

**VERNON PARISH HOUSING AUTHORITY, LOUISIANA**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED SEPTEMBER 30, 2012**

**Mike Estes, P.C.**  
A Professional Accounting Corporation

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and the  
AICPA GOVERNMENTAL  
AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners  
Vernon Parish Housing Authority  
Leesville, Louisiana

We have audited the accompanying financial statements of each major fund of the Vernon Parish Housing Authority, Louisiana as of and for the year ended September 30, 2012, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Vernon Parish Housing Authority, Louisiana's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Vernon Parish Housing Authority, Louisiana, as of September 30, 2012, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2013, on our consideration of the Vernon Parish Housing Authority, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. 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 express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying Financial Data Schedules required by HUD and other accompanying information are presented for purposes of additional analysis and are not required parts of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mike Estes, P.C.  
Fort Worth, Texas  
April 24, 2013



**VERNON PARISH HOUSING AUTHORITY, LOUISIANA**

**REQUIRED SUPPLEMENTAL INFORMATION**

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

**September 30, 2012**

**The management of Public Vernon Parish Housing Authority, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2012. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.**

## **FINANCIAL HIGHLIGHTS**

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$2,224,640 at the close of the fiscal year ended 2012.
  - ✓ Of this amount \$1,949,545 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
  - ✓ Also of this amount, \$13,382 of net assets are restricted for the Housing Choice Voucher program
  - ✓ The remainder of \$261,713 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 36% of the total operating expenses of \$743,655 for the fiscal year 2012, which means the Authority might be able to operate about 4 months using the unrestricted assets alone, compared to 5 months in the prior fiscal year.
- The Housing Authority's total net assets decreased by \$216,204, a 9% decrease from the prior fiscal year 2011. This decrease is attributable to significant increases in Federal grants for both operations and capital improvements, described in more detail below.
- The decrease in net assets of these funds was accompanied by a decrease in unrestricted cash by \$94,981 from fiscal year 2011, primarily due to spending \$94,853 more for operations than Federal funds received for operations; spending \$9 less for capital assets than Federal capital grants received; and transferring \$204 of excess cash into investments
- The Authority spent \$4,663 on capital asset additions and \$23,856 on construction in progress during the current fiscal year.
- These changes led to a decrease in total assets by \$226,760 and a decrease in total liabilities by \$10,556. As related measure of financial health, there are still over \$16 of current assets covering each dollar of total current liabilities, which compares to \$16 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

### Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2012?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

### Fund Financial Statements

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

The Housing Authority's financial statements report its net assets and changes in them. One can think of the Housing Authority's net assets – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

## USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

Low Rent Public Housing	\$ 76,649
Public Housing Capital Fund Program	85,197
Housing Choice Vouchers	<u>175,089</u>
Total funding received this current fiscal year	<u>\$ 336,935</u>

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

### Reporting the Housing Authority's Most Significant Funds

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

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

### FINANCIAL ANALYSIS

The Housing Authority's net assets were \$2,224,642 as of September 30, 2012. Of this amount, \$1,949,545 was invested in capital assets, and the remaining \$261,714 was unrestricted. There were \$13,382 in specific assets restricted Housing Choice Voucher (HCV) program, for tenant security deposits and future housing payment reserves

### CONDENSED FINANCIAL STATEMENTS

<b>Condensed Statement of Net Assets As of September 30, 2012</b>		
	<b><u>2012</u></b>	<b><u>2011</u></b>
<b>ASSETS</b>		
Current assets	\$ 290,500	\$375,850
Assets restricted for Housing Choice Voucher (HCV) program,	13,382	19,927
Capital assets, net of depreciation	<u>1,949,545</u>	<u>2,084,410</u>
Total assets	<u><u>2,253,427</u></u>	<u><u>2,480,187</u></u>
<b>LIABILITIES</b>		
Current liabilities	17,981	23,662
Non-current liabilities	<u>10,806</u>	<u>15,681</u>
Total liabilities	<u>28,787</u>	<u>39,343</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of depreciation	1,949,545	2,084,410
Net assets restricted for the Housing Choice Voucher program	13,382	19,927
Unrestricted net assets	<u>261,713</u>	<u>336,507</u>
Total net assets	<u><u>2,224,640</u></u>	<u><u>2,440,844</u></u>
Total liabilities and net assets	<u><u>2,253,427</u></u>	<u><u>2,480,187</u></u>

Vernon Parish Housing Authority, Louisiana  
Management's Discussion and Analysis (MD&A)  
September 30, 2012

**CONDENSED FINANCIAL STATEMENTS (Continued)**

The net assets of these funds decreased by \$216,204, or by 9%, from those of fiscal year 2011, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Fiscal Year Ended September 30, 2012**

