

**HOUSING AUTHORITY OF KINDER, LOUISIANA**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED DECEMBER 31, 2018**

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

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MEMBER OF THE  
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ACCOUNTANTS  
and the  
AICPA GOVERNMENTAL  
AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners  
Housing Authority of Kinder  
Kinder, Louisiana

***Report on the Financial Statements***

We have audited the accompanying financial statements of the Housing Authority of the Town of Kinder, Louisiana as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Housing Authority of Kinder basic financial statements 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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in financial statements. The procedures selected depend on the auditor's judgment, including 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 entity's preparation and fair presentation of the financial statements in order to design and audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 opinions.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority of the Town of Kinder, Louisiana, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 10 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the Town of Kinder, Louisiana's basic financial statements. The statement of modernization-uncompleted, financial data schedules, and other information as listed on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statement of modernization costs-uncompleted, financial data schedules, and other information as listed on the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement of modernization-uncompleted, financial data schedules, and other information as listed on the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2019 on our consideration of the Housing Authority of the Town of Kinder, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the Town of Kinder, Louisiana's internal control over financial reporting and compliance.

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
April 16, 2019

**HOUSING AUTHORITY OF KINDER, LA**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**  
**December 31, 2018**

**The management of Housing Authority of Kinder, LA presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending December 31, 2018. 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 \$430,715 at the close of the fiscal year ended 2018.
  - ✓ Of this amount \$330,169 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
  - ✓ The remainder of \$100,546 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 51% of the total operating expenses of \$196,158 for the fiscal year 2018, which means the Authority might be able to operate about 6 months using the unrestricted assets alone, compared to 7 months in the prior fiscal year.
- The Housing Authority's total net position decreased by \$54,880, a 11% decrease from the prior fiscal year 2018.
- The decrease in net position of these funds was accompanied by a decrease in unrestricted cash by \$6,065 from fiscal year 2018.
- The Authority Spent \$196 on capital asset additions.
- These changes led to a decrease in total assets by \$53,728 and an increase in total liabilities by \$1,152. As related measure of financial health, there are still over \$8 of current assets covering each dollar of total current liabilities, which compares to \$9 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 2018?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position 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 position and changes in net position. One can think of the Housing Authority's net position – 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 position 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:

Public Housing Capital Fund Program	\$ 1,800
Low Rent Public Housing	<u>55,135</u>
Total funding received this current fiscal year	<u>\$ 56,935</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 position, is an important financial indicator.

**FINANCIAL ANALYSIS**

The Housing Authority's net position was \$430,715 as of December 31, 2018. Of this amount, \$330,169 was invested in capital assets and \$100,546 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general net position.

**CONDENSED FINANCIAL STATEMENTS**

**Condensed Statement of Net Position  
As of December 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Current assets	\$ 115,052	\$ 123,778
Capital assets, net of depreciation	330,169	375,171
Total assets	<u>445,221</u>	<u>498,949</u>
<b>LIABILITIES</b>		
Current liabilities	14,506	13,354
Total liabilities	<u>14,506</u>	<u>13,354</u>
<b>NET POSITION</b>		
Invested in capital assets, net of depreciation	330,169	375,172
Unrestricted net position	100,546	110,423
Total net position	<u>\$ 430,715</u>	<u>\$ 485,595</u>

Housing Authority of Kinder, LA  
 Management's Discussion and Analysis (MD&A)  
 December 31, 2018

The net position of these funds decreased by \$54,880, or by 11%, from those of fiscal year 2017, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

**CONDENSED FINANCIAL STATEMENTS (Continued)**

**OPERATING REVENUES**

Dwelling rental	\$ 82,953	\$ 82,468
HUD grants for operations	55,135	67,708
Other	1,375	80
Total operating revenues	139,463	150,256

**OPERATING EXPENSES**

General	27,624	24,049
Ordinary maintenance and repairs	34,373	34,392
Administrative expenses and management fees	85,252	79,950
Utilities	2,006	1,832
Tenant services	100	80
Depreciation	46,803	49,220
Total operating expenses	196,158	189,523
Income (losses) from operations	(56,695)	(39,267)

**NON-OPERATING REVENUES**

Interest income	15	15
Total non-operating revenues	15	15
Income (losses) before capital contributions	(56,680)	(39,252)

