

**HOUSING AUTHORITY OF THE
TOWN OF YOUNGSVILLE**

Program Number FW-1172

Financial Report

As of September 30, 2018 and for the
Years Ended September 30, 2018 and 2017

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INDEPENDENT AUDITOR'S REPORT

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

Report on Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the Town of Youngsville (hereinafter "Authority") as of September 30, 2018 and for the years ended September 30, 2018 and 2017, and the related notes to the financial statements which collectively comprise the basic financial statements of the Authority's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of the Authority, as of September 30, 2018, and the changes in its financial position and cash flows thereof for the years ended September 30, 2018 and 2017 in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The Authority has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The financial data schedule on pages 15-23, schedule of compensation paid to executive director on page 24, or the statement and certification of actual modernization costs on page 25 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on the information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2018, on our consideration of the Authority'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 solely 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 effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
March 31, 2018

FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Statement of Net Position
September 30, 2018

ASSETS

Current assets:	
Cash and interest-bearing deposits	\$ 37,905
Receivables -	
HUD	4,538
Prepaid expenses	<u>3,858</u>
Total current assets	46,301
Restricted assets:	
Cash - tenant deposits	6,425
Property and equipment, net	<u>65,518</u>
Total assets	<u>\$ 118,244</u>

LIABILITIES AND NET POSITION

Current liabilities:	
Accounts payable	\$ 5,451
Accrued liabilities	1,918
Unearned revenue	3,921
Payable from restricted assets -	
Tenant security deposits	<u>6,425</u>
Total current liabilities	<u>17,715</u>
Net position:	
Net investment in capital assets	65,518
Unrestricted	<u>35,011</u>
Total net position	<u>100,529</u>
Total liabilities and net position	<u>\$ 118,244</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Statements of Revenues, Expenses and Changes in Net Position
Years Ended September 30, 2018 and 2017

	2018	2017
Operating revenues:		
HUD operating grants	\$ 63,701	\$ 47,489
Capital Grants	-	6,650
Rental	44,941	45,341
Other	4,796	4,883
Total operating revenues	113,438	104,363
Expenses:		
Administrative	52,009	50,425
Depreciation	11,152	11,152
Operating and maintenance	32,975	28,064
Insurance	8,343	8,004
General expenses	6,200	5,352
Utilities	3,149	2,997
Total expenses	113,828	105,994
Operating loss	(390)	(1,631)
Net position, beginning	100,919	102,550
Net position, ending	\$ 100,529	\$ 100,919

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Statement of Cash Flows
Years Ended September 30, 2018 and 2017

OPERATING ACTIVITIES	2018	2017
Rents and other fees collected from tenants	\$ 40,452	\$ 49,769
Operating subsidy received	63,701	47,489
Intergovernmental receipts	4,796	4,883
Paid to employees	(30,000)	(30,000)
Paid to suppliers for goods and services	<u>(67,313)</u>	<u>(59,175)</u>
Net cash provided by operating activities	<u>11,636</u>	<u>12,966</u>
CAPITAL AND RELATED FINANCING ACTIVITIES		
Grant proceeds	-	6,650
Purchase/Construction of capital assets	<u>-</u>	<u>(6,650)</u>
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>
Net increase in cash	11,636	12,966
Cash and restricted cash, beginning	<u>32,694</u>	<u>19,728</u>
Cash and restricted cash, ending	<u>\$ 44,330</u>	<u>\$ 32,694</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Loss from operations	\$ (390)	\$ (1,631)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities -		
Depreciation	11,152	11,152
Increase or decrease in:		
Accounts receivable	-	1
HUD Receivable	(4,489)	3,651
Prepaid expenses	(268)	(888)
Accounts payable	2,501	(2,478)
Accrued expenses	(144)	2,062
Unearned revenue	<u>3,274</u>	<u>1,097</u>
Net cash provided by operating activities	<u>\$ 11,636</u>	<u>\$ 12,966</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying basic financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

A. Nature of Organization and Operations

The Housing Authority of the Town of Youngsville (the Authority) is a municipal corporation located in Youngsville, Louisiana and was established in May, 1952 under the provisions of LSA-RS 40:381 et seq for the purpose of providing decent, safe and sanitary housing for persons of low income.

The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of the Town of Youngsville. Each member serves a five-year term on a rotating basis. An Executive Director is appointed by the Board and is responsible for the daily operations of the Authority.

