



**GENERAL PURPOSE  
FINANCIAL STATEMENTS**

**of the**

**GREENE METROPOLITAN  
HOUSING AUTHORITY**

**for the**

**Year Ended March 31, 2003**





**Auditor of State  
Betty Montgomery**

Board of Directors  
Greene Metropolitan Housing Authority

We have reviewed the Independent Auditor's Report of the Greene Metropolitan Housing Authority, Greene County, prepared by Jones, Cochenour & Co. for the audit period April 1, 2002 through March 31, 2003. 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 Greene Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

October 27, 2003

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Greene Metropolitan Housing Authority  
Xenia, Ohio

Regional Inspector General of Audit  
Department of Housing and Urban  
Development

We have audited the accompanying general purpose financial statements of Greene Metropolitan Housing Authority, as of and for the year ended March 31, 2003, as listed in the table of contents. These general purpose financial statements are the responsibility of the Greene Metropolitan Housing Authority's management. Our responsibility is to express an opinion on these general purpose 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Greene Metropolitan Housing Authority, as of March 31, 2003, and the results of its operations and the cash flows of its proprietary fund type activities for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 14, 2003 on our consideration of Greene Metropolitan Housing Authority's internal control over financial reporting and our tests of its 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.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Greene Metropolitan Housing Authority. The accompanying Schedule of Federal Awards Expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Government and Non-Profit Organizations* and is not a required part of the financial statements. The financial data schedule ("FDS") and cost certifications are presented for purposes of additional analysis as required by the Department of Housing and Urban Development and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Jones, Cochenour & Co.  
July 14, 2003

**Greene Metropolitan Housing Authority  
Balance Sheet  
Proprietary Fund Type  
Enterprise Fund  
March 31, 2003**

**ASSETS**

Cash and cash equivalents	\$	804,368
Investments		1,178,802
Receivables - net of allowance		121,740
Due from other programs		385,675
Inventories - net of allowance		22,252
Tenant security deposits		48,429
Deferred charges and other assets		17,990
<b>TOTAL CURRENT ASSETS</b>		<b>2,579,256</b>

**FIXED ASSETS - NET OF ACCUMULATED DEPRECIATION** 8,964,936

**MORTGAGE RECEIVABLE - NON CURRENT** 542,103

**TOTAL ASSETS** **\$ 12,086,295**

**LIABILITIES, EQUITY AND OTHER CREDITS**

Accounts payable	\$	33,555
Due to other programs		385,675
Intergovernmental payables		88,410
Accrued wages/payroll taxes		52,763
Accrued compensated absences - current		93,490
Tenant security deposits		48,271
Notes payable - current		27,398
Deferred credits and other liabilities		159,352
<b>TOTAL CURRENT LIABILITIES</b>		<b>888,914</b>

**NOTES PAYABLE - LONG-TERM** 486,220

**ACCRUED COMPENSATED ABSENCES - NONCURRENT** 11,211

**NONCURRENT - OTHER** 13,855

**TOTAL LIABILITIES** **1,400,200**

**EQUITY AND OTHER CREDITS**

Contributed capital		8,108,532
Undesignated retained earnings		2,577,563
		<b>10,686,095</b>

**TOTAL EQUITY AND OTHER CREDITS** **10,686,095**

**TOTAL LIABILITIES, EQUITY  
AND OTHER CREDITS** **\$ 12,086,295**

See accompanying notes to the general purpose financial statements



**Greene Metropolitan Housing Authority**  
**Statement of Revenues, Expenses and Changes in Retained Earnings**  
**Proprietary Fund Type**  
**Enterprise Fund**  
**Year Ended March 31, 2003**

<b>OPERATING REVENUE</b>	
Tenant revenue	\$ 587,611
Program operating grants/subsidies	8,556,252
Other income	<u>58,881</u>
<b>TOTAL OPERATING REVENUE</b>	<b>9,202,744</b>
<b>OPERATING EXPENSES</b>	
Housing assistance payments	6,782,291
Administrative	1,392,632
Tenant services	20,142
Utilities	99,771
Maintenance	447,522
General	185,249
Bad debts	719
Depreciation	<u>680,625</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>9,608,951</u></b>
<b>NET OPERATING (LOSS)</b>	<b>(406,207)</b>
<b>NON-OPERATING REVENUE</b>	
Interest income	58,209
Gain of sale of fixed assets	<u>1,869</u>
<b>NET (LOSS)</b>	<b>(346,129)</b>
<b>BEGINNING EQUITY</b>	<b>11,015,362</b>
Prior period adjustment	<u>16,862</u>
<b>BEGINNING EQUITY - AS RESTATED</b>	<b><u>11,032,224</u></b>
<b>ENDING EQUITY</b>	<b><u><u>\$ 10,686,095</u></u></b>