**CAPITAL CONTRIBUTIONS**

**CHANGES IN NET POSITION**

**NET POSITION - BEGINNING**

**NET POSITION - END**

	1,800	66,653
	(54,880)	27,401
	485,595	458,194
	\$ 430,715	\$ 485,595

## **EXPLANATIONS OF FINANCIAL ANALYSIS**

Compared with the prior fiscal year, total operating income and capital contributions decreased \$75,646 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant dwelling rental increased by \$695 from that of the prior fiscal year because the amount of rent each tenant pays is based on a sliding scale of their personal income. Included in this total is other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) which increased by \$206.
- Federal revenues from HUD for operations decreased by \$12,573 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- Federal Capital Funds from HUD decreased by \$64,853 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 2016 through 2018, and submitted a new grant during fiscal year 2018.
- Total other operating revenue increased by \$1,085 from the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$6,535, 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 \$2,417 from that of the prior fiscal year.
- Maintenance and repairs decreased by \$19 from that of the prior fiscal year due to changes in the following: Repair staff wages increased by \$780 and related employee benefit contributions increased by \$69. Materials used decreased by \$3,570 and contract labor costs increased by \$2,702.
- General Expenses increased by \$3,575 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) increased by \$32. PILOT is calculated as a percentage of rent minus utilities and therefore changed proportionately to the changes in each of these. Insurance premiums decreased by \$298 and bad debts increased by \$3,841
- Administrative Expenses increased by \$5,302 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries increased by \$1,997 and related employee benefit contributions increased by \$573; therefore, total staff salaries and benefit costs increased. Outside professional fees changed as follows: audit fees increased by \$7,330. In addition, staff travel reimbursements increased by \$695, office expenses decreased by \$4,420 and sundry expenses decreased by \$873.
- Utilities Expense increased by \$174 from that of the prior fiscal year because water cost increased by \$10, electricity cost increased by \$110, gas cost increased by \$48, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) increased by \$6.
- Total Tenant Services increased by \$20 from that of the prior fiscal year due to an increase in other tenant services.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

At December 31, 2018, the Housing Authority had a total cost of \$1,842,422 invested in a broad range of assets and construction in progress from projects funded in 2016 through 2018, listed below. This amount, not including depreciation, represents increases of \$197 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Statement of Capital Assets  
As of December 31, 2018**

	<u>2018</u>	<u>2017</u>
Land	\$ 16,020	\$ 16,020
Buildings	1,627,407	1,625,607
Leasehold improvements	157,698	157,698
Furniture and equipment	41,297	42,901
Accumulated Depreciation	(1,512,253)	(1,467,054)
Total	<u>\$ 330,169</u>	<u>\$ 375,172</u>

As of the end of the 2018 fiscal year, the Authority is still in the process of completing HUD grants of \$138,899 obtained during 2016 through 2018 fiscal years. A total remainder of \$106,272 will be received and spent for completing these projects during fiscal year 2019.

**Debt**

Non-current liabilities also include accrued annual 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 2019 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 Sylvia Manuel, at Housing Authority of Kinder, LA; P.O. Box 808, Kinder, LA 70648.

HOUSING AUTHORITY OF KINDER, LOUISIANA  
STATEMENT OF NET POSITION

DECEMBER 31, 2018

**ASSETS**

## Current assets

Cash and cash equivalents	\$	93,248
Investments		12,148
Accounts and notes receivable net		1,881
Interest receivable		2
Prepaid items and other assets		4,381
Restricted assets - cash and cash equivalents		3,120
Inventories		272

Total Current Assets		115,052
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## Capital Assets, net

Land and other non-depreciated assets		16,020
Other capital assets - net of depreciation		314,149

Total Capital Assets, net		330,169
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Total Assets	\$	445,221
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**LIABILITIES**

## Current Liabilities

Accounts payable	\$	2,965
Unearned income		326
Accrued PILOT		8,095
Deposits due others		3,120

Total Current Liabilities		14,506
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## Noncurrent Liabilities

Total Liabilities		0
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Total Liabilities		14,506
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**NET POSITION**

Net investment in capital assets		330,169
Unrestricted		100,546

Net Position	\$	430,715
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF KINDER, LOUISIANA  
STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2018