The Authority owns, operates and maintains 20 units of public housing. The Authority administers an annual contributions contract to provide low income housing with the primary financial support from the United States Department of Housing and Urban Development (HUD). Revenues of the Authority consist primarily of rents and other fees collected from tenants, and an operating subsidy from HUD.

B. Financial Reporting Entity

GASB Statement No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61, establishes criteria for determining the governmental reporting entity. Under provisions of this statement, the Authority is considered a primary government, since it is a special purpose government that has separate governing body, is legally separate, and is fiscally independent of other state and local governments. As used in the GASB statements, fiscally independent means that the authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursements of funds, and maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt. The authority has no component units, defined by GASB statements as other legally separate organizations for which the elected authority members are financially accountable.

C. Fund Accounting

The Authority is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where (a) the intent of the governing body is that the cost (expense, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
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Notes to Financial Statements (continued)

D. Basis of Presentation

The accompanying financial statements of the Authority have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Fund Financial Statements

The accounts of the Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing 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 proprietary fund is maintained consistent with legal and managerial requirements.

Proprietary Funds –

Proprietary funds are used to account for ongoing operations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of changes in net position, financial position, and cash flows. The two types of proprietary funds are enterprise and internal service funds. The Authority's fund is an enterprise fund.

Enterprise funds

Enterprise funds are used to account for operations (a) that are financial and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

E. Measurement Focus/Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

Business-type activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

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Notes to Financial Statements (continued)

Basis of Accounting

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from such estimates.

F. Cash and Cash Equivalents

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit. For the purpose of the Statement of Cash Flows, "cash and equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items.

H. Capital Assets

Capital assets, which include property, plant and equipment are reported in the Statement of Net Position. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of the donation. The Authority maintains a threshold level of \$5,000 for capitalizing assets.

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

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, which accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of estimated useful lives by type of asset as follows:

Buildings and Non-Dwelling Structures	20-30 years
Building and Site Improvements	10 years
Fees and Costs	10 years
Equipment	5 years

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations.

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Notes to Financial Statements (continued)

Capitalization of Interest

Interest costs incurred by the Authority during the construction of an asset for its own use are capitalized as part of the cost of constructing the asset. During the year ended September 30, 2018, there were no borrowings for assets under construction and no capitalized interest was recognized.

I. Equity Classification

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted – Consists of net position with constraints placed on their use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted – All other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

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

J. Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

(2) Cash and Interest-Bearing Deposits

Under state law, the Authority may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Authority may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At September 30, 2018, the Authority has cash and interest-bearing deposits (book balances) totaling \$44,330 as follows:

Demand deposits:	
Unrestricted	\$ 36,346
Restricted	<u>6,425</u>
Time deposits:	
Unrestricted	<u>1,559</u>
Total	<u>\$ 44,330</u>

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
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Notes to Financial Statements (continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at September 30, 2018 are as follows:

Bank balances	\$ <u>48,022</u>
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At September 30, 2018 the deposits are secured as follows:

Federal Deposit Insurance	\$ <u>48,022</u>
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Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Authority's deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. The Authority does not have a policy to monitor or attempt to reduce exposure to custodial credit risk. Since the Authority's bank balances were fully secured by deposit insurance, the Authority's deposits were not exposed to custodial credit risk.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
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Notes to Financial Statements (continued)

(3) Property and Equipment

Capital asset activity for the years ended September 30, 2018 was as follows:

	Balance 10/01/17	Additions	Deletions	Balance 09/30/18
<u>Business Type Activities</u>				
Capital assets not being depreciated:				
Land	19,760	-	-	19,760
Construction in progress	-	-	-	-
Total assets not being depreciated	<u>19,760</u>	<u>-</u>	<u>-</u>	<u>19,760</u>
Capital assets, being depreciated:				
Fees and costs	83,230	-	-	83,230
Buildings and improvements	714,378	-	-	714,378
Office and other non-dwelling structures	15,117	-	-	15,117
Site and non-dwelling structure improvements	101,251	-	-	101,251
Appliances	4,889	-	-	4,889
Total assets being depreciated	<u>918,865</u>	<u>-</u>	<u>-</u>	<u>918,865</u>
Less: accumulated depreciation				
Fees and costs	(83,054)	(176.00)	-	(83,230)
Buildings and improvements	(658,919)	(10,849.00)	-	(669,768)
Office and other non-dwelling structures	(13,842)	(127.00)	-	(13,969)
Site and non-dwelling structure improvements	(101,251)	-	-	(101,251)
Appliances	(4,889)	-	-	(4,889)
Total	<u>(861,955)</u>	<u>(11,152)</u>	<u>-</u>	<u>(873,107)</u>
Net capital assets	<u>76,670</u>	<u>(11,152)</u>	<u>-</u>	<u>65,518</u>

