
**MIAMI METROPOLITIAN
HOUSING AUTHORITY**

SINGLE AUDIT REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2000

**DAVID G. FALATOK CO., INC.
CERTIFIED PUBLIC ACCOUNTANT**



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Board of Commissioners
Miami Metropolitan Housing Authority
Troy, Ohio

We have reviewed the Independent Auditor's Report of Miami Metropolitan Housing Authority, Miami County, prepared by David G. Falatok Co., Inc., for the audit period January 1, 2000 to December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Miami Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

July 20, 2001

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MIAMI METROPOLITAN HOUSING AUTHORITY

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DAVID G. FALATOK CO., Inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Miami Metropolitan Housing Authority
Troy, Ohio

I have audited the accompanying financial statements of the Miami Metropolitan Housing Authority, as listed in the Table of Contents, as of and for the year ended December 31, 2000. These financial statements are the responsibility of the Miami Metropolitan Housing Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as in evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Miami Metropolitan Housing Authority as of December 31, 2000, and the results of its operations and cash flows for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated May 24, 2001 on my consideration of the Miami Metropolitan Housing Authority's internal control over financial reporting and my tests of compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

My audit was performed for the purpose of forming an opinion on the basic financial statement of the Miami Metropolitan Housing Authority taken as a whole. The accompanying Schedule of Expenditures and Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the supplemental schedules combining: balance sheets, revenues expenses and changes in equity and supplemental schedule on Actual Comprehensive Improvement Assistance Program incurred on projects closed and schedule of adjusting journal entries are also presented for the purpose of additional analysis and are not a required part of the basic financial statements. The aforementioned supplemental schedules and information are also the responsibility of management. Such supplemental schedules and information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. Such supplemental schedules and information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

David G. Falatok
Certified Public Accountant

May 24, 2001

MIAMI METROPOLITAN HOUSING AUTHORITY

BALANCE SHEET
DECEMBER 31, 2000

ASSETS

Current Assets

Cash and Cash Equivalents	\$1,180,065
Accounts Receivable - PHA Projects	1,407
Accounts Receivable - HUD Other Projects	69,693
Accounts Receivable - Tenants - Dwelling Rents	1,134
Inventories	15,413

Total Current Assets 1,267,712

Land, Structures and Equipment

Land	357,350
Buildings	8,198,794
Furniture, Equipment and Machinery - Dwellings	105,396
Accumulated Depreciation	(3,613,802)

Total Land Structures and Equipment 5,047,738

Other Assets

Construction in Progress	146,899
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Total Assets \$6,462,349

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	28,912
Accounts Payable - HUD	856,762
Accounts Payable - Other Government	25,387
Accounts Payable - Security Deposits	27,196
Other Current Liabilities	1,600

Total Current Liabilities 939,857

Equity 5,522,492

Total Liabilities and Equity \$6,462,349

See Independent Auditor's Report and Notes to the Financial Statements

MIAMI METROPOLITAN HOUSING AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2000

Operating Revenue	
Dwelling Rental	\$411,176
Tenant Revenue - Other	8,473
HUD PHA Grants	3,455,246
Investment Income - Unrestricted	42,633
Other Revenue	23,975
Total Operating Revenue	<u>3,941,503</u>
Operating Expenses	
Housing Assistance Payments	2,668,923
Auditing Fees	2,951
Outside Management Fees	431,864
Other Operating Expenses - Administrative	48,874
Tenant Services - Other	16,887
Water	41,064
Electric	110,722
Gas	31,265
Ordinary Maintenance - Materials and Other	59,267
Ordinary Maintenance - Contract Costs	143,809
Insurance Premiums	12,958
Other General Expenses	994
Payments in Lieu of Taxes	25,387
Bad Debts Tennants	8,764
Total Operating Expenses	<u>3,603,729</u>
Operating Income	<u>337,774</u>
Other Income (Expenses)	
Depreciation Expense	(276,770)
Net Income	<u>61,004</u>
 Equity at Beginning of Year	 5,461,488
 Equity at End of Year	 <u><u>\$5,522,492</u></u>