<b>OPERATING REVENUES</b>	
Dwelling rental	\$ 82,953
Governmental operating grants	55,135
Other	1,375
	139,463
<b>OPERATING EXPENSES</b>	
Administration	85,252
Tenant services	100
Utilities	2,006
Ordinary maintenance & operations	34,373
General expenses	27,624
Depreciation	46,803
	196,158
Income (Loss) from Operations	(56,695)
Non Operating Revenues (Expenses)	
Interest earnings	15
	15
Income (Loss) before contribution	(56,680)
Capital Contribution	1,800
	(54,880)
Total net position - beginning	485,595
Total net position - ending	\$ 430,715

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

HOUSING AUTHORITY OF KINDER, LOUISIANA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Rental receipts	\$ 78,157
Other receipts	6,354
Federal grants	54,640
Payments to vendors	(59,451)
Payments to employees – net	(85,772)
	<hr/>
Net cash provided (used) by operating activities	(6,072)
	<hr/>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(1,801)
Federal Capital Grants	1,800
	<hr/>
Net cash provided (used) by capital and related financing activities	(1)
	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	8
	<hr/>
Net cash provided (used) by investing activities	8
	<hr/>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(6,065)</b>
<b>CASH AND CASH EQUIVALENTS</b>	
Beginning of Fiscal Year	102,433
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<b>CASH AND CASH EQUIVALENTS</b>	
End of Fiscal Year	\$ 96,368
	<hr/> <hr/>

Continued

HOUSING AUTHORITY OF KINDER, LOUISIANA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

**RECONCILIATION OF OPERATING  
INCOME (LOSS) TO NET CASH  
PROVIDED (USED) BY OPERATING  
ACTIVITIES**

Operating income (loss)	\$	(56,695)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation Expense		46,803
Provision of uncollectible accounts		921
Change in assets and liabilities:		
Receivables		2,925
Inventories		(286)
Prepaid items		(730)
Account payables		1,355
Deposits due others		(365)
Net cash provided (used) by operations	\$	<u>(6,072)</u>

Concluded

HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

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HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Housing Authority of the Town of Kinder 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 Honorable Mayor of the Town of Kinder, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW	669	30 units
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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 Town of Kinder since the Town of Kinder appoints a voting majority of the Housing Authority’s governing board. The Town of Kinder 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 Town of Kinder. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Kinder.

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:

HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

- 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.

### **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 statement of net position sheet.

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. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

**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 \$96,368. This is comprised of cash and cash equivalents of \$93,248 and restricted assets – cash of \$3,120, on the statement of net position.

**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.

Definitions:

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

**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.

**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.

HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$1,500. 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	15-33 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

**J. UNEARNED INCOME** The Housing Authority reports prepaid revenues on its statement of net position. Prepaid 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 prepaid revenue is removed from the statement of net position 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. NET POSITION AND FLOW ASSUMPTIONS** Net position is reported as restricted when constraints are placed on net position use as 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.

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

HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

**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 December 31, 2018. 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: \$3,120 is restricted in the General Fund for security deposits.

At December 31, 2018, the Housing Authority's carrying amount of deposits was \$108,466 and the bank balance was \$111,788, which includes \$12,148 in certificates of deposits classified as investments. Petty cash consists of \$50. The entire bank balance was covered by FDIC Insurance.

HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

**NOTE 3 – ACCOUNTS RECEIVABLE** The receivables at December 31, 2018, are as follows:

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 1,881
	1,881
Total	\$ 1,881
	1,881

The tenants account receivables is net of an allowance for doubtful accounts of \$907.

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-depreciable assets				
Land and buildings	\$ 16,020	\$ 0	\$ 0	\$ 16,020
Depreciable assets:				
Buildings	1,783,305	1,800	0	1,785,105
Furniture and equipment	42,901	0	1,604	41,297
Total capital assets	1,842,226	1,800	1,604	1,842,422
Less: accumulated depreciation				
Buildings	1,425,680	46,294	0	1,471,974
Furniture and equipment	41,374	509	1,604	40,279
Total accumulated depreciation	1,467,054	46,803	1,604	1,512,253
Total capital assets, net	\$ 375,172	\$ (45,003)	\$ 0	\$ 330,169

HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

**NOTE 5 – ACCOUNTS PAYABLE** The payables at December 31, 2018 are as follows:

Vendors	\$	1,846
Payroll taxes & Retirement withheld		1,038
Utilities		81
Total	\$	<u>2,965</u>

**NOTE 6 – RETIREMENT SYSTEM** The Housing Authority participates in the Housing Agency Retirement Trust (HART), 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 from the first date of the first month after finishing one month of employment.