Depreciation expense for the year ended September 30, 2018 and 2017 was \$11,152.

(4) Current Vulnerability Due to Certain Concentrations

The Authority's major asset is a 20 unit public housing complex. The Authority's operations are concentrated in the multifamily real estate market. In addition, the Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including additional administrative burden, to comply with such changes.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
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Notes to Financial Statements (continued)

(5) Economic Dependence

The Department of Housing and Urban Development provided \$63,701 and \$54,139 to the Authority during the years ended September 30, 2018 and 2017, respectively, which represents approximately 56% and 52% of the Authority's total revenue in each respective period.

(6) Compensation Paid to Board Members

Board members during the years ended September 30, 2018 and 2017 served without compensation and are as follows:

Yvonne King, Chairperson
Velma Broussard, Vice Chair
Wesley Hebert
Sandra Keal
Cyndi Smith

(7) Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The Authority is insured up to policy limits for each of the above risks.

(8) Related Parties

During the fiscal periods ended September 30, 2018 and 2017, the City of Youngsville waived the property taxes due from the Authority in the amounts of \$4,147 and \$4,105, respectively. Per the agreement between the two parties, the Authority is required to use those funds for improvements to the complex.

SUPPLEMENTARY INFORMATION

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100) YOUNGSVILLE, LA

Entity Wide Balance Sheet Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2018

	Project Total	Subtotal	Total
111 Cash - Unrestricted	\$29,101	\$29,101	\$29,101
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted			
114 Cash - Tenant Security Deposits	\$9,875	\$9,875	\$9,875
115 Cash - Restricted for Payment of Current Liabilities	\$3,795	\$3,795	\$3,795
100 Total Cash	\$42,771	\$42,771	\$42,771
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects	\$4,535	\$4,535	\$4,535
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous			
126 Accounts Receivable - Tenants	\$8,763	\$8,763	\$8,763
126.1 Allow ance for Doubtful Accounts -Tenants	-\$6,144	-\$6,144	-\$6,144
126.2 Allow ance for Doubtful Accounts - Other	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0
128 Fraud Recovery			
128.1 Allow ance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable	\$4	\$4	\$4
120 Total Receivables, Net of Allow ances for Doubtful Accounts	\$7,158	\$7,158	\$7,158
131 Investments - Unrestricted	\$1,559	\$1,559	\$1,559
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$3,858	\$3,858	\$3,858
143 Inventories			
143.1 Allow ance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$55,346	\$55,346	\$55,346
161 Land	\$19,760	\$19,760	\$19,760
162 Buildings	\$823,898	\$823,898	\$823,898
163 Furniture, Equipment & Machinery - Dw ellings	\$4,889	\$4,889	\$4,889
164 Furniture, Equipment & Machinery - Administration	\$2,142	\$2,142	\$2,142
165 Leasehold Improvements	\$87,936	\$87,936	\$87,936
166 Accumulated Depreciation	-\$872,511	-\$872,511	-\$872,511
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$66,114	\$66,114	\$66,114
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$66,114	\$66,114	\$66,114

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100)
YOUNGSVILLE, LA
Entity Wide Balance Sheet Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2018

	Project Total	Subtotal	Total
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$121,460	\$121,460	\$121,460
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$2,253	\$2,253	\$2,253
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$1,620	\$1,620	\$1,620
322 Accrued Compensated Absences - Current Portion			
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government			
341 Tenant Security Deposits	\$9,875	\$9,875	\$9,875
342 Unearned Revenue	\$3,921	\$3,921	\$3,921
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other	\$298	\$298	\$298
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$17,967	\$17,967	\$17,967
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current			
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	\$0	\$0	\$0
300 Total Liabilities	\$17,967	\$17,967	\$17,967
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets	\$66,115	\$66,115	\$66,115
511.4 Restricted Net Position			
512.4 Unrestricted Net Position	\$37,378	\$37,378	\$37,378
513 Total Equity - Net Assets / Position	\$103,493	\$103,493	\$103,493
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$121,460	\$121,460	\$121,460