	2012	2011
<b>OPERATING REVENUES</b>		
Dwelling rental	\$ 152,629	\$ 147,095
Governmental operating grants	313,080	396,829
Other	36,348	41,055
Total Operating Revenues	502,057	584,979
<b>OPERATING EXPENSES</b>		
Administration	166,676	165,292
Tenant services	200	0
Utilities	20,151	22,925
Ordinary maintenance & operations	163,432	180,795
General expenses	64,435	71,545
Depreciation	159,457	161,093
Extraordinary maintenance	10,742	0
Housing assistance payments	158,563	164,991
Total Operating Expenses	743,656	766,641
Income (Loss) from Operations	(241,599)	(181,662)
Non Operating Revenues (Expenses)		
Interest earnings	804	1,781
Loss on disposal of assets	736	0
Total Non-Operating Revenues (Expenses)	1,540	1,781
Income (Loss) before contribution	(240,059)	(179,881)
Capital Contribution	23,855	55,753
Change in net assets	(216,204)	(124,128)
Total net assets - beginning	2,440,844	2,564,972
Total net assets - ending	\$ 2,224,640	\$ 2,440,844

## EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and non-operating revenues decreased \$115,061, or by 18%, from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue increased by \$8,108, or by 5%, from that of the prior fiscal year, due to the amount of rent each tenant pays which is based on a sliding scale of their personal income. Some tenants' personal incomes increased, so rent revenue from these tenants increased accordingly, raising the overall total. Finally, other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) decreased by \$2,574, or by 33%.
- Federal revenues from HUD for operations decreased by \$83,749, or by 21%, from that of the prior fiscal year. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant. There was a decrease in the number of eligible tenants receiving subsidies, so Housing Assistance Grants decreased accordingly, lowering the overall total.
- Federal Capital Funds from HUD decreased by \$115,647, from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2009 through 2012.
- Total other operating revenue decreased by \$4,707, or by 12%, from that of the prior fiscal year, because the Authority received proceeds from casualty insurance claims, which were recorded as other income by the Authority in the year received, and the Authority received some waivers of payments in lieu of taxes (PILOT) from its related City taxing authority. In contrast, gains on the sale of capital assets did increase by \$736.
- Interest income decreased by \$977, or by 55%, from that of the prior fiscal year due to fluctuating interest rates from economic instability.

Compared with the prior fiscal year, total operating expenses decreased \$22,985, or by 3%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense decreased by \$1,637 from that of the prior fiscal year, because existing capital assets are reaching the end of their estimated useful lives.
- Maintenance and repairs decreased by \$17,363, from that of the prior fiscal year, due to several factors: Repair staff wages decreased by \$322, however, related employee benefit contributions increased by \$792. Also, materials used decreased by \$17,307, or by 38%, and contract labor costs decreased by \$323, or by 4%.
- General Expenses decreased by \$7,110, or by 13%, from that of the prior fiscal year, and payments in lieu of taxes (PILOT) increased by \$831, or by 7%. PILOT is calculated as a percentage of rent minus utilities which, therefore, changed proportionately to the changes in each of these. Insurance premiums decreased by \$1,683, or by 4%, since property and casualty insurance premiums decreased. Lastly, bad debts decreased by \$1,850, or by 42%, and compensated absences decreased by \$4,407.

Vernon Parish Housing Authority, Louisiana  
Management's Discussion and Analysis (MD&A)  
September 30, 2012

- Administrative Expenses increased by \$1,384, or by 2%, from that of the prior fiscal year, due to a combination of offsetting factors: Administrative staff salaries decreased by \$1,113 and related employee benefit contributions decreased by \$4,144. In addition, staff training/travel reimbursements increased by \$1,868, office expenses increased by \$3,533, and sundry expenses increased by \$1,240; therefore, other staff administrative expense increased by 20%.
- Housing Assistance Payments to landlords decreased by \$6,428, or by 4%, from that of the prior fiscal year, because there was a decrease in the number of tenants qualifying for subsidy during the year.
- Utilities Expense decreased by \$2,774, or by 12%, from that of the prior fiscal year, due to numerous cumulative factors: Water cost decreased by \$16, due to requesting a flat rate for consumption; electricity cost increased by \$806, due to an increase in rate; gas cost increased by \$243, due to an increase in rate by 37%; and finally, other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) decreased by \$3,564, or by 27%.
- Lastly, Tenant Services - Other increased by \$200 from that of the prior fiscal year.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At September 30, 2012, the Housing Authority had a total cost of \$4,420,774 invested in a broad range of assets and construction in progress from projects funded in 2009 through 2012, listed below. This amount, not including depreciation, represents increases of \$19,806 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

#### Capital Assets, Net of Accumulated Depreciation As of September 30, 2012

	<u>2012</u>	<u>2011</u>
Land	\$ 156,735	\$156,735
Construction in progress	27,331	3,476
Buildings	1,560,853	1,676,343
Leasehold improvements	178,422	198,401
Furniture and equipment	26,204	49,455
Total	<u>1,949,545</u>	<u>2,084,410</u>

As of the end of the 2012 fiscal year, the Authority is still in the process of completing HUD grants of \$444,000 obtained during 2009 through 2012 fiscal years. A total remainder of \$281,510 will be received and \$280,714 will be spent for completing these projects during fiscal year 2013.

### Debt

Non-current liabilities also include accrued annual vacation and sick leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2013 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

### **CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Lori Wilson, at Public Vernon Parish Housing Authority, Louisiana; P.O Box 1247; Leesville, LA 71496.



VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
STATEMENT OF NET ASSETS

SEPTEMBER 30, 2012

	General	Housing Choice Voucher	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 77,581	\$ 5,397	\$ 82,978
Investments	165,904	0	165,904
Accounts receivable net	1,399	0	1,399
Interest receivable	12	0	12
Prepaid items and other assets	14,411	0	14,411
Inventory	14,746	0	14,746
Restricted assets - cash and cash equivalents	11,050	13,382	24,432
	<u>285,103</u>	<u>18,779</u>	<u>303,882</u>
Capital Assets, net			
Land and other non-depreciated assets	184,066	0	184,066
Other capital assets - net of depreciation	1,765,479	0	1,765,479
	<u>1,949,545</u>	<u>0</u>	<u>1,949,545</u>
Total Assets	<u>\$ 2,234,648</u>	<u>18,779</u>	<u>\$ 2,253,427</u>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	\$ 1,283	\$ 45	\$ 1,328
Deferred revenue	1,163	0	1,163
Compensated absences payable	4,131	309	4,440
Deposits due others	11,050	0	11,050
	<u>17,627</u>	<u>354</u>	<u>17,981</u>
Noncurrent Liabilities			
Compensated absences payable	10,101	705	10,806
	<u>27,728</u>	<u>1,059</u>	<u>28,787</u>
NET ASSETS			
Invested in capital assets, net of related debt	1,949,545	0	1,949,545
Restricted	0	13,382	13,382
Unrestricted	257,375	4,338	261,713
	<u>2,206,920</u>	<u>17,720</u>	<u>2,224,640</u>
Net Assets	<u>2,206,920</u>	<u>17,720</u>	<u>2,224,640</u>
Total Liabilities and Net Assets	<u>\$ 2,234,648</u>	<u>18,779</u>	<u>\$ 2,253,427</u>
	<u>          </u>	<u>          </u>	<u>          </u>

The Notes to the Financial Statements are an integral part of these statements.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	General	Housing Choice Voucher	Total
	<hr/>	<hr/>	<hr/>
<b>OPERATING REVENUES</b>			
Dwelling rental	\$ 152,629	\$ 0	\$ 152,629
Governmental operating grants	137,991	175,089	313,080
Other	35,834	514	36,348
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	326,454	175,603	502,057
	<hr/>	<hr/>	<hr/>
<b>OPERATING EXPENSES</b>			
Administration	151,243	15,433	166,676
Tenant services	200	0	200
Utilities	20,151	0	20,151
Ordinary maintenance & operations	163,432	0	163,432
General expenses	61,966	2,469	64,435
Depreciation	159,457	0	159,457
Extraordinary maintenance	10,742	0	10,742
Housing assistance payments	0	158,563	158,563
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	567,191	176,465	743,656
	<hr/>	<hr/>	<hr/>
Income (Loss) from Operations	(240,737)	(862)	(241,599)
	<hr/>	<hr/>	<hr/>
Non Operating Revenues (Expenses)			
Interest earnings	738	66	804
Gain on disposal of assets	736	0	736
	<hr/>	<hr/>	<hr/>
Total Non-Operating Revenues (Expenses)	1,474	66	1,540
	<hr/>	<hr/>	<hr/>
Income (Loss) before contribution	(239,263)	(796)	(240,059)
	<hr/>	<hr/>	<hr/>
Capital Contribution	23,855	0	23,855
	<hr/>	<hr/>	<hr/>
Change in net assets	(215,408)	(796)	(216,204)
	<hr/>	<hr/>	<hr/>
Total net assets - beginning	2,422,328	18,516	2,440,844
	<hr/>	<hr/>	<hr/>
Total net assets - ending	\$ 2,206,920	\$ 17,720	\$ 2,224,640
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Notes to the Financial Statements are an integral part of these statements.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	General	Housing Choice Voucher	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Rental receipts	\$ 150,663	\$ 0	\$ 150,663
Other receipts	35,884	514	36,398
Federal grants	137,195	175,089	312,284
Payments to vendors	(178,684)	(3,063)	(181,747)
Payments to employees – net	(237,766)	(16,870)	(254,636)
Payments to private landlords	0	(158,563)	(158,563)
	<u>          </u>	<u>          </u>	<u>          </u>
Net cash provided (used) by operating activities	(92,708)	(2,893)	(95,601)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from sale of capital assets	736	0	736
Purchase of capital assets	(24,592)	0	(24,592)
Federal Capital Grants	23,855	0	23,855
	<u>          </u>	<u>          </u>	<u>          </u>
Net cash provided (used) by capital and related financing activities	(1)	0	(1)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest income	759	66	825
Purchase of investments	(204)	0	(204)
	<u>          </u>	<u>          </u>	<u>          </u>
Net cash provided (used) by investing activities	555	66	621
	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(92,154)	(2,827)	(94,981)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>CASH AND CASH EQUIVALENTS</b>			
Beginning of Fiscal Year	180,785	21,606	202,391
	<u>          </u>	<u>          </u>	<u>          </u>
<b>CASH AND CASH EQUIVALENTS</b>			
End of Fiscal Year	\$ 88,631	18,779	107,410
	<u>          </u>	<u>          </u>	<u>          </u>

Continued

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	General	Housing Choice Voucher	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (240,737)	\$ (862)	\$ (241,599)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation Expense	159,457	0	159,457
Provision of uncollectible accounts	208	0	208
Change in assets and liabilities:			
Receivables	(982)	0	(982)
Inventories	(4,187)	0	(4,187)
Prepaid items	2,056	0	2,056
Account payables	(4,037)	45	(3,992)
Accrued compensated absences	(5,342)	(2,076)	(7,418)
Deferred revenue	806	0	806
Deposits due others	50	0	50
Net cash provided (used) by operations	<u>\$ (92,708)</u>	<u>\$ (2,893)</u>	<u>\$ (95,601)</u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Vernon Parish Housing Authority, Louisiana have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the state of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Policy Jury of Vernon Parish, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW 2027	66
Section 8		
Housing Choice Vouchers	LA-128VO	66

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 with HUD approval.