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 5.5% of his effective compensation, and may make additional contributions. The employer is required to make monthly contributions equal to 8.5% 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 first used to pay for plan expenses and if there is any residual amount, the amount is refunded to 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 Agency Retirement Trust (HART) 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 \$4,451 for the year ended December 31, 2018, of which \$2,609 was paid by the Housing Authority and \$1,842 was paid by employees. No payments were made out of the forfeiture account.

**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

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

HOUSING AUTHORITY OF KINDER, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

**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 December 31, 2018. 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, auto, bond, 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.

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council, Inc. Group Self Insurance Risk Management Agency 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 8 – ECONOMIC DEPENDENCE** The Department of Housing and Urban Development provided \$56,935 to the Housing Authority, which represents approximately 40% of the Housing Authority's total revenue and capital contributions for the year.

**NOTE 9 - SUBSEQUENT EVENTS** Management has evaluated events and transactions subsequent to the statement of net position date through, April 16, 2019, of the independent auditor's report for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.



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*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*

Independent Auditor's Report

Housing Authority of Kinder  
Kinder, Louisiana

We have audited, 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, the financial statements of each major fund of the Housing Authority of the Town of Kinder, Louisiana, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Kinder, Louisiana's basic financial statements, and have issued our report thereon dated April 16, 2019.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Kinder, Louisiana'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 Housing Authority of the Town of Kinder, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Kinder, Louisiana'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 entity'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Kinder, 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mike Estes, P.C.*

Mike Estes, P.C.  
Fort Worth, Texas  
April 16, 2019

HOUSING AUTHORITY OF KINDER, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED YEAR ENDED DECEMBER 31, 2018

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

**Financial Statement Audit**

1. Type of Auditor’s Report Issued on Financial Statements – Unmodified.
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

HOUSING AUTHORITY OF KINDER, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2018

**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:**

None

HOUSING AUTHORITY OF KINDER, LOUISIANA  
CORRECTIVE ACTION PLAN

YEAR ENDED DECEMBER 31, 2018

There were no audit findings.

HOUSING AUTHORITY OF KINDER, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2018

**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**

HOUSING AUTHORITY OF KINDER, LOUISIANA  
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED DECEMBER 31, 2018

CASH BASIS

		2016 Capital Fund		2017 Capital Fund
Funds approved	\$	38,023	\$	39,545
Funds expended		31,636		991
Excess of funds approved	\$	6,387	\$	38,554
Funds advanced	\$	31,636	\$	991
Funds expended		31,636		991
Excess (Deficiency) of funds	\$	0	\$	0

See accountants' report

HOUSING AUTHORITY OF KINDER, LOUISIANA  
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD  
 OR CHIEF EXECUTIVE DIRECTOR

YEAR ENDED DECEMBER 31, 2018

**Agency Head Name:** Sylvia Manuel, Executive Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 30,698
Benefits-insurance	5,364
Benefits-retirement	2,609
Benefits	
Car allowance	
Vehicle provided by government	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	
<b>Total</b>	<b>\$ 38,671</b>

See accountants' report

HOUSING AUTHORITY OF KINDER, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.		PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:			
Low-Income Housing Operating Subsidy	14.850a	\$	55,135
Capital Fund Program	14.872		1,800
Total United States Department of Housing and Urban Development		\$	56,935
Total Expenditures of Federal Awards		\$	56,935

The accompanying notes are an integral part of this schedule.