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100) YOUNGSVILLE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2018

	Project Total	Subtotal	Total
70300 Net Tenant Rental Revenue	\$44,201	\$44,201	\$44,201
70400 Tenant Revenue - Other	\$740	\$740	\$740
70500 Total Tenant Revenue	\$44,941	\$44,941	\$44,941
70600 HUD PHA Operating Grants	\$63,701	\$63,701	\$63,701
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$6	\$6	\$6
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue			
71600 Gain or Loss on Sale of Capital Assets	\$4,790	\$4,790	\$4,790
72000 Investment Income - Restricted			
70000 Total Revenue	\$113,438	\$113,438	\$113,438
91100 Administrative Salaries	\$30,000	\$30,000	\$30,000
91200 Auditing Fees			
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$73	\$73	\$73
91500 Employee Benefit contributions - Administrative	\$11,018	\$11,018	\$11,018
91600 Office Expenses	\$7,560	\$7,560	\$7,560
91700 Legal Expense			
91800 Travel			
91810 Allocated Overhead			
91900 Other	\$160	\$160	\$160
91000 Total Operating - Administrative	\$48,811	\$48,811	\$48,811
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water			
93200 Electricity	\$2,534	\$2,534	\$2,534
93300 Gas	\$543	\$543	\$543

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100)

YOUNGSVILLE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2018

	Project Total	Subtotal	Total
93400 Fuel			
93500 Labor			
93600 Sewer	\$72	\$72	\$72
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$3,149	\$3,149	\$3,149
94100 Ordinary Maintenance and Operations - Labor			
94200 Ordinary Maintenance and Operations - Materials and Other	\$10,428	\$10,428	\$10,428
94300 Ordinary Maintenance and Operations Contracts	\$24,234	\$24,234	\$24,234
94500 Employee Benefit Contributions - Ordinary Maintenance			
94000 Total Maintenance	\$34,662	\$34,662	\$34,662
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$4,467	\$4,467	\$4,467
96120 Liability Insurance	\$1,678	\$1,678	\$1,678
96130 Workmen's Compensation	\$1,710	\$1,710	\$1,710
96140 All Other Insurance	\$488	\$488	\$488
96100 Total insurance Premiums	\$8,343	\$8,343	\$8,343
96200 Other General Expenses			
96210 Compensated Absences			
96300 Payments in Lieu of Taxes	\$4,105	\$4,105	\$4,105
96400 Bad debt - Tenant Rents	\$1,683	\$1,683	\$1,683
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$5,788	\$5,788	\$5,788
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$100,753	\$100,753	\$100,753
97000 Excess of Operating Revenue over Operating Expenses	\$12,685	\$12,685	\$12,685
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$11,152	\$11,152	\$11,152
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$111,905	\$111,905	\$111,905

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100) YOUNGSVILLE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2018

	Project Total	Subtotal	Total
10010 Operating Transfer In	\$19,634	\$19,634	\$19,634
10020 Operating transfer Out	-\$19,634	-\$19,634	-\$19,634
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$1,533	\$1,533	\$1,533
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$100,273	\$100,273	\$100,273
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$1,687	\$1,687	\$1,687
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	240	240	240
11210 Number of Unit Months Leased	240	240	240
11270 Excess Cash	\$25,125	\$25,125	\$25,125
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	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100)
YOUNGSVILLE, LA
Entity Wide Balance Sheet Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2017