The Housing Authority is a related organization of the Parish of Vernon Parish since the Parish of Vernon Parish appoints a voting majority of the Housing Authority's governing board. The Parish of Vernon Parish 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 Parish of Vernon Parish. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Parish of Vernon Parish.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

- 1) Appointing a voting majority of an organization's governing body, and:
  - a) The ability of the government to impose its will on that organization and/or
  - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

**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.

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program. The housing choice voucher fund accounts for the Section 8 Housing Choice Voucher program.

### **C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**PROPRIETARY FUNDS** Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

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

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

**D. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, 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.

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$107,410. This is comprised of cash and cash equivalents of \$82,978 and restricted assets – cash of \$24,432, on the statement of net assets.

**E. INVESTMENTS** Investments are limited to L.S.-R.S. 33:2955 and the Housing Authority investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The Housing Authority reported at amortized cost money market investments participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

**F. REVENUE RECOGNITION** Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.



VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

**G. INVENTORY** All purchased inventory items are valued at cost using the 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

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

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

**J. 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.

**K. 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.

**L. POST EMPLOYMENT BENEFITS** The Authority does not recognize or pay any post employment benefits. Accordingly, Governmental Accounting Standards Board (GASB) Statement Number 45 does not apply.

**M. 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.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

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

**N. 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 statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – DEPOSITS AND INVESTMENTS** The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2012. Deposits are stated at cost, which approximates fair value.

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

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$11,050 is restricted in the General Fund for security deposits. \$13,382 is restricted in the Housing Choice Voucher fund for HAP Equity.

At September 30, 2012, the Housing Authority's carrying amount of deposits was \$273,154 and the bank balance was \$284,829, which includes \$165,904 in certificates of deposits classified as investments. Petty cash consists of \$160. \$250,000 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$34,829 was covered by pledged securities. However, this \$34,829 was exposed to custodial credit risk, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand. Investments during the year were solely in time deposits at banks.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

**NOTE 3 – ACCOUNTS RECEIVABLE** The receivables at September 30, 2012, are as follows:

	General	Housing Choice Voucher	Total
<u>Class of Receivables</u>			
Local sources:			
Tenants	\$ 603	\$ 0	\$ 603
Federal sources:			
Grants	796	0	796
Total	\$ 1,399	\$ 0	\$ 1,399

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

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 156,735	\$ 0	\$ 0	\$ 156,735
Construction in progress	3,475	23,856	0	27,331
Depreciable assets:				
Buildings	4,078,699	4,663	0	4,083,362
Furniture and equipment	162,059	0	8,713	153,346
Total capital assets	4,400,968	28,519	8,713	4,420,774
Less: accumulated depreciation				
Buildings	2,203,102	143,428	0	2,346,530
Furniture and equipment	113,456	15,293	4,050	124,699
Total accumulated deprecation	2,316,558	158,721	4,050	2,471,229
Total capital assets, net	\$ 2,084,410	\$ (130,202)	\$ 4,663	\$ 1,949,545

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

**NOTE 5 – ACCOUNTS PAYABLE** The payables at September 30, 2012 are as follows:

	General	Housing Choice Voucher	Total
Payroll taxes & Retirement withheld	1,283	45	1,328
Total	\$ 1,283	\$ 45	\$ 1,328

**NOTE 6 – COMPENSATED ABSENCES** At September 30, 2012, employees of the Housing Authority have accumulated and vested \$15,246 of employee leave computed in accordance with GASB, Codification Section C60.

**NOTE 7 – LONG – TERM OBLIGATIONS** The following is a summary of the long – term obligation transactions for the year ended September 30, 2012.

	Compensated Absences
Balance, beginning	\$ 21,699
Additions	7,010
Deletions	13,463
Balance, ending	15,246
Amounts due in one year	\$ 4,440

**NOTE 8 – RETIREMENT SYSTEM** The Housing Authority participates in the Housing Agency Retirement Trust, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous employment.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 5% of his effective compensation and may make additional contributions. The employer is required to make monthly contributions equal to 7% of each participant's effective compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the Housing Renewal and Local Agency Retirement Plan may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$14,462 for the year ended September 30, 2012, of which \$7,953 was paid by the Housing Authority and \$6,509 was paid by employees. No payments were made out of the forfeiture account.

#### **NOTE 9 – COMMITMENTS AND CONTINGENCIES**

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

**Grant Disallowances** The Housing Authority participates in a number of 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 disallowance, if any, which may arise from future audits will not be material.

**Construction Projects** There are certain renovation or construction projects in progress at September 30, 2012. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

**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 transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of property, general liability, public liability, and worker's compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council Group Self Insured Fund (LHC) risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

**NOTE 10 – ECONOMIC DEPENDENCE** The Department of Housing and Urban Development provided \$336,935 to the Housing Authority, which represents approximately 64% of the Housing Authority's total revenue and capital contributions for the year.