See accompanying notes to the general purpose financial statements

**Greene Metropolitan Housing Authority  
Statement of Cash Flows  
Proprietary Fund Type  
Enterprise Fund  
Year Ended March 31, 2003**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net operating (loss)	\$ (346,129)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	680,625
Prior period adjustment affecting residual receipts	16,862
Gain on sale of fixed assets	(1,869)
(Increase) decrease in:	
Investments	16,826
Receivables - net of allowance	34,873
Due from other programs	248,167
Inventories - net of allowance	(9,841)
Tenant security deposits	(3,095)
Deferred charges and other assets	(15,754)
Mortgages receivable	(28,690)
Increase (decrease) in:	
Accounts payable	25,600
Due to other programs	(248,167)
Intergovernmental payable	2,615
Accrued compensated absences/payroll/taxes	19,476
Tenant security deposits	3,695
Deferred credits and other liabilities	(638,697)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(243,503)</b>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Acquisition of capital assets	(404,875)
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**CASH FLOWS FROM FINANCING ACTIVITIES:**

Principal payments	(9,514)
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INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(657,892)
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CASH AND CASH EQUIVALENTS, BEGINNING	1,462,260
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<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<b>\$ 804,368</b>
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See accompanying notes to the general purpose financial statements

**Greene Metropolitan Housing Authority  
Notes to the General Purpose Financial Statements**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Summary of Significant Accounting Policies**

The financial statements of the Greene Metropolitan Housing Authority (the “Authority”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority’s accounting policies are described below.

**Reporting Entity**

The Authority was created under the Ohio Revised Code, Section 3735.27. The Authority contracts with the United States Department of Housing and Urban Development (HUD) to provide low and moderate-income persons with safe and sanitary housing through subsidies provided by HUD. The Authority depends on the subsidies from HUD to operate.

The accompanying general purpose financial statements comply with the provision of GASB Statement 14, the Financial Reporting Entity, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

Section 2100 indicates that the reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The following are included as part of the reporting entity:

- Section 8 Programs (New Construction and Vouchers Program)
- Shelter Plus Care
- FHA Project No. 046-35438-NP-L8 (Yellow Springs Village Greene)
- Special Reserve Fund, Trust Fund and Sensible Shelter, Inc. (Other Business Activity)
- Low Rent Public Housing
- Project Total and SNAP State/Local
- Moving to Work
- Public Housing Capital Fund Program
- Moving to Work Technical Assistance

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity.

It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization’s government body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization’s resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Management believes the financial statements included in this report represent all of the funds of the Authority over which the Authority is financially accountable.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Greene Metropolitan Housing Authority**  
**Notes to the General Purpose Financial Statements**

**Fund Accounting**

The Authority uses the proprietary fund to report on its financial position and the results of its operations for the Section 8, public housing programs and other housing projects. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Funds are classified into three categories: governmental, proprietary and fiduciary. The Authority uses the proprietary category for its programs.

**Proprietary Fund Types**

Proprietary funds are used to account for the Authority's ongoing activities, which are similar to those, found in the private sector. The following is the proprietary fund type:

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

**Measurement Focus/Basis of Accounting**

The proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred. Pursuant to GASB Statement No. 20 *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the Authority follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

**Investments**

Investments are restricted by the provisions of the HUD Regulations (See Note 3). Investments are valued at market value. Interest income earned in fiscal year 2003 for all programs totaled \$58,209. The interest income earned on the general fund investments in the Section 8 Program is required to be returned to HUD, and this amount was \$2,451 for the year ended March 31, 2003.

**Fixed Assets**

Fixed assets are stated at cost and depreciation is computed using the straight-line method over an estimated useful life of the assets. The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend the asset life, are not capitalized. The following are the useful lives used for depreciation purposes:

Buildings – residential	27.5
Buildings – non-residential	40
Building improvements	15
Furniture – dwelling	7
Furniture – non-dwelling	7
Equipment – dwelling	5
Equipment – non-dwelling	7
Autos and trucks	5
Computer hardware	3
Computer software	3
Leasehold improvements	15
Land improvements	15

**Greene Metropolitan Housing Authority**  
**Notes to the General Purpose Financial Statements**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Cash and Cash Equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less. The Authority also considers the escrow deposits held by the Federal Housing Administration to be cash equivalents.

**Compensated Absences**

The Authority accounts for compensated absences in accordance with GASB Statement No. 16. Sick leave and other compensated absences with similar characteristics are accrued as a liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments. To calculate the liability, these accumulations are reduced to the maximum amount allowed as a termination payment. All employees who meet the termination policy of the Authority for years of service are included in the calculation of the compensated absences accrual amount.

