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# HOUSING AUTHORITY OF THE TOWN OF KINDER

Kinder, Louisiana

## FINANCIAL STATEMENTS

For the Year Ended December 31, 1995

15 JUL 1996 11:51 AM  
KINDER, LOUISIANA  
HOUSING AUTHORITY

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, orally and at the 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 7-29-96



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CONTENTS

Page

INDEPENDENT AUDITORS' REPORT . . . . .	1
FINANCIAL STATEMENTS:	
Balance Sheet - FHA Owned Housing . . . . .	3
Statement of Income and Expenses - FHA Owned Housing . . . . .	4
Statement of Changes in Surplus - FHA Owned Housing . . . . .	5
Notes to Financial Statements . . . . .	7
SUPPLEMENTAL DATA	
Computation of Resident Receipts and Accruing Annual Contribution . . . . .	8
Statement of Modernization Cost - Uncomplete . . . . .	10
Analysis of General Fund Cash - FHA Owned Housing . . . . .	11
Findings Recommendations and Replies . . . . .	12
Schedule of Adjusting Journal Entries - FHA Owned Housing . . . . .	13
INDEPENDENT AUDITORS' REPORTS SECTION:	
Report on Schedule of Federal Financial Assistance . . . . .	14
Schedule of Federal Financial Assistance . . . . .	15
Independent Auditors' Report on Internal Control Structure Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards . . . . .	16
Independent Auditors' Report on Internal Control Structure Used in Administering Federal Financial Assistance Programs . . . . .	18
Independent Auditors' Report on Compliance Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards . . . . .	20
Independent Auditors' Report on Compliance with Specific Requirements Applicable to Major Federal Financial Assistance Programs . . . . .	22
Independent Auditors' Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs . . . . .	25



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 National Association of Public Accountants

**INDEPENDENT AUDITORS' REPORT**

**Board of Commissioners  
 Housing Authority of the Town of Kinder  
 Kinder, Louisiana**

We have audited the accompanying financial statements of the Housing Authority of the Town of Kinder, as of and for the year ended December 31, 1998, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the Town of Kinder, management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, Audits of State and Local Governments. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, the Housing Authority of the Town of Kinder, prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the Department of Housing and Urban Development requirements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and surplus of each of the various funds of the Housing Authority of the Town of Kinder as of December 31, 1998, and the results of its operations and changes in its surplus for the year then ended on the basis of accounting described in Note A.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental data listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Housing Authority of the Town of Kinder. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Board of Commissioners  
Housing Authority of the Town of Kinder  
Page 2

In accordance with Government Auditing Standards, we have also issued a report dated June 25, 1986 on our consideration of the Housing Authority of the Town of Kinder's internal control structure and a report dated June 25, 1986 on its compliance with laws and regulations.

This report is intended solely for the information and use of the governing body and management of the Housing Authority of the Town of Kinder, and for filing with the Department of Housing and Urban Development. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Mirco & Company, CPAs, A/C*

Mirco & Company, CPAs, A/C  
June 25, 1986



ECONOMIC AUTHORITY OF THE TOWN OF RINDEN  
 BALANCE SHEET - PER OWNED HOUSING  
 CONTRACT PM-603  
 PROJECTS LA48P06890534/LA48P0609045  
 December 31, 1988

ASSETS

Cash	\$	30,170
Accounts receivable		120
Accounts receivable - HUD		-
TRUST FUNDS		41,544
Debt amortization funds		304
HUD annual contribution receivable		18,606
Deferred charges		8,748
Development cost		305,528
Modernization costs		-
Land, structures and equipment		<u>938,475</u>
		<u>\$ 1,368,082</u>

LIABILITIES AND SURPLUS

Accounts payable	\$	587
Accounts payable - HUD		-
Tennant security deposits		1,915
Accrued interest		-
Payments in lieu of taxes		-
Deferred credits		2,989
Project notes payable		-
Permanent notes payable - HUD		-
Bonds payable		<u>145,380</u>
		150,303
Surplus		<u>1,213,879</u>
		<u>\$ 1,368,082</u>

See notes to financial statements.