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

YEAR ENDED DECEMBER 31, 2018

**NOTE 1 – BASIS OF PRESENTATION** The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the Town of Kinder, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended December 31, 2018. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Housing Authority has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**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	\$	55,135
Capital contributions		1,800
		56,935
Total	\$	56,935

**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.

HOUSING AUTHORITY OF KINDER, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2018

<b>Entity Wide Balance Sheet Summary</b>				
	Project Total	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$93,248	\$93,248		\$93,248
112 Cash - Restricted - Modernization and Development	\$0	\$0		\$0
113 Cash - Other Restricted	\$0	\$0		\$0
114 Cash - Tenant Security Deposits	\$3,120	\$3,120		\$3,120
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0		\$0
100 Total Cash	\$96,368	\$96,368		\$96,368
121 Accounts Receivable - PHA Projects	\$0	\$0		\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0		\$0
124 Accounts Receivable - Other Government	\$495	\$495		\$495
125 Accounts Receivable - Miscellaneous	\$0	\$0		\$0
126 Accounts Receivable - Tenants	\$939	\$939		\$939
126.1 Allowance for Doubtful Accounts - Tenants	-\$907	-\$907		-\$907
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$1,354	\$1,354		\$1,354
128 Fraud Recovery	\$0	\$0		\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0		\$0
129 Accrued Interest Receivable	\$2	\$2		\$2
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,883	\$1,883		\$1,883
131 Investments - Unrestricted	\$12,148	\$12,148		\$12,148
132 Investments - Restricted	\$0	\$0		\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0		\$0
142 Prepaid Expenses and Other Assets	\$4,381	\$4,381		\$4,381
143 Inventories	\$286	\$286		\$286
143.1 Allowance for Obsolete Inventories	-\$14	-\$14		-\$14
144 Inter Program Due From	\$0	\$0		\$0
145 Assets Held for Sale	\$0	\$0		\$0
150 Total Current Assets	\$115,052	\$115,052		\$115,052
161 Land	\$16,020	\$16,020		\$16,020
162 Buildings	\$1,627,407	\$1,627,407		\$1,627,407
163 Furniture, Equipment & Machinery - Dwellings	\$9,019	\$9,019		\$9,019
164 Furniture, Equipment & Machinery - Administration	\$32,278	\$32,278		\$32,278
165 Leasehold Improvements	\$157,698	\$157,698		\$157,698
166 Accumulated Depreciation	-\$1,512,253	-\$1,512,253		-\$1,512,253
167 Construction in Progress	\$0	\$0		\$0
168 Infrastructure	\$0	\$0		\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$330,169	\$330,169		\$330,169
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0		\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0		\$0
173 Grants Receivable - Non Current	\$0	\$0		\$0
174 Other Assets	\$0	\$0		\$0
176 Investments in Joint Ventures	\$0	\$0		\$0
180 Total Non-Current Assets	\$330,169	\$330,169		\$330,169
200 Deferred Outflow of Resources				
290 Total Assets and Deferred Outflow of Resources	\$445,221	\$445,221		\$445,221

HOUSING AUTHORITY OF KINDER, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2018

	Project Total	Subtotal	ELIM	Total
311 Bank Overdraft	\$0	\$0		\$0
312 Accounts Payable <= 90 Days	\$1,846	\$1,846		\$1,846
313 Accounts Payable >90 Days Past Due	\$0	\$0		\$0
321 Accrued Wage/Payroll Taxes Payable	\$1,038	\$1,038		\$1,038
322 Accrued Compensated Absences - Current Portion	\$0	\$0		\$0
324 Accrued Contingency Liability	\$0	\$0		\$0
325 Accrued Interest Payable	\$0	\$0		\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0		\$0
332 Account Payable - PHA Projects	\$0	\$0		\$0
333 Accounts Payable - Other Government	\$8,095	\$8,095		\$8,095
341 Tenant Security Deposits	\$3,120	\$3,120		\$3,120
342 Unearned Revenue	\$326	\$326		\$326
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0	\$0		\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0		\$0
345 Other Current Liabilities	\$0	\$0		\$0
346 Accrued Liabilities - Other	\$81	\$81		\$81
347 Inter Program - Due To	\$0	\$0		\$0
348 Loan Liability - Current	\$0	\$0		\$0
310 Total Current Liabilities	\$14,506	\$14,506		\$14,506
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0		\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0		\$0
353 Non-current Liabilities - Other	\$0	\$0		\$0
354 Accrued Compensated Absences - Non Current	\$0	\$0		\$0
355 Loan Liability - Non Current	\$0	\$0		\$0
356 FASB 5 Liabilities	\$0	\$0		\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0		\$0
350 Total Non-Current Liabilities	\$0	\$0		\$0
300 Total Liabilities	\$14,506	\$14,506		\$14,506
400 Deferred Inflow of Resources	\$0	\$0		\$0
508.4 Net Investment in Capital Assets	\$330,169	\$330,169		\$330,169
511.4 Restricted Net Position	\$0	\$0		\$0
512.4 Unrestricted Net Position	\$100,546	\$100,546		\$100,546
513 Total Equity - Net Assets / Position	\$430,715	\$430,715		\$430,715
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$445,221	\$445,221		\$445,221