See Independent Auditor's Report and Notes to the Financial Statements

MIAMI METROPOLITAN HOUSING AUTHORITY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2000

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income	61,004	
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	276,770	
(Increase) decrease in Operating Assets:		
Accounts Receivable - PHA Projects	(1,064)	
Accounts Receivable - Hud Other Projects	(69,693)	
Accounts Receivable - Tennants - Dwelling Rents	(1,134)	
Inventory	7,695	
Increase (decrease) in Operating Liabilities:		
Accounts Payable	16,340	
Accounts Payable - HUD	73,443	
Accounts Payable - Other Government	3,385	
Accounts Payable - Security Deposits	(201)	
Other Current Liabilities	1,600	
	<hr/>	
Net cash provided by operating activities		368,145

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisition of capital assets	<hr/>	(316,740)
Net cash used by capital and related financing activities		<hr/>

CHANGE IN CASH AND CASH EQUIVALENTS	51,405
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,128,660
CASH AND CASH EQUIVALENTS AT END OF YEAR	<hr/>

See Independent Auditor's Report and Notes to the Financial Statements

Miami Metropolitan Housing Authority
Notes to Financial Statements
Year Ended December 31, 2000

NOTE 1 - DESCRIPTION OF ENTITY

The Miami Metropolitan Housing Authority ("MMHA" or the "Authority") was created under Ohio Revised Code Section 3735.27. The Housing Authority contracts with United States Department of Housing and Urban Development (HUD) to provide low and moderate income persons with safe and sanitary housing. The Housing Authority owns 127 units and has approximately 850 units under contract with private owners. Contributions, including operating subsidies and grants made by HUD, are used to offset certain MMHA expenditures are more fully described as follows:

- Basic annual contributions for operation of the low rent housing program are received from HUD to cover the excess of expenditures over receipts, not to exceed maximum amounts stipulated in the Annual Contributions Contract.
- Housing assistance payments ("HAP") are received by MMHA, subject to certain limitations, for operations of the Section 8 Program. The amount of the HAP payments is determined based upon numerous criteria, including unit size and number of dwelling units.
- MMHA is required to remit residual (if any) from operations and certain interest to HUD as specified in its Annual Contributions Contract to reduce the annual HUD contributions.

Oversight of the Miami Metropolitan Housing Authority is provided by five (5) member board called the Board of Commissioners representing one (1) appointee of the Common Pleas Court, one (1) appointee of the County commissioners, one (1) appointee of the Probate Court, and two (2) appointees of the largest municipality of the county. The Authority's financial statements include all funds, agencies, boards, commissions, and departments for which the Authority is financially accountable. Financial accountability, as defined by the Governmental Accounting Standards Board ("GASB"), exists if the Authority appoints a voting majority of an organization's governing board and the Authority is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the Authority. The Authority may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the Authority. The Authority also took into consideration other organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the Authority's general purpose financial statements to be misleading or incomplete. Based upon the foregoing criteria, the Authority has no component units.

HUD requires all grantee agencies and authorities to maintain a separate ledger for each grant/granting contract. Accordingly, MMHA maintains a separate ledger for each of the following programs/grants:

- a. **Annual Contributions Contract C-5082** - The following programs are operated under the contract:

Low Rent Housing Program - Under this program, which is sponsored by HUD and commonly known as Public Housing, MMHA manages 127 housing units, which are owned by Authority. MMHA operates the Program with the proceeds of rentals received from tenants and contributions and subsidies received from HUD under contractual agreement.

Modernization Programs - Modernization programs, also known as Comprehensive Improvement Assistance Program (CIAP), are funded through project grants, and are used to replace or materially upgrade portions of MMHA's housing units.