BOARDING AUTHORITY OF THE TOWN OF BARNES  
 STATEMENT OF INCOME AND EXPENSES - PER OWNER BOARDING  
 CONTRACT FM-889  
 PROJECTS LA88PO098804/LA88PO88004E  
 December 31, 1988

	Year ended December 31, <u>1988</u>
<b>OPERATING INCOME</b>	
Dwelling rental . . . . .	\$ 32,589
Receipts utilities . . . . .	-
TOTAL RENTAL INCOME	<u>32,589</u>
Interest on general fund investments . . . . .	1,189
Other income . . . . .	<u>828</u>
TOTAL OPERATING INCOME	34,606
<b>OPERATING EXPENSES</b>	
Administration . . . . .	18,877
Tenant services . . . . .	-
Utilities . . . . .	7,634
Ordinary maintenance and operation . . . . .	9,396
Protective services . . . . .	-
General expense . . . . .	10,750
Nonroutine maintenance . . . . .	-
TOTAL OPERATING EXPENSES	<u>47,657</u>
NET OPERATING INCOME (LOSS)	(13,051)
<b>OTHER CHARGES (CREDITS)</b>	
Interest on notes and bonds . . . . .	5,867
Prize year adjustments -	
-affecting residual receipts . . . . .	-
-not affecting residual receipts . . . . .	-
Loss (Gain) from disposition of assets . . . . .	-
Residual receipts - DOP . . . . .	<u>-</u>
NET LOSS	<u>\$ (17,184)</u>

See notes to financial statements.

HOUSING AUTHORITY OF THE TOWN OF RINDER  
 STATEMENT OF CHANGES IN SURPLUS - PMA OWNED HOUSING  
 CONTRACT PN-469  
 PROJECT# 2A88P088888888/LA48P088888888  
 Twelve months ended December 31, 1995

UNRESERVED SURPLUS

Balance (deficit) per prior audit at December 31, 1994 . . . . .	\$ 1516,876
Net loss for year ended December 31, 1995 . . . . .	(17,806)
(Provision for) reduction of operating reserves for year ended December 31, 1995 . . . .	(17,509)
Prior audit adjustments . . . . .	-
BALANCE AT DECEMBER 31, 1995	<u>(53,531)</u>

OPERATING RESERVE

Balance per prior audit at December 31, 1994 . . . . .	87,822
Provision for (reduction of) operating reserves for year ended December 31, 1995 . . . .	<u>10,580</u>
BALANCE AT DECEMBER 31, 1995	<u>77,242</u>

CUMULATIVE HUD CONTRIBUTIONS

Balance per prior audit at December 31, 1994 . . . . .	928,884
Subsequent reduction of previous contributions per HUD-62910 . . . . .	-
Annual contribution for year ended December 31, 1995 . . . . .	18,668
Operating subsidy for year ended December 31, 1995 . . . . .	<u>12,488</u>
BALANCE AT DECEMBER 31, 1995	<u>959,940</u>

See notes to financial statements.



HOUSING AUTHORITY OF THE TOWN OF KENNES  
 STATEMENT OF CHANGES IN SURPLUS - FOR CURED HOUSING  
 CONTRACT FM-443  
 PROJECTS LA48P00001504/LA48P01504E  
 Twelve months ended December 31, 1995

CUMULATIVE HUD GRANTS	
Balance per prior audit at December 31, 1994 . . . . .	589,362
HUD grants for year ended December 31, 1995 . . . . .	<u>121,485</u>
BALANCE AT DECEMBER 31, 1995	<u>710,847</u>
DEDUCTIONS	
Balance per prior audit at December 31, 1994 . . . . .	4,363
Deductions for the year ended December 31, 1995 . . . . .	<u>          </u>
BALANCE AT DECEMBER 31, 1995	<u>4,363</u>
TOTAL SURPLUS AT DECEMBER 31, 1995	<u>\$ 715,210</u>

See notes to financial statements.

HOUSING AUTHORITY OF THE TOWN OF LINCOLN  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1995

1. Cash and investments are fully collateralized.
2. FRAs are allowed to be members of HUD approved pension plans. HUD approved plans are defined contribution plans and do not have any unfunded prior service obligations. Contributions are limited to a percent of compensation. The contribution rate is approved by HUD in the FRA's annual budget.