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees if both of the following conditions are met: 1) The employees' rights to receive compensation are attributable to services already rendered and are not contingent on a specific event that is outside the control of the employer and employee, 2) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a fund liability.

**Capital Contributions**

This represents contributions made available by HUD with respect to all federally aided projects under an annual contributions contract.

**Budgetary Accounting**

The Authority annually prepares its budget as prescribed by the Department of Housing and Urban Development. This budget is submitted to the Board of the Housing Authority and once approved is adopted by the Department of Housing and Urban Development.

**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 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Receivables – net of allowance**

Bad debts are provided on the allowance method based on management's evaluation of the collectibility of outstanding tenant receivable balances at the end of the year. The allowance for uncollectible receivables was \$12,155 at March 31, 2003.

**Inventories**

Inventories are stated at cost. The allowance for obsolete inventory was \$448 at March 31, 2003.

**Accounting and Reporting for Nonexchange Transactions**

The Authority adopted GASB 33 effective for the year ended March 31, 2002. Nonexchange transactions occur when the Public Housing Authority (PHA) receives (or gives) value without directly giving (or receiving) equal value in return. GASB 33 identifies four classes of nonexchange transactions as follows:

**Greene Metropolitan Housing Authority**  
**Notes to the General Purpose Financial Statements**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

- **Derived tax revenues:** result from assessments imposed on exchange transactions (i.e., income taxes, sales taxes and other assessments on earnings or consumption).
- **Imposed nonexchange revenues:** result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (i.e. property taxes and fines).
- **Government-mandated nonexchange transactions:** occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (i.e., federal programs that state or local governments are mandated to perform).
- **Voluntary nonexchange transactions:** result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (i.e., certain grants and private donations).

PHA grants and subsidies will be defined as a government-mandated or voluntary nonexchange transactions.

GASB 33 establishes two distinct standards depending upon the kind of stipulation imposed by the provider.

- **Time requirements** specify (a) the period when resources are required to be used or when use may begin (for example, operating or capital grants for a specific period) or (b) that the resources are required to be maintained intact in perpetuity or until a specified date or event has occurred (for example, permanent endowments, term endowments, and similar agreements). Time requirements affect the timing of recognition of nonexchange transactions.
- **Purpose restrictions** specify the purpose for which resources are required to be used. (i.e. capital grants used for the purchase of capital assets). Purpose restrictions do not affect when a nonexchange transaction is recognized. However, PHAs that receive resources with purpose restrictions should report resulting net assets, equity, or fund balance as restricted.

The PHA will recognize assets (liabilities) when all applicable eligibility requirements are met or resources received whichever is first. Eligibility requirements established by the provider may stipulate the qualifying characteristics of recipients, time requirements, allowable costs, and other contingencies.

The PHA will recognize revenues (expenses) when all applicable eligibility requirements are met. For transactions that have a time requirement for the beginning of the following period, PHAs should record resources received prior to that period as deferred revenue and the provider of those resources would record an advance.

The PHA receives government-mandated or voluntary nonexchange transactions, which do not specify time requirements. Upon award, the entire subsidy should be recognized as a receivable and revenue in the period when applicable eligibility requirements have been met.

**2. CASH AND INVESTMENTS**

**Cash**

State statutes classify monies held by the Authority into three categories.

Active deposits are public deposits necessary to meet demands on the treasury. Such monies must be maintained either as cash in the Authority's Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

**Greene Metropolitan Housing Authority**  
**Notes to the General Purpose Financial Statements**

**2. CASH AND INVESTMENTS – CONTINUED**

Inactive deposits are public deposits that the Authority has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies, which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) by eligible securities pledged by the financial institution as security for repayment, but surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

The Authority's deposits are categorized to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes deposits that are insured or collateralized with securities held by the Authority or its safekeeping agent in the Authority's name. Category 2 includes uninsured deposits collateralized with securities held by the pledging financial institution's trust department or safekeeping agent in the Authority's name. Category 3 includes uninsured and uncollateralized with securities held by the pledging institution, or by its trust department or safekeeping agent, but not in the Authority's name.

**Deposits:** The carrying amount of the Authority's deposits totaled \$852,797 (includes tenant security deposits). The corresponding bank balances totaled \$878,260. The carrying amount includes petty cash of \$100.

The following show the Authority's deposits (bank balances) in each category:

- Category 1: \$100,000 was covered by federal depository insurance
- Category 2: \$778,260 was covered by specific collateral pledged by the financial institution in the name of the Authority.