- b. **Annual Contributions Contract C-5052** - Housing Assistance Program ("HAP") - Under this HUD Section 8 Program, MMHA contracts with private landlords and subsidizes the rental of approximately 850 housing dwelling Units. Under this program, HAP payments are made to the landlord on behalf of the tenant for the difference between the contract rent and the amount the tenant is able to pay.

Miami Metropolitan Housing Authority
Notes to Financial Statements
Year Ended December 31, 2000

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies under which the financial statements have been prepared are as follows:

- a. **Cash and cash equivalents** include investments with original maturities of three months or less. Cash equivalents are carried at the lower of cost or market.
- b. **Allowance for Doubtful Accounts** – No provisions for doubtful accounts has been established for the year ended December 31, 2000 due to management has represented the balance of accounts receivable is fully collectable.
- c. **Inventory** - The Authority's inventories, which consist primarily of maintenance supplies are carried at cost using the first in-first out method and are valued at the lower of cost or market.
- d. **Land Structures and Equipment** - is recorded at cost. Depreciation is provided for by the amortization of the cost of the asset over its estimated useful life using the straight line method. Depreciation expense was \$276,770 for the year ended December 31, 2000. The estimated useful lives are as follows:

Buildings	40 years
Furniture & Equipment - dwelling	7 years

The cost of assets sold or retired and related amounts of accumulated depreciation are removed from the accounts in the year of disposal. Any resulting gain or loss is reflected in current operations. Expenditures for maintenance and repairs are charged directly to operations as incurred; additions and betterments are capitalized.

- e. **Interprogram Receivables/Payables** - During the course of operations, numerous short-term interprogram loans are made primarily to cover payroll and interprogram cost allocations.
- f. **Recognition of Revenues, and Expenses** - Contributions, grants, and subsidies received from HUD are generally recognized as revenue in the Annual Contributions Contract year. Tenant rentals are recognized as revenues in the month of occupancy. Contributions under the Comprehensive Improvement Assistance Program (CIAP) are recognized as revenue in the period which expense related to the project were incurred.
- g. **Indirect Costs** - Certain indirect costs are allocated to the various programs under a HUD approved cost allocation plan.
- h. **Use of Estimates** – The preparation of the financial statements in accordance with Generally accepted Accounting Principles 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 and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 - DEPOSITS AND INVESTMENTS

Legal and Other Requirements – The investment and deposit of Authority monies are governed by the provisions of the Ohio Revised Code and the Authority's written investment policy. Only banks located in Ohio and domestic building and loan associations are eligible to hold public deposits. The authority is also generally permitted to invest its monies in certificates of deposit, savings accounts, money market accounts, certain highly rated commercial paper, the State Treasurer's investment pool (STAR OHIO), and obligations of certain political subdivisions of Ohio and the United States government and its agencies. These investments must mature within five years of their purchase. The Authority may also enter into repurchase agreements with any eligible depository or any eligible dealer for a period not exceeding thirty days.

**Miami Metropolitan Housing Authority
Notes to Financial Statements
Year Ended December 31, 2000**

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Public depositories must give security for all public funds on deposit. HUD requires specific collateral on individual accounts in excess of amounts insured by the Federal Deposit Insurance Corporation. Repurchase agreements must be secured by the specific qualifying securities upon which the repurchase agreements are based. These securities must mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by 2% and be marked to market daily. State law does not require security for public deposits and investments to be maintained in the Authority's name.

The Authority is prohibited from investing in any financial instruments, contracts, or obligations whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a "derivative"). The Authority is also prohibited from investing in reverse purchase agreements.

Government Accounting Standards Board Statement No. 3 (GASB No. 3) has established custodial credit risk categories for deposits and investments as follows:

Deposits:	Category 1	Insured or collateralized with securities held by the Authority or by its agent in the Authority's name.
	Category 2	Collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.
	Category 3	Uncollateralized as defined by the GASB (securities pledged with the pledging financial institution's trust department or agent, but not in the Authority's name).
Investments:	Category 1	Insured or registered, or securities held by the Authority or its agent in the Authority's name.
	Category 2	Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Authority's name.
	Category 3	Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Authority's name.

