to Board of Commissioners</b>	The PHA will discontinue paying compensation to the Board of Commissioners.	Doug Gauntt	June 30, 2010

**Financial Data Schedule**

# Entity Wide Balance Sheet Summary

LA077

06/30/2009

Audited/Non-A-133

	Project Total	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	23478		23478		23478
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	3525		3525		3525
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	27003		27003		27003
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects					
124 Accounts Receivable - Other Government	5016		5016		5016
125 Accounts Receivable - Miscellaneous	360		360		360
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts - Tenants					
126.2 Allowance for Doubtful Accounts - Other	0		0		0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	5376		5376		5376
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	7587		7587		7587
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	39966		39966		39966

	Project Total	COCC	Subtotal	ELIM	Total
151 Land	21739		21739		21739
162 Buildings	639160		639160		639160
163 Furniture, Equipment & Machinery - Dwellings	27915		27915		27915
164 Furniture, Equipment & Machinery - Administration	11482		11482		11482
165 Leasehold Improvements	116423		116423		116423
166 Accumulated Depreciation	-678599		-678599		-678599
167 Construction in Progress	22846		22846		22846
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	160966		160966		160966
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	160966		160966		160966
190 Total Assets	200932		200932		200932
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	351		351		351
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	3234		3234		3234
341 Tenant Security Deposits	3525		3525		3525
342 Deferred Revenues	191		191		191
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
348 Accrued Liabilities - Other					

	Project Total	COCC	Subtotal	ELIM	Total
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	7301		7301		7301
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	0		0		0
300 Total Liabilities	7301		7301		7301
508.1 Invested In Capital Assets, Net of Related Debt	160966		160966		160966
509.2 Fund Balance Reserved					
511.2 Unreserved, Designated Fund Balance					
511.1 Restricted Net Assets					
512.1 Unrestricted Net Assets	32665		32665		32665
512.2 Unreserved, Undesignated Fund Balance					
513 Total Equity/Net Assets	193631		193631		193631
600 Total Liabilities and Equity/Net Assets	200932		200932		200932

# Entity Wide Revenue and Expense Summary

LA077

06/30/2009

Audited/Non-A-133

	Project Total	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	40200		40200		40200
70400 Tenant Revenue - Other	1032		1032		1032
70500 Total Tenant Revenue	41232		41232		41232
70600 HUD PHA Operating Grants	57519		57519		57519
70610 Capital Grants	10671		10671		10671
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted	268		268		268
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	3146		3146		3146
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	112836		112836		112836
91100 Administrative Salaries	690		690		690
91200 Auditing Fees	6800		6800		6800
91300 Management Fee	18000		18000		18000
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit Contributions - Administrative	32		32		32

	Project Total	COCC	Subtotal	ELIM	Total
91600 Office Expenses	7429		7429		7429
91700 Legal Expense					
91800 Travel	5536		5536		5536
91810 Allocated Overhead					
91900 Other	3309		3309		3309
91000 Total Operating - Administrative	41796		41796		41796
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	0		0		0
93100 Water	7068		7068		7068
93200 Electricity	790		790		790
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	7858		7858		7858
94100 Ordinary Maintenance and Operations - Labor	2757		2757		2757
94200 Ordinary Maintenance and Operations - Materials and Other	6272		6272		6272
94300 Ordinary Maintenance and Operations Contracts	23234		23234		23234
94500 Employee Benefit Contributions - Ordinary Maintenance	589		589		589
94000 Total Maintenance	32852		32852		32852
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	0		0		0

	Project Total	COCC	Subtotal	ELIM	Total
96110 Property Insurance	6002		6002		6002
96120 Liability Insurance	1894		1894		1894
96130 Workmen's Compensation	338		338		338
96140 All Other Insurance	1230		1230		1230
96100 Total Insurance Premiums	9464		9464		9464
96200 Other General Expenses					
96210 Compensated Absences					
96300 Payments in Lieu of Taxes	3234		3234		3234
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	3234		3234		3234
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	0		0		0
96500 Total Operating Expenses	95204		95204		95204
97000 Excess of Operating Revenue over Operating Expenses	17632		17632		17632
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized	500		500		500
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	22401		22401		22401
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	118105		118105		118105

	Project Total	COCC	Subtotal	ELIM	Total
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	0		0		0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-5269		-5269		-5269
11020 Required Annual Debt Principal Payments	0		0		0
11030 Beginning Equity	180336		180336		180336
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	18564		18564		18564
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	312		312		312
11210 Number of Unit Months Leased	288		288		288
11270 Excess Cash	0		0		0
11610 Land Purchases	0		0		0
11620 Building Purchases	0		0		0
11630 Furniture & Equipment - Dwelling Purchases	0		0		0
11640 Furniture & Equipment - Administrative Purchases	0		0		0

	Project Total	COCC	Subtotal	ELIM	Total
11650 Leasehold Improvements Purchases	0		0		0
11660 Infrastructure Purchases	0		0		0
13510 CFFP Debt Service Payments	0		0		0
13901 Replacement Housing Factor Funds	0		0		0