**Investments**

HUD, State Statute and Board Resolutions authorize the Authority to invest in obligations of the U.S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, money market deposit accounts, municipal depository fund, super NOW accounts, sweep accounts, separate trading of registered interest and principal of securities, mutual funds, bonds and other obligations of this State, and the State Treasurer's investment pool. Investments in stripped principal or interest and principal of securities, mutual funds, bonds and other obligations of this State, and the State Treasurer's investment pool. Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose or arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Authority, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specific dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Greene Metropolitan Housing Authority  
Notes to the General Purpose Financial Statements**

**2. CASH AND INVESTMENTS – CONTINUED**

The Authority's investments are categorized to give an indication of the level of risk assumed by the entity at year-end. Category A includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category B includes uninsured and unregistered investments for which the securities are held by the counterparty's Trust department or agent in the Authority's name. Category C includes uninsured and unregistered investments for which securities are held by the counterparty or its Trust department but not in the Authority's name. The Authority had investments of certificates of deposits with original maturities that exceeded three months, in the amount of \$38,245 and bonds in the amount of \$1,140,557. These investments are both included in Category A.

**3. NOTE TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

The accompanying schedule of federal awards expenditures is a summary of the activity of the Authority's federal award programs. The schedule has been prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*.

**4. RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2003, the Authority was a member of the State Housing Authority Risk Pool Association, Inc. (SHARP), an insurance pool for housing authorities in Ohio. Property insurance carries a \$500 deductible. There is no deductible for general liability insurance. Vehicle insurance carries a \$500 per vehicle comprehensive deductible.

Settled claims have not exceeded this coverage in any of the last three years. There has been no significant reduction in coverage from last year.

**5. FIXED ASSETS**

The following is a summary:

Land	\$	2,387,529
Buildings		15,898,152
Construction in progress		29,696
Furniture and equipment - administrative		405,893
Leasehold improvements		<u>1,775,056</u>
		20,496,326
Accumulated depreciation		<u>(11,531,390)</u>
<b>NET FIXED ASSETS</b>	<b>\$</b>	<b><u><u>8,964,936</u></u></b>



**Greene Metropolitan Housing Authority**  
**Notes to the General Purpose Financial Statements**

**5. FIXED ASSETS - CONTINUED**

The following is a summary of changes:

	Balance March 31, 2002	Additions / Reclass	Reclass / Deletions / Corrections	Balance March 31, 2003
Land	\$ 2,387,529	\$ -	\$ -	\$ 2,387,529
Buildings	15,602,189	295,963	-	15,898,152
Construction in Progress	32,250	29,696	32,250	29,696
Furniture and equipment - administrative	360,083	45,810	-	405,893
Leasehold improvements	1,741,650	33,406	-	1,775,056
<b>TOTAL FIXED ASSETS</b>	<b>\$ 20,123,701</b>	<b>\$ 404,875</b>	<b>\$ 32,250</b>	<b>\$ 20,496,326</b>

The depreciation expense for the year ended March 31, 2003 was \$680,625.

**6. DEFINED BENEFIT PENSION PLANS – PUBLIC EMPLOYEES RETIREMENT SYSTEM**

All employees participate in the Ohio Public Employees Retirement System (OPERS), a cost sharing multiple employer public employee retirement system administered by the Public Employee Retirement Board. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report, which may be obtained by writing to the Public Employee Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. Contributions are authorized by State statute. The contribution rates are determined actuarially. The Authority's required contributions to PERS for the years ended March 31, 2003, 2002 and 2001 were \$133,173, \$134,702, and \$130,476, respectively. The full amount has been contributed for 2001 and 2002. Ninety-three percent (93%) has been contributed for 2003, with the remainder being reported as a liability within the enterprise fund.

**7. POSTEMPLOYMENT BENEFITS – PUBLIC EMPLOYEES RETIREMENT SYSTEM**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Post Employment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution on OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The employer contribution rate for 2002 was 13.55 percent of covered payroll, 4.3 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry are normal cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2001, include a rate of return on investments of 8.0 percent, an annual increase in active employee total payroll of 4.0 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care is adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

**Greene Metropolitan Housing Authority  
Notes to the General Purpose Financial Statements**

**7. POSTEMPLOYMENT BENEFITS – PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED**

The number of active contributing participants was 402,041. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits is December 31, 2001 (the latest information available) were \$11.6 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$16.4 billion and \$4.8 billion, respectively.