Deposits - At December 31, 2000 the carrying value of the Miami Metropolitan Housing Authority's cash and investments consisted of demand deposits and certificate of deposits in the amount of \$1,180,065. The bank balances of \$1,203,211 were collateralized as follows:

Category 1	\$100,000 was covered by Federal Depository Insurance
Category 2	\$1,103,211 was covered by collateral held by a third party in the name of the authority

Cash and cash equivalents, which are demand deposits, at December 31, 2000, are as follows:

Annual Contribution Contract	Book Amount	Bank Amount
C-5082-Public Housing	<u>\$ 1,180,065</u>	<u>\$ 1,203,211</u>

**Miami Metropolitan Housing Authority
Notes to Financial Statements
Year Ended December 31, 2000**

NOTE 4 - RELATED PARTY TRANSACTION

The Miami County Metropolitan Housing Authority has a management agent contract with Miami County Community Action Council, in which a contract is signed to provide services as determined by the Housing Authority. The Community Action Council has a separate audit of its financial records under the same guidelines as OMB Circular A-133 "Audits of States, Local Governments and Non Profit Organizations."

NOTE 5 - RISK MANAGEMENT

The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruct of assets; errors and omissions; injuries to employees; and natural disasters. In order to minimize these risks the Authority was insured through the State Housing Authority Risk Pool, Inc. (SHARP) a public entity risk pool operating a common risk, management and insurance program for its 22 housing authority members. The State Housing Authority Risk Pool Association, Inc. is self-sustaining through member premiums and reinsures through commercial insurance companies. In addition coverage for employee health and accident insurance is purchased by an independent third party. Settle claims for these risks have not exceeded coverage for the past two years. Further there has been no reduction in premiums or insurance coverage.

NOTE 6 - EMPLOYEES RETIREMENT SYSTEM

The Housing Authority contributes 6.2% of gross salary to Social Security Insurance. Social Security Insurance requires members to contribute an additional 6.2% of their gross salary. The amount of these funds is not reflected in the accompanying financial statements.

NOTE 7 – PAYMENTS IN LIEU OF TAXES

MMHA has cooperation agreements with certain municipalities under which it makes payments in lieu of real estate taxes for various public services. Expense recognized for payments in lieu of taxes totaled \$25,387 for the year ended December 31, 2000.

NOTE 8 – NEW ACCOUNTING STANDARDS

The GASB has issued Statements No. 33, Accounting and Financial Reporting for Non-Exchange Transactions, Statement No. 34 Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments; and Statement No. 36 Receptient Reporting for Certain Shared Non-exchange Revenues. These statements establish accounting standards for non-exchange transactions such as grants and other assistance provided to MMHA by other governmental units and revise accounting and reporting standards for general purpose external financial reporting by governmental units. GASB Statements No. 33 and 36 are effective for the Authority’s year ending December 31, 2001 and GASB Statements No. 34 is effective for the year ending December 31, 2003. The Authority has not completed an analysis of the impact of these three statements on its reported financial condition and results of operation

MIAMI METROPOLITAN HOUSING AUTHORITY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2000

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Expenditures For The Year Ended</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Direct Programs)			
PHA Owned Housing	14.850	C-5082	\$101,402
Comprehensive Improvement Assistance Program	14.859	C-5082	381,281
Low Income Housing Assistance Program - Section 8 Moderate Rehabilitation Program	14.856	C-5052	<u>45,304</u>
Total Section 8 - Project Based Cluster			45,304
Low Income Housing Assistance Program - Section 8 Rental Voucher Program	14.855	C-5052	2,722,374
Section 8 Rental Certificate Program	14.857	C-5052	<u>250,203</u>
Total Section 8 - Tenant Based Cluster			2,972,577
TOTAL EXPENDITURES OF FEDERAL AWARDS (ALL US DEPT OF HUD)			<u><u>\$3,500,564</u></u>

NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

- Note 1 - Reporting Entity** The accompanying schedule of expenditures of federal awards includes the expenditure of all funds and departments of the Authority. The Authority has no subrecipient.
- Note 2 - Basis of Accounting** The accompanying schedule was prepared in accordance with Generally Accepted Accounting Principles.