**NOTE 11 - SUBSEQUENT EVENTS** Management has evaluated events and transactions subsequent to the statement of net assets sheet date through the date of the independent auditor's report (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

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MEMBER OF THE  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC  
ACCOUNTANTS  
*and the*  
AICPA GOVERNMENTAL  
AUDIT QUALITY CENTER

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

Vernon Parish Housing Authority  
Vernon Parish, Louisiana

We have audited the basic financial statements of the Vernon Parish Housing Authority, Louisiana, as of and for the year ended September 30, 2012, and have issued our report thereon dated April 24, 2013. 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 Vernon Parish Housing Authority, Louisiana'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 Vernon Parish Housing Authority, Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Vernon Parish Housing Authority, Louisiana's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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



### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Vernon Parish Housing Authority, Louisiana'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as Audit Findings 12-01 and 12-02.

The Vernon Parish Housing Authority, Louisiana's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Vernon Parish Housing Authority, Louisiana's responses and, accordingly, we express no opinion on the responses.

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

Mike Estes, P.C.  
Fort Worth, Texas  
April 24, 2013



VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED YEAR ENDED SEPTEMBER 30, 2012

**Section I – Summary of the Auditor's Results**

**Financial Statement Audit**

1. Type of Auditor's Report Issued on Financial Statements – Unqualified.
2. Internal Control Over Financial Reporting:
  - a. Material weakness(es) identified? \_\_\_\_\_ yes ✓ no
  - b. Significant deficiency(ies) identified? \_\_\_\_\_ yes ✓ none reported
3. Noncompliance material to financial statements noted? ✓ yes \_\_\_\_\_ no

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2012

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

The long-time Executive Director resigned and her last day was May 31, 2012. An Interim Executive Director's first day was June 1. She was terminated. Her last day was January 8, 2013. The new Executive Director's first day was February 16, 2013.

**Finding 12-01-Lack of Adequate Quality Control Checks**

**Statement of Condition**

The issues we note include the following:

1. Of the nine Low Rent tenant files we examined, five were audit year move-ins. One applicant and move-in was not listed on the waiting list. Subsequently, the PHA staff reviewed other Low Rent and Section Eight audit year move-ins. It appears there were two additional Low Rent audit year move-ins that were not listed on the waiting list. It appears that a temporary procedure was to stack the applications in date order, and primarily determine who to offer based on proper date by reviewing the stack. No exceptions were noted for the Section Eight waiting list.
2. Of the seven Section Eight tenant files we examined, four were audit year move-ins. Two of the four audit year move-ins did not include rent reasonableness documentation in the files.
3. There was no documentation that utility allowances were reviewed during the audit year. Federal regulations require that the allowances being reviewed annually, and if any rate category increases 10% or more since the last utility allowance adjustment, the rates must be revised.
4. From October 2011 through March 2012, no other charges were assessed to tenants, other than late charges. Late charges include non-routine damages noted when work orders are completed. Work order charges, other than late fees, for May 2011 through September 2011 averaged \$714 per month, or \$3,568 total. If the late charges that perhaps should have been assessed were approximately the same, the PHA lost \$3,568, less the uncollectible portion.
5. We noted there was one Section Eight landlord that should have received a 1099 for 2012 that did not receive one.
6. The proceedings of board minutes were not published between approximately June 2012 and February 2013.

The above issues would have been minimized if adequate control had been performed by a qualified, competent individual, as required as noted above.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2012

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

Finding 12-01-Lack of Adequate Quality Control Checks (continued)

Criteria

The July 2007 Revision [and earlier versions] of Government Auditing Standards state that generally accepted government auditing standards incorporate AICPA auditing standards.

Under Statement on Auditing Standard #115, effective for years ended 12/31/09 and after [prior to this, SAS #112 was in effect with similar language] “inadequate design of controls over a significant account or process” may also be a significant deficiency or a material weakness, as defined by the Standard. Errors made in maintenance of the waiting list, lack of rent reasonableness, lack of a review of utility allowances, lack of other charges assessed to tenants, and lack of proper controls over issuance of 1099s are significant, especially when collectively considered.

A lack of documented quality control checks over the areas noted above indicate an “inadequate design of controls.”

Louisiana state law requires that the proceedings of board minutes be published in a local publication.

Effect

Federal regulations and state law were not complied with.

Cause

Unknown.

Recommendation

The Authority should perform and document the above tests and avoid exceptions.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2012

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

Finding 12-02-Late Submission of Financial Reporting to the Legislative Auditor

Statement of Condition

The audited financial statements were not timely submitted to the Legislative Auditor.

Criteria

The Authority's annual financial statements and accompanying independent auditor's report are required to be submitted to the Office of the Legislative Auditor on or before six months after fiscal year-end, March 31, 2013. This audit report was not timely submitted.

Effect

State law was not complied with. In addition, the Legislative Auditor's Office was unable to timely monitor the audit and the audit findings, since the Office did not timely receive the report.

Cause

As previously noted, the new Executive Director did not start until February 13, 2013. She was met with a barrage of paperwork and duties, including trying to gather things previously requested by the independent auditor.