**8. MORTGAGES RECEIVABLE**

Sensible Shelter, Inc. serves as a mortgagor in the Wise Manor Limited Partnership Project. Monies have been provided to the Wise Manor Project as deferred payment loans with a 15-year balloon. As the holder of the notes, Sensible Shelter, Inc. has control over disposition of the project in year 15. At March 31, 2003, the amount of principal advanced to the Wise Manor Partnership as well as accrued interest was as follows:

	Total Funds Advanced	Accrued Interest
Promissory note, interest at 5% per annum	\$ 263,450	\$ 3,293
Promissory note, interest at 6% per annum	197,470	2,962
Promissory note, interest at 6% per annum	81,183	1,218
	\$ 542,103	\$ 7,473

For all of the notes listed above, interest with respect to each amount advanced began on the date of each advance. Interest shall be deferred and the unpaid balance plus all unpaid interest is due and payable on November 1, 2007. The notes are secured by an assignment of the rental receipts of the borrower.

**9. RESTRICTED ASSETS**

**FHA Project No. 046-35438-NP-L8**

Certain assets of the Project have been restricted for tenant security deposits, requirements for future payment of taxes and insurance, reserves for replacement of property and residual receipts. These assets consist of cash and escrow deposits restricted as follows:

Tenant security deposits	\$ 2,643
Mortgage escrow deposits	9,904
Replacement reserves	24,798
Residual receipts	20,567
	\$ 57,912

**Greene Metropolitan Housing Authority**  
**Notes to the General Purpose Financial Statements**

**10. NOTES PAYABLE - OTHER**

**FHA Project No. 046-35438-NP-L8**

To raise funds for FHA Project No. 046-35438-NP-L8, a mortgage note payable was issued to the Federal Housing Administration, payable in monthly installments of \$3,682 including interest at 7.5%. The mortgage note matures in the year 2018, is collateralized by a mortgage on the Project's land and buildings, and is insured by the FHA.

Outstanding principal balance as of March 31, 2003 \$ 405,406

**Public Housing**

Greene Metropolitan Housing Authority obtained a loan in the amount of \$114,078 on October 4, 2000. The proceeds were used for the acquisition and installation of energy management equipment payable in monthly installments of \$1,136.99. The maturity date is October 4, 2012.

Outstanding principal balance as of March 31, 2003 \$ 73,112

**State/Local**

Greene Metropolitan Housing Authority obtained four loans through Greene County Department of Development (CHIP Program) for rehabilitation. The loans are deferred for a five-year period. The outstanding balances are being forgiven at 10% per year during the deferment period. The remaining balance (50%) for each loan will be due and payable on August 7, 2007.

Outstanding principal balance as of March 31, 2003 \$ 35,100

Aggregate five-year principal maturities for fiscal years ending on March 31 are as follows:

	Greene County	FHA Project No. 046-35438 NP-L8	Firststar	Total
2004	\$ 3,900	\$14,266	\$9,232	\$ 27,398
2005	3,900	15,373	9,300	28,573
2006	3,900	16,567	9,400	29,867
2007	3,900	17,853	10,100	31,853
2008	19,500	19,239	10,400	49,139
Thereafter	-	322,108	24,680	346,788
<b>Total</b>	<u>\$ 35,100</u>	<u>\$405,406</u>	<u>\$73,112</u>	<u>\$ 513,618</u>

**Greene Metropolitan Housing Authority**  
**Notes to the General Purpose Financial Statements**

**11. CONTRIBUTED CAPITAL**

**FHA Project No. 046-35438-NP-L8**

Contributed capital as of March 31, 2003, consists of contributions from:

Greene Metropolitan Housing Authority	\$	61,155
<u><b>Sensible Shelter, Inc.</b></u>		
Wise Manor		288,500
City of Xenia		98,650
Section 8 Operating Reserve Grant		98,650
Total Sensible Shelter, Inc.		<u>485,800</u>
<u><b>Public Housing</b></u>		
Various Donations		22,219
Net PHA HUD Contributions		<u>7,539,358</u>
TOTAL CONTRIBUTED CAPITAL		<u><u>\$ 8,108,532</u></u>

**12. RETAINED EARNINGS AND OTHER CREDITS/PRIOR PERIOD ADJUSTMENT:**

	<u>Total</u>	<u>Contributed Capital</u>	<u>Undesignated Retained Earnings</u>
Balance as of March 31, 2002, as previously reported	\$ 11,015,362	\$ 8,627,186	\$ 2,388,176
Prior period adjustment	<u>16,862</u>	<u>-</u>	<u>16,862</u>
Balance as of March 31, 2002, as restated	11,032,224	8,627,186	2,405,038
Net loss as of March 31, 2003	<u>(346,129)</u>	<u>(518,654)</u>	<u>172,525</u>
Balance as of March 31, 2003	<u><u>\$ 10,686,095</u></u>	<u><u>\$ 8,108,532</u></u>	<u><u>\$ 2,577,563</u></u>

The prior period adjustment resulted from additional administration fees due to rate changes (\$13,082) and private donations (\$3,780).