HOUSING AUTHORITY OF KINDER, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2018

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$82,953		\$82,953
70400 Tenant Revenue - Other	\$210		\$210
70500 Total Tenant Revenue	\$83,163	\$0	\$83,163
70600 HUD PHA Operating Grants	\$55,135		\$55,135
70610 Capital Grants		\$1,800	\$1,800
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	\$15		\$15
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	\$1,165		\$1,165
71600 Gain or Loss on Sale of Capital Assets	\$0		\$0
72000 Investment Income - Restricted	\$0		\$0
70000 Total Revenue	\$139,478	\$1,800	\$141,278
91100 Administrative Salaries	\$51,946		\$51,946
91200 Auditing Fees	\$7,330		\$7,330
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$150	\$0	\$150
91500 Employee Benefit contributions - Administrative	\$11,945	\$0	\$11,945
91600 Office Expenses	\$9,747	\$0	\$9,747
91700 Legal Expense	\$0	\$0	\$0
91800 Travel	\$695	\$0	\$695
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$3,439	\$0	\$3,439
91000 Total Operating - Administrative	\$85,252	\$0	\$85,252
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	\$100	\$0	\$100
92500 Total Tenant Services	\$100	\$0	\$100
93100 Water	\$339	\$0	\$339
93200 Electricity	\$1,056	\$0	\$1,056
93300 Gas	\$213	\$0	\$213
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$398	\$0	\$398

HOUSING AUTHORITY OF KINDER, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2018

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$2,006	\$0	\$2,006
94100 Ordinary Maintenance and Operations - Labor	\$20,291	\$0	\$20,291
94200 Ordinary Maintenance and Operations - Materials and Other	\$5,693	\$0	\$5,693
94300 Ordinary Maintenance and Operations Contracts	\$6,799	\$0	\$6,799
94500 Employee Benefit Contributions - Ordinary Maintenance	\$1,590	\$0	\$1,590
94000 Total Maintenance	\$34,373	\$0	\$34,373
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	\$6,246	\$0	\$6,246
96120 Liability Insurance	\$2,508	\$0	\$2,508
96130 Workmen's Compensation	\$4,549	\$0	\$4,549
96140 All Other Insurance	\$2,385	\$0	\$2,385
96100 Total insurance Premiums	\$15,688	\$0	\$15,688
96200 Other General Expenses	\$0	\$0	\$0
96210 Compensated Absences	\$0	\$0	\$0
96300 Payments in Lieu of Taxes	\$8,095	\$0	\$8,095
96400 Bad debt - Tenant Rents	\$3,841	\$0	\$3,841
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	\$11,936	\$0	\$11,936
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	\$149,355	\$0	\$149,355
97000 Excess of Operating Revenue over Operating Expenses	-\$9,877	\$1,800	-\$8,077
97100 Extraordinary Maintenance	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$46,803	\$0	\$46,803
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	\$196,158	\$0	\$196,158

HOUSING AUTHORITY OF KINDER, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2018

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$0	\$0	\$0
10020 Operating transfer Out	\$0	\$0	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$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	\$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)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$56,680	\$1,800	-\$54,880
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$485,595	\$0	\$485,595
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$83,790	-\$83,790	\$0
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	360		360
11210 Number of Unit Months Leased	346		346
11270 Excess Cash	\$83,447		\$83,447
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

HOUSING AUTHORITY OF KINDER, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2018