Recommendation

The audit report should be timely filed.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2012

1. Corrective Action Plan Finding 12 – 01 – Lack of Adequate Quality Control Checks

Contact person – Executive Director.

I am Lori Lee Wilson, Executive Director and Designated Person to answer these findings.

Corrective action planned – Since I became the Executive Director in February 2013, we are properly documenting all of the required items for the waiting lists and tenant files. We will secure a utility allowance review this audit year. We are currently properly charging tenants for other charges. We amended our 2012 1099s to include the one overlooked by the auditor. We will improve our process to make sure we do not overlook a 1099 that should be issued this year. We are publishing the proceedings of our board minutes in a local publication.

Anticipated completion date – Within the next fiscal year.

2. Corrective Action Plan Finding 12 – 02 – Late Submission of Financial Reporting to the Legislative Auditor-Response

Contact person – Executive Director.

Corrective action planned – We will timely submit our audit reports in the future.

Anticipated completion date – Within the next fiscal year.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2012

**The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:**

There were no prior audit findings.

## SUPPLEMENTARY INFORMATION

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2012

CASH BASIS

	2009 Capital Fund	2010 Capital Fund	2011 Capital Fund	2012 Capital Fund
Funds approved	\$ 124,301	\$ 123,136	\$ 102,311	\$ 94,252
Funds expended	81,338	25,067	56,623	196
Excess of funds approved	<u>\$ 42,963</u>	<u>\$ 98,069</u>	<u>\$ 45,688</u>	<u>\$ 94,056</u>
Funds advanced	\$ 82,105	\$ 25,067	\$ 55,827	\$ 196
Funds expended	81,338	25,067	56,623	196
Excess (Deficiency) of funds	<u>\$ 767</u>	<u>\$ 0</u>	<u>\$ (796)</u>	<u>\$ 0</u>

See accountants' report



VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2012

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
<hr/>		
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 76,649
Capital Fund Program	14.872	85,197
Housing Choice Voucher	14.871	175,089
		<hr/>
Total United States Department of Housing and Urban Development		\$ 336,935
		<hr/>
Total Expenditures of Federal Awards		\$ 336,935
		<hr/>

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2012

**NOTE 1 – GENERAL** The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the Vernon Parish Housing Authority, Louisiana (the “Housing Authority”). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

**NOTE 2 – BASIS OF ACCOUNTING** The accompanying schedule of expenditures of federal awards is presented using the accrual basis of accounting, which is described in note 1(C) to the Housing Authority’s basic financial statements.

**NOTE 3 – RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the Housing Authority’s basic financial statements as follows:

	Federal Sources
Enterprise Funds	
Governmental operating grants	\$ 313,080
Capital contributions	23,855
	<hr/>
Total	\$ 336,935
	<hr/> <hr/>

**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 generally accepted accounting principles.

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2012

**Entity Wide Balance Sheet Summary**

	Project Total	14.871 Housing Choice Vouchers	Total
111 Cash - Unrestricted	\$77,581	\$5,397	\$82,978
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$13,382	\$13,382
114 Cash - Tenant Security Deposits	\$11,050	\$0	\$11,050
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0
100 Total Cash	\$88,631	\$18,779	\$107,410
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$796	\$0	\$796
124 Accounts Receivable - Other Government	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$603	\$0	\$603
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0
129 Accrued Interest Receivable	\$12	\$0	\$12
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,411	\$0	\$1,411
131 Investments - Unrestricted	\$165,904	\$0	\$165,904
132 Investments - Restricted	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$14,411	\$0	\$14,411
143 Inventories	\$15,522	\$0	\$15,522
143.1 Allowance for Obsolete Inventories	-\$776	\$0	-\$776
144 Inter Program Due From	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0
150 Total Current Assets	\$285,103	\$18,779	\$303,882
161 Land	\$156,735	\$0	\$156,735
162 Buildings	\$3,217,635	\$0	\$3,217,635
163 Furniture, Equipment & Machinery - Dwellings	\$47,052	\$0	\$47,052
164 Furniture, Equipment & Machinery - Administration	\$106,294	\$0	\$106,294
165 Leasehold Improvements	\$865,727	\$0	\$865,727
166 Accumulated Depreciation	-\$2,471,229	\$0	-\$2,471,229
167 Construction in Progress	\$27,331	\$0	\$27,331
168 Infrastructure	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,949,545	\$0	\$1,949,545
171 Notes, Loans and Mortgages Receivable - Non-Current		\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due		\$0	\$0
173 Grants Receivable - Non Current		\$0	\$0
174 Other Assets		\$0	\$0
176 Investments in Joint Ventures		\$0	\$0
180 Total Non-Current Assets	\$1,949,545	\$0	\$1,949,545
190 Total Assets	\$2,234,648	\$18,779	\$2,253,427