Greene Metropolitan Housing Authority  
Balance Sheet  
FDS Schedule Submitted to HUD  
Proprietary Fund Type  
Enterprise Fund  
March 31, 2003

FDS Line Item No.	Account Description	14.850 Low Rent Public Housing	14.859 Comp Grant	14.872 Capital Fund	14.871 Sect. 8 Hsg Choice VO	14.182 Section 8 N/C S/R	14.238 Shelter Plus Care	14.135 Mortg Ins Rental Coop	Other Fed 1	Other Fed 2	State/Local Proj Total & SNAP	Other Bus Acct Disc, Trust, SSI	TOTAL
<b>ASSETS</b>													
111	Cash - unrestricted	\$ 194,493	\$ -	\$ -	\$ 465,494	\$ -	\$ -	\$ 2,736	\$ -	\$ -	\$ 276	\$ 86,050	\$ 749,049
113	Cash - other restricted	-	-	-	-	-	-	55,269	-	-	-	50	55,319
114	Cash - tenant security deposits	45,786	-	-	-	-	-	2,643	-	-	-	-	48,429
100	<b>TOTAL CASH</b>	<b>240,279</b>	<b>-</b>	<b>-</b>	<b>465,494</b>	<b>-</b>	<b>-</b>	<b>60,648</b>	<b>-</b>	<b>-</b>	<b>276</b>	<b>86,100</b>	<b>852,797</b>
122	Accts. Rec. - HUD other proj	-	-	42,051	601	-	3,988	-	-	-	-	-	46,640
124	Accounts receivable - other govt	-	-	-	1,513	-	-	-	-	-	13,766	-	15,279
125	Accounts receivable - misc	-	-	200	-	-	-	-	-	-	-	32,123	32,323
126	A/R Tenants - dwelling rents	19,254	-	-	-	-	-	3,021	-	-	-	-	22,275
126.1	Allowance for doubtful accts	(10,907)	-	-	-	-	-	(1,248)	-	-	-	-	(12,155)
128	Fraud recovery	-	-	-	10,055	-	-	-	-	-	-	-	10,055
128.1	Allowance for doubtful accts	-	-	-	(7,541)	-	-	-	-	-	-	-	(7,541)
129	Accrued interest receivable	1,257	-	-	-	-	-	-	-	-	-	13,608	14,865
120	<b>TOTAL ACCOUNTS RECEIVABLE</b>	<b>9,604</b>	<b>-</b>	<b>42,251</b>	<b>4,628</b>	<b>-</b>	<b>3,988</b>	<b>1,773</b>	<b>-</b>	<b>-</b>	<b>13,766</b>	<b>45,731</b>	<b>121,741</b>
131	Investments - unrestricted	194,005	-	-	-	-	-	-	-	-	-	984,797	1,178,802
142	Prepaid expenses and other assets	9,154	-	-	6,049	181	-	241	181	-	313	1,871	17,990
143	Inventories	22,700	-	-	-	-	-	-	-	-	-	-	22,700
143.1	Allowance for obsolete inventory	(448)	-	-	-	-	-	-	-	-	-	-	(448)
144	Interprogram due from	51,022	-	-	-	43,730	3,945	-	102,978	-	-	183,999	385,674
150	<b>TOTAL CURRENT ASSETS</b>	<b>526,316</b>	<b>-</b>	<b>42,251</b>	<b>476,171</b>	<b>43,911</b>	<b>7,933</b>	<b>62,662</b>	<b>103,159</b>	<b>-</b>	<b>14,355</b>	<b>1,302,498</b>	<b>2,579,256</b>
161	Land	2,131,567	-	-	-	-	-	31,400	-	-	-	224,562	2,387,529
162	Buildings	14,371,098	-	514,130	99,915	-	-	763,041	-	-	39,000	110,968	15,898,152
164	Furniture and equipment - admin	217,704	-	118,646	46,656	-	-	18,303	-	4,584	-	-	405,893
165	Leasehold improvements	1,695,644	-	79,412	-	-	-	-	-	-	-	-	1,775,056
166	Accumulated depreciation	(10,915,408)	-	(82,811)	(47,009)	-	-	(449,605)	-	(3,820)	(1,300)	(31,437)	(11,531,390)
167	Construction in progress	-	-	14,986	-	-	-	-	-	-	-	14,710	29,696
160	<b>TOTAL FIXED ASSETS, NET</b>	<b>7,500,605</b>	<b>-</b>	<b>644,363</b>	<b>99,562</b>	<b>-</b>	<b>-</b>	<b>363,139</b>	<b>-</b>	<b>764</b>	<b>37,700</b>	<b>318,803</b>	<b>8,964,936</b>
171	Notes, loans & mort rec current	-	-	-	-	-	-	-	-	-	-	542,103	542,103
180	<b>TOTAL NON-CURRENT ASSETS</b>	<b>7,500,605</b>	<b>-</b>	<b>644,363</b>	<b>99,562</b>	<b>-</b>	<b>-</b>	<b>363,139</b>	<b>-</b>	<b>764</b>	<b>37,700</b>	<b>860,906</b>	<b>9,507,039</b>
190	<b>TOTAL ASSETS</b>	<b>\$ 8,026,921</b>	<b>\$ -</b>	<b>\$ 686,614</b>	<b>\$ 575,733</b>	<b>\$ 43,911</b>	<b>\$ 7,933</b>	<b>\$ 425,801</b>	<b>\$ 103,159</b>	<b>\$ 764</b>	<b>\$ 52,055</b>	<b>\$ 2,163,404</b>	<b>\$ 12,086,295</b>