See Independent Auditor's Report on Supplemental Data

MIAMI METROPOLITAN HOUSING AUTHORITY

SUPPLEMENTAL SCHEDULE OF COMBINING BALANCE SHEETS
DECEMBER 31, 2000

-----Low Income Housing Assistance Program -----							
REAC	Low		Section 8	Section 8	Section 8		
Line	Rent		Rental	Moderate	Rental		
Item	Public		Vouchers	Rehabilitation	Certificates		
#	Housing	CIAP*	Program	Program	Program	TOTAL	
ASSETS							
Current Assets							
Cash and Cash Equivalents	111	\$1,180,065			-	\$1,180,065	
Accounts Receivable - PHA Project	121		1,407			1,407	
Accounts Receivable - HUD Other I	122			3,833	65,860	69,693	
Accounts Receivable - Tenants - I	126	1,134				1,134	
Inventories	143	15,413				15,413	
Total Current Assets		1,196,612	1,407	3,833	65,860	1,267,712	
Land, Structures and Equipment							
Land	161	357,350				357,350	
Buildings	162	7,869,276	329,518			8,198,794	
Furniture, Equipment and Machinery	163	105,396				105,396	
Accumulated Depreciation	166	(3,605,564)	(8,238)			(3,613,802)	
Total Land Structures and Equipment		4,726,458	321,280			5,047,738	
Other Assets							
Construction in Progress	167		146,899			146,899	
Total Assets		\$5,923,070	\$468,179	\$1,407	\$3,833	\$65,860	\$6,462,349
LIABILITIES AND EQUITY							
Current Liabilities							
Accounts Payable	312	28,912				28,912	
Accounts Payable - HUD	331		856,762			856,762	
Accounts Payable - Other Government	333	25,387				25,387	
Accounts Payable - Security Deposits	341	27,196				27,196	
Other Current Liabilities	345	1,600				1,600	
Interprogram Due To From	144,347	726,734	47,759	(853,968)	4,335	75,140	
Total Current Liabilities		809,829	47,759	2,794	4,335	75,140	939,857
Equity		5,113,241	420,420	(1,387)	(502)	(9,280)	5,522,492
Total Liabilities and Equity		\$5,923,070	\$468,179	\$1,407	\$3,833	\$65,860	\$6,462,349

* CIAP - Represents Public Housing Comprehensive Improvement Assistance Program

See Independent Auditor's Report on Supplemental Data

MIAMI METROPOLITAN HOUSING AUTHORITY

SUPPLEMENTAL SCHEDULE OF COMBINING REVENUES, EXPENSES AND CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2000

REAC Line Item #	-----Low Income Housing Assistance Program -----						TOTAL
	Low Rent Public Housing	CIAP*	Section 8 Rental Vouchers Program	Section 8 Moderate Rehabilitation Program	Section 8 Rental Certificates Program		
Operating Revenue							
Dwelling Rental	703	\$411,176					\$411,176
Tenant Revenue - Other	704	8,473					8,473
HUD PHA Grants	706	101,402	335,963	2,722,374	45,304	250,203	3,455,246
Investment Income - Unrestricted	711	22,684		16,816		3,133	42,633
Other Revenue	715	23,975					23,975
Total Operating Revenue		567,710	335,963	2,739,190	45,304	253,336	3,941,503
Operating Expenses							
Housing Assistance Payments	973			2,410,735	38,753	219,435	2,668,923
Auditing Fees	912			2,751	200		2,951
Outside Management Fees	913	72,188		319,572	6,351	33,753	431,864
Other Operating Expenses - Admini	916	6,294	42,580				48,874
Tenant Services - Other	924	2,400	14,487				16,887
Water	931	41,064					41,064
Electric	932	110,722					110,722
Gas	933	31,265					31,265
Ordinary Maintenance - Materials	942	59,267					59,267
Ordinary Maintenance - Contract (943	143,809					143,809
Insurance Premiums	961	12,958					12,958
Other General Expenses	962			846		148	994
Payments in Lieu of Taxes	963	25,387					25,387
Bad Debts Tennants	964	8,764					8,764
Total Operating Expenses		514,118	57,067	2,733,904	45,304	253,336	3,603,729
Operating Income		53,592	278,896	5,286			337,774
Other Income (Expenses)							
Depreciation Expense	974	(268,532)	(8,238)				(276,770)
Net Income (Loss)		(214,940)	270,658	5,286			61,004
Equity at Beginning of Year	1,103	5,328,181	149,762	(6,673)	(502)	(9,280)	5,461,488
Equity at End of Year		\$5,113,241	\$420,420	(\$1,387)	(\$502)	(\$9,280)	\$5,522,492