	Project Total	Subtotal	Total
111 Cash - Unrestricted	\$21,713	\$21,713	\$21,713
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted			
114 Cash - Tenant Security Deposits	\$9,425	\$9,425	\$9,425
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$31,138	\$31,138	\$31,138
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects	\$49	\$49	\$49
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous			
126 Accounts Receivable - Tenants	\$6,668	\$6,668	\$6,668
126.1 Allow ance for Doubtful Accounts -Tenants	-\$4,461	-\$4,461	-\$4,461
126.2 Allow ance for Doubtful Accounts - Other	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128.1 Allow ance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allow ances for Doubtful Accounts	\$2,256	\$2,256	\$2,256
131 Investments - Unrestricted	\$1,556	\$1,556	\$1,556
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$3,590	\$3,590	\$3,590
143 Inventories			
143.1 Allow ance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$38,540	\$38,540	\$38,540
161 Land	\$19,760	\$19,760	\$19,760
162 Buildings	\$823,898	\$823,898	\$823,898
163 Furniture, Equipment & Machinery - Dw ellings	\$4,889	\$4,889	\$4,889
164 Furniture, Equipment & Machinery - Administration	\$2,142	\$2,142	\$2,142
165 Leasehold Improvements	\$87,936	\$87,936	\$87,936
166 Accumulated Depreciation	-\$861,358	-\$861,358	-\$861,358
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$77,267	\$77,267	\$77,267
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$77,267	\$77,267	\$77,267

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100)
 YOUNGSVILLE, LA
Entity Wide Balance Sheet Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2017

200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$115,807	\$115,807	\$115,807
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$2,950	\$2,950	\$2,950
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$1,350	\$1,350	\$1,350
322 Accrued Compensated Absences - Current Portion			
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government			
341 Tenant Security Deposits	\$9,426	\$9,426	\$9,426
342 Unearned Revenue	\$1,096	\$1,096	\$1,096
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other	\$712	\$712	\$712
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$15,534	\$15,534	\$15,534
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current			
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	\$0	\$0	\$0
300 Total Liabilities	\$15,534	\$15,534	\$15,534
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets	\$77,267	\$77,267	\$77,267
511.4 Restricted Net Position	\$0	\$0	\$0
512.4 Unrestricted Net Position	\$23,006	\$23,006	\$23,006
513 Total Equity - Net Assets / Position	\$100,273	\$100,273	\$100,273
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$115,807	\$115,807	\$115,807

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100)

YOUNGSVILLE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2017

	Project Total	Subtotal	Total
70300 Net Tenant Rental Revenue	\$44,471	\$44,471	\$44,471
70400 Tenant Revenue - Other	\$870	\$870	\$870
70500 Total Tenant Revenue	\$45,341	\$45,341	\$45,341
70600 HUD PHA Operating Grants	\$47,489	\$47,489	\$47,489
70610 Capital Grants	\$6,650	\$6,650	\$6,650
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	\$1	\$1	\$1
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	\$0
71500 Other Revenue	\$4,882	\$4,882	\$4,882
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$104,363	\$104,363	\$104,363
91100 Administrative Salaries	\$30,000	\$30,000	\$30,000
91200 Auditing Fees	\$0	\$0	\$0
91300 Management Fee			
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$10,305	\$10,305	\$10,305
91600 Office Expenses	\$7,087	\$7,087	\$7,087
91700 Legal Expense	\$0	\$0	\$0
91800 Travel	\$0	\$0	\$0
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$3,033	\$3,033	\$3,033
91000 Total Operating - Administrative	\$50,425	\$50,425	\$50,425
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	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water	\$0	\$0	\$0
93200 Electricity	\$2,403	\$2,403	\$2,403
93300 Gas	\$442	\$442	\$442

Financial Data Schedule

Housing Authority of the Town of Youngsville (LA100)

YOUNGSVILLE, LA

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/No Audit

Fiscal Year End: 09/30/2017

10010 Operating Transfer In	\$8,843	\$8,843	\$8,843
10020 Operating transfer Out	-\$8,843	-\$8,843	-\$8,843
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$210	-\$210	-\$210
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$98,993	\$98,993	\$98,993
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$1,490	\$1,490	\$1,490
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	240	240	240
11210 Number of Unit Months Leased	240	240	240
11270 Excess Cash	\$11,582	\$11,582	\$11,582
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$6,650	\$6,650	\$6,650
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Compensation Paid to Executive Director
Years Ended September 30, 2018 and 2017

Act 706 of the 2014 Legislative Session amended RS 24:513A requires additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head of chief officer. Amounts paid to Kathy Bearb, Executive Director for the years ended September 30, 2018 and 2017 are as follows:

	<u>2018</u>	<u>2017</u>
Compensation	\$ 32,400	\$ 32,200
Benefits- Insurance	8,627	8,352
Reimbursements	<u>1,151</u>	<u>1,198</u>
Total	<u>\$ 42,178</u>	<u>\$ 41,750</u>