See Independent Auditors' Report

Greene Metropolitan Housing Authority  
Balance Sheet  
FDS Schedule Submitted to HUD  
Proprietary Fund Type  
Enterprise Fund  
March 31, 2003

FDS Line Item No.	Account Description	14.850 Low Rent Public Housing	14.859 Comp Grant	14.872 Capital Fund	14.871 Sect. 8 Hsg Choice VO	14.182 Section 8 N/C S/R	14.238 Shelter Plus Care	14.135 Mortg Ins Rental Coop	Other Fed 1	Other Fed 2	State/Local Proj Total & SNAP	Other Bus Acct Disc, Trust, SSI	TOTAL
<b>LIABILITIES</b>													
312	Accounts payable <=90 days	\$ 2,293	\$ -	\$ 28,571	\$ 242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,050	\$ 1,399	\$ 33,555
321	Accrued wages/payroll taxes	-	-	-	-	-	-	-	-	-	-	52,763	52,763
322	Accrued compensated absences	51,860	-	-	29,063	2,099	-	1,618	2,015	239	2,906	3,690	93,490
325	Accrued interest payable	-	-	-	-	-	-	2,533	-	-	-	-	2,533
331	Accounts payable - HUD PHA programs	-	-	-	-	13,867	-	14,694	-	122	-	-	28,683
333	Accounts payable - other govt	44,352	-	-	-	-	-	15,375	-	-	-	-	59,727
341	Tenant security deposits	45,858	-	-	-	-	-	2,413	-	-	-	-	48,271
342	Deferred revenues	14,142	-	-	-	-	-	5	78,884	-	-	63,168	156,199
343	Current portion of long term debt	9,232	-	-	-	-	-	14,266	-	-	3,900	-	27,398
346	Accrued liabilities - other	620	-	-	-	-	-	-	-	-	-	-	620
347	Interprogram due to	-	-	13,680	143,637	-	-	720	-	-	10,485	217,153	385,675
310	<b>TOTAL CURRENT LIABILITIES</b>	<b>168,357</b>	<b>-</b>	<b>42,251</b>	<b>172,942</b>	<b>15,966</b>	<b>-</b>	<b>51,624</b>	<b>80,899</b>	<b>361</b>	<b>18,341</b>	<b>338,173</b>	<b>888,914</b>
351	Long-term debt, net of current	63,880	-	-	-	-	-	391,140	-	-	31,200	-	486,220
353	Noncurrent liabilities - other	-	-	-	13,855	-	-	-	-	-	-	-	13,855
354	Accrued Compensated Absences	11,211	-	-	-	-	-	-	-	-	-	-	11,211
350	<b>TOTAL NONCURRENT LIAB.</b>	<b>75,091</b>	<b>-</b>	<b>-</b>	<b>13,855</b>	<b>-</b>	<b>-</b>	<b>391,140</b>	<b>-</b>	<b>-</b>	<b>31,200</b>	<b>-</b>	<b>511,286</b>
300	<b>TOTAL LIABILITIES</b>	<b>243,448</b>	<b>-</b>	<b>42,251</b>	<b>186,797</b>	<b>15,966</b>	<b>-</b>	<b>442,764</b>	<b>80,899</b>	<b>361</b>	<b>49,541</b>	<b>338,173</b>	<b>1,400,200</b>
504	Net HUD PHA Contributions	7,500,606	-	38,752	-	-	-	-	-	-	-	-	7,539,358
507	Other contributions	22,219	-	-	-	-	-	61,155	-	-	-	485,800	569,174
508	<b>TOTAL CONTRIBUTED CAPITAL</b>	<b>7,522,825</b>	<b>-</b>	<b>38,752</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,155</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>485,800</b>	<b>8,108,532</b>
512	Undesignated Fund Balance	260,648	-	605,611	388,936	27,945	7,933	(78,118)	22,260	403	2,514	1,339,431	2,577,563
513	<b>TOTAL EQUITY</b>	<b>7,783,473</b>	<b>-</b>	<b>644,363</b>	<b>388,936</b>	<b>27,945</b>	<b>7,933</b>	<b>(16,963)</b>	<b>22,260</b>	<b>403</b>	<b>2,514</b>	<b>1,825,231</b>	<b>10,686,095</b>
600	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 8,026,921</b>	<b>\$ -</b>	<b>\$ 686,614</b>	<b>\$ 575,733</b>	<b>\$ 43,911</b>	<b>\$ 7,933</b>	<b>\$ 425,801</b>	<b>\$ 103,159</b>	<b>\$ 764</b>	<b>\$ 52,055</b>	<b>\$ 2,163,404</b>	<b>\$ 12,086,295</b>