NOTE 3 - LONG-TERM DEBT

The FRA's long-term debt consists of the following:

Permanent notes payable to HUD - These notes have an indefinite maturity and are payable by HUD through the FRA's annual contributions contract. Currently HUD has forgiven the repayment of these notes but has not determined how FRA's are to record the forgiveness on their books.

\$ \_\_\_\_\_

Bonds payable - These bonds are payable in yearly maturities by HUD through the FRA's annual contributions contract.

\$ 250,000

HOUSING AUTHORITY OF THE TOWN OF KINDER  
 COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL CONTRIBUTION  
 CONTRACT PW-449  
 PROJECTS: LA88P06890594/LA88P068944X  
 December 31, 1988

	Year Ended December 31, <u>1988</u>
<b>COMPUTATION OF RESIDUAL RECEIPTS</b>	
<b>OPERATING INCOME</b>	
Operating income . . . . .	\$ 34,388
HUD operating subsidy . . . . .	<u>32,458</u>
	66,846
<b>OPERATING EXPENDITURES</b>	
Operating expenses . . . . .	47,366
Capital expenditures . . . . .	<u>47,366</u>
	-
<b>BEFORE YEAR ADJUSTMENTS (CREDITS)</b>	-
Residual receipts (deficit) per Audit . . . . .	19,599
Audit adjustments booked out . . . . .	<u>19,599</u>
Residual receipts (deficit) per PMA . . . . .	39,198
(Provision fee) reduction of operating reserve per PMA . . . . .	<u>(19,599)</u>
<b>RESIDUAL RECEIPTS PER PMA</b>	<u>\$ 19,599</u>
<b>COMPUTATION OF ACCRUING ANNUAL CONTRIBUTION</b>	
Fixed annual contribution . . . . .	\$ 38,044
Adjustments . . . . .	<u>10,556</u>
<b>ACCRUING ANNUAL CONTRIBUTION</b>	<u>\$ 48,600</u>

HOUSING AUTHORITY OF THE TOWN OF FINDER  
 STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED  
 CONTRACT #H-88  
 PROJECT# L88800000008/L8880000008  
 December 31, 1995

	<u>504</u>	<u>885</u>
Funds approved . . . . .	\$ 280,840	\$ 132,975
Funds advanced . . . . .	<u>250,840</u>	<u>184,888</u>
Excess of funds approved . . . . .	<u>\$ -</u>	<u>\$ 47,087</u>
Funds advanced . . . . .	\$ 250,840	\$ 184,888
Funds expended . . . . .	<u>251,338</u>	<u>184,180</u>
Excess of funds advanced (expended) . .	<u>\$ (498)</u>	<u>\$ 708</u>

HOUSING AUTHORITY OF THE TOWN OF KIDDER  
 ANALYSIS OF GENERAL FUND CASH - FIVE YEAR HOUSING  
 CONTRACT PW-689  
 PROJECTS LA40P81000104/LA40P0000002  
 December 31, 1988

COMPOSITION BEFORE ADJUSTMENTS

Net operating receipts retained:

Operating reserves . . . . .	\$ 77,480
Security deposits . . . . .	1,515
Excess modernization funds provided . . . . .	-
Excess modernization funds - closed projects . . . . .	(1,126)
Excess development funds provided . . . . .	-
	<u>77,869</u>

Plus audit adjustments . . . . .

ADJUSTMENTS

Expenses not paid:

Accounts payable . . . . .	507
Accounts payable - HUD . . . . .	-
Payments in lieu of taxes . . . . .	-
Deferred credits . . . . .	2,300

Income not received:

Accounts receivable . . . . .	128
Accounts receivable - HUD . . . . .	-

Less other applications of general fund cash:

Investments . . . . .	81,548
Deferred charges . . . . .	<u>8,748</u>

GENERAL FUND CASH BALANCE . . . . . \$ 22,101

HOUSING AUTHORITY OF THE TOWN OF KINDER  
FINDINGS, RECOMMENDATIONS AND REPLY  
CONTRACT #H-663  
PROJECTS LA48P84000504/LA48P000004E  
December 31, 1996

CURRENT AUDIT FINDINGS

1. Project 504 expended funds over the approved amount for this contract. This expenditure was charged to Project 885.

Recommendation:

Close attention should be given to allocation of expenditure drawings.