<b>Entity Wide Revenue and Expense Summary</b>				
	Project Total	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$82,953	\$82,953		\$82,953
70400 Tenant Revenue - Other	\$210	\$210		\$210
70500 Total Tenant Revenue	\$83,163	\$83,163		\$83,163
70600 HUD PHA Operating Grants	\$55,135	\$55,135		\$55,135
70610 Capital Grants	\$1,800	\$1,800		\$1,800
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	\$15	\$15		\$15
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	\$1,165	\$1,165		\$1,165
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0		\$0
72000 Investment Income - Restricted	\$0	\$0		\$0
70000 Total Revenue	\$141,278	\$141,278		\$141,278
91100 Administrative Salaries	\$51,946	\$51,946		\$51,946
91200 Auditing Fees	\$7,330	\$7,330		\$7,330
91300 Management Fee	\$0	\$0		\$0
91310 Book-keeping Fee	\$0	\$0		\$0
91400 Advertising and Marketing	\$150	\$150		\$150
91500 Employee Benefit contributions - Administrative	\$11,945	\$11,945		\$11,945
91600 Office Expenses	\$9,747	\$9,747		\$9,747
91700 Legal Expense	\$0	\$0		\$0
91800 Travel	\$695	\$695		\$695
91810 Allocated Overhead	\$0	\$0		\$0
91900 Other	\$3,439	\$3,439		\$3,439
91000 Total Operating - Administrative	\$85,252	\$85,252		\$85,252
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	\$100	\$100		\$100
92500 Total Tenant Services	\$100	\$100		\$100
93100 Water	\$339	\$339		\$339
93200 Electricity	\$1,056	\$1,056		\$1,056
93300 Gas	\$213	\$213		\$213
93400 Fuel	\$0	\$0		\$0
93500 Labor	\$0	\$0		\$0
93600 Sewer	\$398	\$398		\$398

HOUSING AUTHORITY OF KINDER, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2018

<b>Entity Wide Revenue and Expense Summary</b>				
	Project Total	Subtotal	ELIM	Total
93700 Employee Benefit Contributions - Utilities	\$0	\$0		\$0
93800 Other Utilities Expense	\$0	\$0		\$0
93000 Total Utilities	\$2,006	\$2,006		\$2,006
94100 Ordinary Maintenance and Operations - Labor	\$20,291	\$20,291		\$20,291
94200 Ordinary Maintenance and Operations - Materials and Other	\$5,693	\$5,693		\$5,693
94300 Ordinary Maintenance and Operations Contracts	\$6,799	\$6,799		\$6,799
94500 Employee Benefit Contributions - Ordinary Maintenance	\$1,590	\$1,590		\$1,590
94000 Total Maintenance	\$34,373	\$34,373		\$34,373
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	\$6,246	\$6,246		\$6,246
96120 Liability Insurance	\$2,508	\$2,508		\$2,508
96130 Workmen's Compensation	\$4,549	\$4,549		\$4,549
96140 All Other Insurance	\$2,385	\$2,385		\$2,385
96100 Total insurance Premiums	\$15,688	\$15,688		\$15,688
96200 Other General Expenses	\$0	\$0		\$0
96210 Compensated Absences	\$0	\$0		\$0
96300 Payments in Lieu of Taxes	\$8,095	\$8,095		\$8,095
96400 Bad debt - Tenant Rents	\$3,841	\$3,841		\$3,841
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	\$11,936	\$11,936		\$11,936
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	\$149,355	\$149,355		\$149,355
97000 Excess of Operating Revenue over Operating Expenses	-\$8,077	-\$8,077		-\$8,077
97100 Extraordinary Maintenance	\$0	\$0		\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0		\$0
97300 Housing Assistance Payments	\$0	\$0		\$0
97350 HAP Portability-In	\$0	\$0		\$0
97400 Depreciation Expense	\$46,803	\$46,803		\$46,803
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	\$196,158	\$196,158		\$196,158

HOUSING AUTHORITY OF KINDER, LOUISIANA  
FINANCIAL DATA SCHEDULES

YEAR ENDED DECEMBER 31, 2018

<b>Entity Wide Revenue and Expense Summary</b>				
	Project Total	Subtotal	ELIM	Total
10010 Operating Transfer In	\$0	\$0		\$0
10020 Operating transfer Out	\$0	\$0		\$0
10030 Operating Transfers from/to Primary Government	\$0	\$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		\$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)	\$0	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$54,880	-\$54,880		-\$54,880
11020 Required Annual Debt Principal Payments	\$0	\$0		\$0
11030 Beginning Equity	\$485,595	\$485,595		\$485,595
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0		\$0
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	360	360		360
11210 Number of Unit Months Leased	346	346		346
11270 Excess Cash	\$83,447	\$83,447		\$83,447
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