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2012

**Entity Wide Balance Sheet Summary**

	Project Total	14.871 Housing Choice Vouchers	Total
311 Bank Overdraft	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$0	\$0	\$0
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$1,283	\$45	\$1,328
322 Accrued Compensated Absences - Current Portion	\$4,131	\$309	\$4,440
324 Accrued Contingency Liability		\$0	\$0
325 Accrued Interest Payable		\$0	\$0
331 Accounts Payable - HUD PHA Programs		\$0	\$0
332 Account Payable - PHA Projects		\$0	\$0
333 Accounts Payable - Other Government		\$0	\$0
341 Tenant Security Deposits	\$11,050	\$0	\$11,050
342 Deferred Revenues	\$1,163	\$0	\$1,163
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds		\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings		\$0	\$0
345 Other Current Liabilities		\$0	\$0
346 Accrued Liabilities - Other		\$0	\$0
347 Inter Program - Due To	\$0	\$0	\$0
348 Loan Liability - Current		\$0	\$0
310 Total Current Liabilities	\$17,627	\$354	\$17,981
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings		\$0	\$0
353 Non-current Liabilities - Other		\$0	\$0
354 Accrued Compensated Absences - Non Current	\$10,101	\$705	\$10,806
355 Loan Liability - Non Current		\$0	\$0
356 FASB 5 Liabilities		\$0	\$0
357 Accrued Pension and OPEB Liabilities		\$0	\$0
350 Total Non-Current Liabilities	\$10,101	\$705	\$10,806
300 Total Liabilities	\$27,728	\$1,059	\$28,787
508.1 Invested In Capital Assets, Net of Related Debt	\$1,949,545	\$0	\$1,949,545
511.1 Restricted Net Assets		\$13,382	\$13,382
512.1 Unrestricted Net Assets	\$257,375	\$4,338	\$261,713
513 Total Equity/Net Assets	\$2,206,920	\$17,720	\$2,224,640
600 Total Liabilities and Equity/Net Assets	\$2,234,648	\$18,779	\$2,253,427

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2012

**Single Project Revenue and Expense**

	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$152,629	\$0	\$152,629
70400 Tenant Revenue - Other	\$10,260	\$0	\$10,260
70500 Total Tenant Revenue	\$162,889	\$0	\$162,889
70600 HUD PHA Operating Grants	\$76,649	\$61,342	\$137,991
70610 Capital Grants		\$23,855	\$23,855
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		\$0	\$0
71100 Investment Income - Unrestricted	\$738	\$0	\$738
71200 Mortgage Interest Income		\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale		\$0	\$0
71310 Cost of Sale of Assets		\$0	\$0
71400 Fraud Recovery		\$0	\$0
71500 Other Revenue	\$25,574	\$0	\$25,574
71600 Gain or Loss on Sale of Capital Assets	\$736	\$0	\$736
72000 Investment Income - Restricted		\$0	\$0
70000 Total Revenue	\$266,586	\$85,197	\$351,783
91100 Administrative Salaries	\$65,371	\$0	\$65,371
91200 Auditing Fees	\$9,130	\$0	\$9,130
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$32	\$0	\$32
91500 Employee Benefit contributions - Administrative	\$36,953	\$0	\$36,953
91600 Office Expenses	\$26,491	\$0	\$26,491
91700 Legal Expense	\$3,600	\$0	\$3,600
91800 Travel	\$2,513	\$0	\$2,513
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$7,153	\$0	\$7,153
91000 Total Operating - Administrative	\$151,243	\$0	\$151,243
92000 Asset Management Fee	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0
92400 Tenant Services - Other	\$200	\$0	\$200
92500 Total Tenant Services	\$200	\$0	\$200
93100 Water	\$960	\$0	\$960
93200 Electricity	\$9,601	\$0	\$9,601
93300 Gas	\$1,321	\$0	\$1,321

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2012

**Single Project Revenue and Expense**

	Low Rent	Capital Fund	Total Project
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$8,269	\$0	\$8,269
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$20,151	\$0	\$20,151
94100 Ordinary Maintenance and Operations - Labor	\$78,021	\$0	\$78,021
94200 Ordinary Maintenance and Operations - Materials and Other	\$28,395	\$0	\$28,395
94300 Ordinary Maintenance and Operations Contracts	\$12,911		\$12,911
94500 Employee Benefit Contributions - Ordinary Maintenance	\$44,105	\$0	\$44,105
94000 Total Maintenance	\$163,432	\$0	\$163,432
95100 Protective Services - Labor	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$20,143	\$0	\$20,143
96120 Liability Insurance	\$8,196	\$0	\$8,196
96130 Workmen's Compensation	\$6,395	\$0	\$6,395
96140 All Other Insurance	\$3,611	\$0	\$3,611
96100 Total insurance Premiums	\$38,345	\$0	\$38,345
96200 Other General Expenses	\$0	\$0	\$0
96210 Compensated Absences	\$7,787	\$0	\$7,787
96300 Payments in Lieu of Taxes	\$13,248	\$0	\$13,248
96400 Bad debt - Tenant Rents	\$2,586	\$0	\$2,586
96500 Bad debt - Mortgages	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0
96000 Total Other General Expenses	\$23,621	\$0	\$23,621
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$396,992	\$0	\$396,992
97000 Excess of Operating Revenue over Operating Expenses	-\$130,406	\$85,197	-\$45,209
97100 Extraordinary Maintenance	\$10,742	\$0	\$10,742
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2012