Reply:

The HHA will adjust its procedures so this will not occur again.

The prior audit did not contain any audit findings.

HOUSING AUTHORITY OF THE TOWN OF KINDER  
SCHEDULE OF MARKETING JOURNAL SERVICES - FAA OWNED HOUSING  
CONTRACT #H-663  
PROJECT# LA48P86 900534 / LA48P009904E  
December 31, 1996

<u>DESCRIPTION</u>	<u>ACCOUNT</u> <u>NUMBER</u>
None	



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of Association of Certified Public Accountants  
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Fellow Chartered Accountants  
Fellow Institute of Certified Public Accountants

**REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

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

We have audited the financial statements of the Housing Authority of the Town of Kinder, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 25, 1996. These financial statements are the responsibility of the Housing Authority of the Town of Kinder management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, Audits of State and Local Governments. These standards and OMB Circular A-133 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 accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Housing Authority of the Town of Kinder, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*Miras & Company, C.A., PC*  
Miras & Company, CPAs, APC  
June 25, 1996



HOUSING AUTHORITY OF THE TOWN OF RINDER  
 RECEIPTS OF FEDERAL FINANCIAL ASSISTANCE  
 CONTRACT FM-489  
 PROJECTS LA88F00330034/LA88F0033142  
 Twelve months ended December 31, 1993

<u>Federal Grantor</u> <u>Program Title</u>	<u>Federal</u> <u>TOTAL</u>	<u>Amount</u> <u>Expended</u>
<u>U.S. Department of HUD</u>		
Direct programs:		
Low-income housing assistance program	14,850	
-Annual contributions contract		\$ 18,448
-Operating subsidy		<u>32,448</u>
		<u>51,314</u>
Comprehensive improvement assistance program	14,852	<u>138,902</u>
Total Federal Financial Assistance		<u>\$ 182,036</u>

Note: At year end, the FHA had long-term debt outstanding which was guaranteed by HUD in the amount of \$248,282.

Note: All programs were tested as major programs.



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited the financial statements of the Housing Authority of the Town of Kinder, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 29, 1996.

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

The management of Housing Authority of the Town of Kinder, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgment by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with Department of Housing and Urban Development requirements. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projections of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the Housing Authority of the Town of Kinder, for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

The RHA lacks proper segregation of duties. However, due to lack of sufficient resources, the RHA is unable to properly segregate duties.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is not a material weakness.

This report is intended for the information of the Board of Commissioners, management, and the Department of Housing and Urban Development. However, this report is a matter of public record, and its distribution is not limited.

*Miles & Company, CPAs, APC*  
Miles & Company, CPAs, APC  
June 25, 1996





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 Public Company Practice Section 1939

**INDEPENDENT AUDITORS' REPORT ON INTERNAL  
 CONTROL STRUCTURE USED IN ADMINISTERING  
 FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

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

We have audited the financial statements of the Housing Authority of the Town of Kinder, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 23, 1999. We have also audited the compliance of the Housing Authority of the Town of Kinder, with requirements applicable to major federal financial assistance programs and have issued our report thereon dated June 23, 1999.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the Housing Authority of the Town of Kinder, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended December 31, 1998, we considered the internal control structure of the Housing Authority of the Town of Kinder, in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of the Housing Authority of the Town of Kinder, and on the compliance of the Housing Authority of the Town of Kinder, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-330. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated June 23, 1999.