* CIAP - Represents Public Housing Comprehensive Improvement Assistance Program

See Independent Auditor's Report on Supplemental Data

MIAMI METROPOLITAN HOUSING AUTHORITY

SUPPLEMENTAL SCHEDULE OF ACTUAL COMPREHENSIVE IMPROVEMENT ASSISTANCE
PROGRAM INCURRED ON PROJECTS CLOSED
FOR THE YEAR ENDED DECEMBER 31, 2000

The actual costs incurred on project OH-10-P062-906-98 are as follows:

	Project 906	
Funds Approved	\$329,519	
Funds Expended	<u>329,519</u>	
Excess Funds Approved	<u> </u>	-
Funds Advanced	\$329,519	
Funds Expended	<u>329,519</u>	
Excess Funds Approved	<u> </u>	-

All modernization costs have been paid and all related liabilities have been discharged through payment for Project OH-10-P062-906-98.

See Independent Auditor's Report on Supplemental Data

MIAMI METROPOLITAN HOUSING AUTHORITY

SUPPLEMENTAL SCHEDULE OF ADJUSTING JOURNAL ENTRIES
 FOR THE YEAR ENDED DECEMBER 31, 2000

REAC
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DESCRIPTION	DEBIT	CREDIT
<u>PUBLIC HOUSING</u>		
111 CASH - UNRESTRICTED	726,734	
347 INTERPROGRAM DUE TO TO RECLASS AMOUNTS RECORDED AS CASH IN OTHER PROGRAMS TO		726,734
<i>AMOUNTS DUE TO FROM PUBLIC HOUSING</i>		
166 ACCUMULATED DEPRECIATION	29,057	
162 BUILDINGS		26,137
974 DEPRECIATION EXPENSE		2,920
<i>TO RECLASS AMOUNTS PER DEPRECIATION SCHEDULE</i>		
146 INVENTORIES		17,063
942 ORDINARY MAINTENANCE AND OPERATIONS - MATERIAL	17,063	
<i>TO ADJUST BALANCE TO ENDING INVENTORY</i>		
<u>CIAP</u>		
916 OTHER OPERATING ADMINISTRATIVE	57,067	
974 DEPRECIATION EXPENSE	8,238	
162 BUILDINGS	125,551	
167 CONSTRUCTION IN PROGRESS	146,899	
504 NET HUD PHA CONTRIBUTIONS	6,446	
706 HUD PHA PROGRAMS		335,963
166 ACCUMULATED DEPRECIATION		8,238
<i>TO ADJUST FOR CLOSE OUT OF PROJECT 906-98 AND TO PROPERLY REFLECT ACTIVITY FOR PROJECT 907-99</i>		
311 BANK OVERDRAFT	47,758	
347 INTERPROGRAM DUE TO		47,758
<i>TO RECLASS BANK OVERDRAFT TO INTERPROGRAM DUE TO</i>		
<u>MOD REHAB</u>		
311 BANK OVERDRAFT	4,354	
347 INTERPROGRAM DUE TO		4,345
916 OUTSIDE MANAGEMENT FEES		9
<i>TO RECLASS BANK OVERDRAFT TO INTERPROGRAM DUE TO</i>		