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Statement and Certification of Actual Modernization Costs
Years Ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Project Number:	<u>LA 48P100501-18</u>	<u>LA 48P100501-17</u>
Original Funds Approved	31,965	20,592
Less Funds Expended (Actual Modernization Cost)	<u>24,571</u>	<u>20,592</u>
Excess Funds Approved	<u><u>7,394</u></u>	<u><u>-</u></u>
Funds Disbursed	24,571	20,592
Less Funds Expended (Actual Modernization Cost)	<u>24,571</u>	<u>20,592</u>
Excess Funds Disbursed	<u><u>-</u></u>	<u><u>-</u></u>

The distribution costs by project as shown on HUD Final Performance and Evaluation Reports dated February 9, 2019 and August 7, 2018 accompanying the Actual Modernization Cost Certificates, submitted to HUD for approval are in agreement with the Authority's records.

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

INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S 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*

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

We have audited, in accordance with the 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, the financial statements of Housing Authority of the Town of Youngsville, (hereinafter "Authority"), as of September 30, 2018 and for the years ended September 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated March 31, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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 Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, we identified a deficiency in internal control that we consider to be a material weakness and which is described in the accompanying schedule of audit results and findings as items 2018-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of audit results and findings as item 2018-002.

Authority's Response to Findings

The Authority's responses to the findings identified in our audit are included in the accompanying management's corrective action plan for current audit findings. The Authority's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
March 31, 2019

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Summary Schedule of Prior Findings
Year Ended September 30, 2018

A. Internal Control –

None.

B. Compliance Finding-

2017-001 - Late Audit Submission

CONDITION: The Authority's financial report was not completed and submitted to the Office of the Legislative Auditor within six months of year end.

RECOMMENDATION: We recommend that the Authority institute policies and procedures to ensure that its financial report is completed, and the resulting report submitted to the Office of the Legislative Auditor within six months of year end.

CURRENT STATUS: This finding did not reoccur.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Schedule of Audit Results and Findings
Year Ended September 30, 2018

Part I. Summary of auditor's results:

An unmodified opinion was issued on the financial statements of the Authority.

One deficiency in internal control was disclosed by the audit of the financial statements and is considered to be a material weakness. No significant deficiencies were reported.

One instance of noncompliance required to be reported under *Government Auditing Standards* is included in Part II.

A management letter was not issued.

Part II. Findings required to be reported in accordance with *Government Auditing Standards*:

A. Internal Control

2018-001 - Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

CRITERIA: Internal control is a process – effected by those charged with governance, management, and other personnel – designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The Authority's internal control over financial reporting includes those policies and procedures that pertain to the Authority's ability to record, process, summarize, and report financial data consistent with the assertions embodied in financial statements.

CAUSE: The cause of the conditions is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Schedule of Audit Results and Findings (continued)
Year Ended September 30, 2018

B. Compliance

2018-002 - Failure to Publish Minutes

CONDITION: The Authority did not publish minutes for the its public meetings in the Authority's official journal in a timely manner.

CRITERIA: RS 42:20 states that all public bodies shall keep written minutes of all open meetings. Its further states that the minutes shall be public records and shall be available within a reasonable time after the meeting and published in the public body's official journal.

CAUSE: Written minutes were not published in the official journal.

EFFECT: The failure to make written minutes available as public records within a reasonable period of time after the open meeting may be a violation of R.S. 42:20.

RECOMMENDATION: We recommend that the Authority prepare written minutes for its open meetings and publish these minutes in its official journal within a reasonable amount of time.

Part III. Findings and questioned costs for Federal awards reported in accordance with Uniform Guidance:

The requirements of Uniform Guidance do not apply to the Authority.

HOUSING AUTHORITY OF THE TOWN OF YOUNGSVILLE
Program Number FW-1172

Corrective Action Plan for Current Audit Findings
Year Ended September 30, 2018

2018-001– Inadequate Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

MANAGEMENT’S RESPONSE: Due to the size of our Authority and the cost benefit of hiring additional personnel, we have determined the achievement of adequate segregation of duties is not economically feasible.

2018-002 – Failure to Publish Minutes

CONDITION: Minutes for our public meetings were not published in the Authority’s official journal.

MANAGEMENT’S RESPONSE: We will prepare written minutes for all public meetings and publish them as required.