The management of Housing Authority of the Town of Kinder, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related

costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with Department of Housing and Urban Development requirements, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Activity Cycles

- Treasury or financing
- Revenue/receipts
- Purchases/disbursements
- External financial reporting
- Payroll/personnel

Financial statement captions

- Cash and cash equivalents
- Receivables
- Inventory
- Land, structures & equipment
- Payables and accrued liabilities
- Debt
- Surplus

Accounting applications

- Billing
- Receivables
- Cash receipts
- Purchasing and receiving
- Cash disbursements
- Payroll
- Inventory control
- Land, structures & equipment
- General ledger

General Requirements

- Political Activity
- Davis-Bacon Act
- Civil rights
- Cash management
- Relocation assistance and real property management
- Federal financial reports
- Allowable costs/cost principles
- Drug-free Workplace Act
- Administrative requirements

Specific Requirements

- Types of services
- Eligibility
- Matching, level-of-effort, or cost-sharing
- Modernization program
- Procurement
- Performance Funding System
- Public Housing Management Assessment Program
- Occupancy



For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended December 31, 1988, the Housing Authority of the Town of Kinder, expended 100 percent of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by SSA Circular A-138, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements that are applicable to each of the Housing Authority of the Town of Kinder's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Housing Authority of the Town of Kinder's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

The PMA lacks proper segregation of duties. However, due to a lack of sufficient resources, the PMA is unable to properly segregate duties.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.



Board of Commissioners  
Housing Authority of the Town of Kinder  
Page 4

Our consideration of the internal control structure policies and procedures used in administering Federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe that the reportable conditions described above are not a material weakness.

This report is intended for the information of the Board of Commissioners, management, and the Department of Accounting and Urban Development. However, this report is a matter of public record, and its distribution is not limited.

*Miron & Company, CPAs, APC*  
Miron & Company, CPAs, APC  
June 25, 1996

*M & C*



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**Certified Public Accountants**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
BASED ON AN ASSESSMENT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

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

We have audited the financial statements of the Housing Authority of the Town of Kinder, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 25, 1999.

We conducted our audit in accordance with generally accepted auditing standards and 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.

Compliance with laws, regulations, contracts, and grants applicable to the Housing Authority of the Town of Kinder is the responsibility of the Housing Authority of the Town of Kinder's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Housing Authority of the Town of Kinder's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Board of Commissioners, management, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

*Mires & Company, CPAs, APC*

Mires & Company, CPAs, APC  
June 25, 1999





**Mirra & Company**  
*A Professional Corporation*

**Chartered Public Accountants**

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

**Board of Commissioners  
Housing Authority of the Town of Kinder  
Kinder, Louisiana**

We have audited the financial statements of the Housing Authority of the Town of Kinder, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 26, 1999.

We have also audited the Housing Authority of the Town of Kinder's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort; or earmarking; reporting; modernization; procurement; performance funding system; public housing management assessment; occupancy; and claims for advances and reimbursements that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of Federal Financial Assistance, for the year ended December 31, 1999. The management of the Housing Authority of the Town of Kinder is responsible for the Housing Authority of the Town of Kinder's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-133, Audits of State and Local Governments. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the Town of Kinder's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

Board of Commissioners  
Housing Authority of the Town of Kinder  
Page 2

In our opinion, the Housing Authority of the Town of Kinder, compiled, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort, or earmarking; reporting; modernization; procurement; performance funding systems; public housing management assessment; occupancy; and claims for advances and reimbursements that are applicable to each of its major federal financial assistance programs for the year ended December 31, 1990.

This report is intended for the Board of Commissioners, management and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

*Mirco & Company, CPAs, APC*

Mirco & Company, CPAs, APC  
June 25, 1990





**Mirco & Company**  
*A Professional Corporation*

Member  
Association of Certified Public Accountants  
Division of American Institute of Certified Public Accountants  
Florida Chapter Practice Section 4023

**Certified Public Accountants**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH THE GENERAL REQUIREMENTS APPLICABLE  
TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

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

We have audited the financial statements of the Housing Authority of the Town of Kinder, as of and for the year ended December 31, 1985, and have issued our report thereon dated June 25, 1986.

We have applied procedures to test the Housing Authority of the Town of Kinder's compliance with the following requirements applicable to such of its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1985: Political activity, Davis-Bacon Act, civil rights, cash management, relocation assistance and real property acquisition, federal financial reports, allowable costs/cost principles, Drug-Free Workplace Act and administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion of the Housing Authority of the Town of Kinder's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Housing Authority of the Town of Kinder had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of the Board of Commissioners, management, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

*Mirco & Company, CPAs, PC*

Mirco & Company, CPAs, PC  
June 25, 1986