See Independent Auditor's Report on Supplemental Data

MIAMI METROPOLITAN HOUSING AUTHORITY

SUPPLEMENTAL SCHEDULE OF ADJUSTING JOURNAL ENTRIES
 FOR THE YEAR ENDED DECEMBER 31, 2000

REAC
 ACCT
 #

DESCRIPTION	DEBIT	CREDIT
CERTIFICATES		
311 BANK OVERDRAFT	76,030	
111 CASH UNRESTRICTED		890
347 INTERPROGRAM DUE TO		75,140
<i>TO RECLASS BANK OVERDRAFT TO INTERPROGRAM DUE TO</i>		
312 ACCOUNTS PAYABLE	275	
331 ACCOUNTS PAYABLE - HUD	5,011	
706 HUD PHA GRANTS		5,011
913 OUTSIDE MANAGEMENT FEES		275
<i>TO CLEAR ACCOUNTS PAYABLE BALANCE TO AMOUNT OWED MCAC AND BALANCE OWED HUD PER 52681 FORM</i>		
VOUCHERS		
144 INTERPROGRAM DUE FROM	853,968	
111 CASH UNRESTRICTED		853,968
<i>TO RECLASS CASH TO INTERPROGRAM DUE FROM</i>		
	\$2,104,451	\$2,104,451

See Independent Auditor's Report on Supplemental Data

DAVID G. FALATOK CO., Inc.
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
Miami Metropolitan Housing Authority
Troy, Ohio

I have audited the financial statements of the Miami Metropolitan Housing Authority as of and for the year ended December 31, 2000, and have issued my report thereon dated May 24, 2001. I conducted my audit in accordance with generally accepted auditing standard and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Miami Metropolitan Housing Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Miami Metropolitan Housing Authority's internal control over financial reporting in order to determine my auditing procedures of expressing my opinion on the financial statement and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information and use of the Board of Commissioners, management and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

David G. Falatok
Certified Public Accountant

May 24, 2001

DAVID G. FALATOK CO., Inc.
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Commissioners
Miami Metropolitan Housing Authority
Troy, Ohio

Compliance

I have audited the compliance of the Miami Metropolitan Housing Authority with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended December 31, 2000. The Miami Metropolitan Housing Authority's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Miami Metropolitan Housing Authority's management. My responsibility is to express an opinion on the Miami Metropolitan Housing Authority's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Miami Metropolitan Housing Authority's compliance with those requirements and performing such other procedures as I considered necessary under the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Miami Metropolitan Housing Authority's compliance with those requirements.

In my opinion, the Miami Metropolitan Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2000.

Internal Control Over Compliance

The management of the Miami Metropolitan Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Miami Metropolitan Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A- 133.

Independent Auditor's Report (continued)
Miami Metropolitan Housing Authority
Troy, Ohio
page 2

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

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

David G. Falatok
Certified Public Accountant

May 24, 2001

**Miami Metropolitan Housing Authority
 Schedule of findings and Questioned Costs
 For the year ended December 31, 2000**

I. Summary of Auditors Results:

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financing reporting:

Material weakness identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Reportable conditions identified that are not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Internal control over major programs:

Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Reportable conditions identified that are not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of Circular A-133?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Grantor</u>
14.850, 14.855, 14.857	U.S. Department of Housing and Urban Development

Dollar threshold used to distinguish between type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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II. Financial Statement Findings:

No items noted.

III. Findings and Questioned Costs:

No items noted.

IV. Summary Schedule of Prior Auditing Findings:

No findings reported in prior audit report.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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800-282-0370
Facsimile 614-466-4490

MIAMI METROPOLITAN HOUSING AUTHORITY

MIAMI COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 7, 2001**