

**MANAGEMENT LETTER  
SEPTEMBER 30, 2009**



**BOISE CITY/ADA COUNTY  
HOUSING AUTHORITY**



CPAs & BUSINESS ADVISORS

To the Management and Board of Directors  
**Boise City/Ada County Housing Authority**  
Boise, Idaho

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In planning and performing our audit of the financial statements of Boise City/Ada County Housing Authority (the Authority) as of and for the year ended September 30, 2009, we considered the Authority's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. We previously reported on the Authority's internal control structure in our report dated January 27, 2010. This letter does not affect our report dated January 27, 2010 on the financial statements of Boise City/Ada County Housing Authority.

We have already discussed many of these comments and suggestions with various Authority personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Very truly yours,

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho  
January 27, 2010

## OTHER CONDITIONS

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### *Long-Term Cash Flow Projections*

**Condition:**

Shoreline Plaza, Inc. has undergone changes in past years, and as a result, has used substantial portions of the excess cash reserves. This use of cash could cause future problems if occupancy rates and rental rates are not increased.

**Recommendation:**

Management has been preparing long-term cash flow budgets. In addition, management has been analyzing the market for the appropriate rental rates in order to maintain optimal occupancy. We recommend that management continue to closely monitor cash flows and rental rates as continued cash flow losses could jeopardize the entities ability to make bond payments in upcoming years.

**Response:**

Management will continue to closely monitor cash flow and rental rates in the Shoreline properties.

### *Section 8 Voucher Program Findings*

**Condition:**

During our testing of government grant compliance for Boise City Housing Authority, it was noted that one tenant file under the Boise City Voucher Program had the wrong utility allowance used to calculate the tenant's rent during the annual re-examination. This resulted in a subsidy payment for the year being misstated by approximately \$30 per month.

**Recommendation:**

Files should be periodically sampled and tested internally to verify compliance with the federal grant requirements under the Section 8 Voucher.

**Management's Response:**

The housing representative did not update the utilities to the current schedule and the 2007 schedule was still being used to calculate rent. This was corrected immediately and a search was performed in the data base to identify any other 2007 schedules still being used. We didn't identify any other files using the 2007 schedule. We are now checking the database after we have implemented a new schedule to look for any that may have been gone unchanged.