**Single Project Revenue and Expense**

	Low Rent	Capital Fund	Total Project
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$159,457	\$0	\$159,457
97500 Fraud Losses	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense	\$0	\$0	\$0
90000 Total Expenses	\$567,191	\$0	\$567,191
10010 Operating Transfer In	\$61,342	\$0	\$61,342
10020 Operating transfer Out	\$0	-\$61,342	-\$61,342
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$61,342	-\$61,342	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$239,263	\$23,855	-\$215,408
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$2,394,083	\$28,245	\$2,422,328
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	790		790
11210 Number of Unit Months Leased	777		777
11270 Excess Cash	\$205,237		\$205,237
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
11650 Leasehold Improvements Purchases	\$0	\$23,855	\$23,855
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2012

**Entity Wide Revenue and Expense Summary**

	Project Total	14.871 Housing Choice Vouchers	Total
70300 Net Tenant Rental Revenue	\$152,629	\$0	\$152,629
70400 Tenant Revenue - Other	\$10,260	\$0	\$10,260
70500 Total Tenant Revenue	\$162,889	\$0	\$162,889
70600 HUD PHA Operating Grants	\$137,991	\$175,089	\$313,080
70610 Capital Grants	\$23,855	\$0	\$23,855
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	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$738		\$738
71200 Mortgage Interest Income	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0
71400 Fraud Recovery	\$0		\$0
71500 Other Revenue	\$25,574	\$514	\$26,088
71600 Gain or Loss on Sale of Capital Assets	\$736	\$0	\$736
72000 Investment Income - Restricted	\$0	\$66	\$66
70000 Total Revenue	\$351,783	\$175,669	\$527,452
91100 Administrative Salaries	\$65,371	\$9,941	\$75,312
91200 Auditing Fees	\$9,130	\$0	\$9,130
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$32	\$0	\$32
91500 Employee Benefit contributions - Administrative	\$36,953	\$2,429	\$39,382
91600 Office Expenses	\$26,491	\$3,063	\$29,554
91700 Legal Expense	\$3,600	\$0	\$3,600
91800 Travel	\$2,513	\$0	\$2,513
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$7,153	\$0	\$7,153
91000 Total Operating - Administrative	\$151,243	\$15,433	\$166,676
92000 Asset Management Fee	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0
92400 Tenant Services - Other	\$200	\$0	\$200
92500 Total Tenant Services	\$200	\$0	\$200
93100 Water	\$960	\$0	\$960
93200 Electricity	\$9,601	\$0	\$9,601
93300 Gas	\$1,321	\$0	\$1,321



VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2012

**Entity Wide Revenue and Expense Summary**

	Project Total	14,871 Housing Choice Vouchers	Total
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$8,269	\$0	\$8,269
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$20,151	\$0	\$20,151
94100 Ordinary Maintenance and Operations - Labor	\$78,021	\$0	\$78,021
94200 Ordinary Maintenance and Operations - Materials and Other	\$28,395	\$0	\$28,395
94300 Ordinary Maintenance and Operations Contracts	\$12,911	\$0	\$12,911
94500 Employee Benefit Contributions - Ordinary Maintenance	\$44,105	\$0	\$44,105
94000 Total Maintenance	\$163,432	\$0	\$163,432
95100 Protective Services - Labor	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$20,143	\$0	\$20,143
96120 Liability Insurance	\$8,196	\$0	\$8,196
96130 Workmen's Compensation	\$6,395	\$0	\$6,395
96140 All Other Insurance	\$3,611	\$0	\$3,611
96100 Total insurance Premiums	\$38,345	\$0	\$38,345
96200 Other General Expenses	\$0	\$0	\$0
96210 Compensated Absences	\$7,787	\$2,469	\$10,256
96300 Payments in Lieu of Taxes	\$13,248	\$0	\$13,248
96400 Bad debt - Tenant Rents	\$2,586	\$0	\$2,586
96500 Bad debt - Mortgages	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0
96000 Total Other General Expenses	\$23,621	\$2,469	\$26,090
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$396,992	\$17,902	\$414,894
97000 Excess of Operating Revenue over Operating Expenses	-\$45,209	\$157,767	\$112,558
97100 Extraordinary Maintenance	\$10,742	\$0	\$10,742
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$158,563	\$158,563

VERNON PARISH HOUSING AUTHORITY, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED SEPTEMBER 30, 2012

**Entity Wide Revenue and Expense Summary**

	Project Total	14.871 Housing Choice Vouchers	Total
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$159,457	\$0	\$159,457
97500 Fraud Losses	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense	\$0	\$0	\$0
90000 Total Expenses	\$567,191	\$176,465	\$743,656
10010 Operating Transfer In	\$61,342	\$0	\$61,342
10020 Operating transfer Out	-\$61,342	\$0	-\$61,342
10030 Operating Transfers from/to Primary Government		\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0		\$0
10092 Inter Project Excess Cash Transfer Out	\$0		\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$215,408	-\$796	-\$216,204
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$2,422,328	\$18,516	\$2,440,844
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity		\$4,338	\$4,338
11180 Housing Assistance Payments Equity		\$13,382	\$13,382
11190 Unit Months Available	790	492	1282
11210 Number of Unit Months Leased	777	492	1269
11270 Excess Cash	\$205,237		\$205,237
11610 Land Purchases	\$0		\$0
11620 Building Purchases	\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0		\$0
11650 Leasehold Improvements Purchases	\$23,855		\$23,855
11660 Infrastructure Purchases	\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0