See Independent Auditors' Report

**Greene Metropolitan Housing Authority**  
**Statements of Revenues, Expenses and Changes in Retained Earnings**  
**FDS Schedule Submitted to HUD**  
**Proprietary Fund Type**  
**Enterprise Fund**  
**Year Ended March 31, 2003**

FDS Line Item No.	Account Description	14.850 Low Rent Public Housing	14.859 Comp Grant	14.872 Capital Fund	14.871 Sect. 8 Hsg Choice VO	14.182 Section 8 N/C S/R	14.238 Shelter Plus Care	14.135 Mortg Ins Rental Coop	Other Fed 1	Other Fed 2	State/Local Proj Total & SNAP	Other Bus Acct Disc, Trust, SSI	TOTAL
	<b>REVENUE</b>												
703	Net tenant revenue	\$ 562,365	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,063	\$ -	\$ -	\$ -	\$ -	\$ 572,428
704	Tenant revenue - other	14,240	-	-	-	-	-	943	-	-	-	-	15,183
705	<b>TOTAL TENANT REVENUE</b>	<b>576,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 587,611</b>
706	PHA HUD grants	386,527	-	192,002	6,599,891	438,962	74,137	93,661	319,770	19,238	-	-	8,124,188
706.1	Capital contributions	-	-	311,585	-	-	-	-	-	-	-	-	311,585
708	Other government grants	-	-	-	-	-	-	-	-	120,479	-	-	120,479
711	Investment income - unrestricted	4,746	-	-	1,485	966	-	190	205	-	-	50,155	57,747
714	Fraud recovery	-	-	-	11,736	-	-	-	-	-	-	-	11,736
715	Other revenue	1,200	-	-	240	-	-	-	-	-	34,082	11,623	47,145
716	Gain/Loss on Sale of Fixed Asset	1,869	-	-	-	-	-	-	-	-	-	-	1,869
720	Investment income - restricted	-	-	-	-	-	-	462	-	-	-	-	462
	<b>TOTAL REVENUE</b>	<b>970,947</b>	<b>-</b>	<b>503,587</b>	<b>6,613,352</b>	<b>439,928</b>	<b>74,137</b>	<b>105,319</b>	<b>319,975</b>	<b>19,238</b>	<b>154,561</b>	<b>61,778</b>	<b>9,262,822</b>
	<b>EXPENSES</b>												
911	Administrative salaries	183,560	-	87,266	311,155	15,216	936	11,830	12,490	14,553	50,638	46,233	733,877
912	Auditing fees	5,267	-	-	3,933	106	-	116	126	-	-	116	9,664
914	Compensated absences	75,513	-	-	58,003	2,420	-	1,981	2,045	2,171	6,637	2,352	151,122
915	Employee benefit contribution - admin	61,548	-	35,128	99,457	3,911	306	3,407	3,481	2,514	12,702	64,757	287,211
916	Other operating - administrative	47,026	-	24,353	91,581	547	-	5,757	499	-	35,697	5,298	210,758
921	Tenant services - salaries	12,537	-	-	-	-	-	-	-	-	-	-	12,537
922	Relocation costs	-	-	-	-	-	-	-	-	-	-	-	-
923	Employee benefit contrib - ten svcs	3,649	-	-	-	-	-	-	-	-	-	-	3,649
924	Tenant services - other	3,922	-	-	-	-	-	-	34	-	-	-	3,956
931	Water	15,268	-	-	-	-	-	160	-	-	-	-	15,428
932	Electricity	29,021	-	-	-	-	-	954	-	-	-	-	29,975
933	Gas	26,129	-	-	-	-	-	-	-	-	-	-	26,129
934	Fuel	7,530	-	-	-	-	-	-	-	-	-	-	7,530
938	Other utility expense	20,522	-	-	-	-	-	187	-	-	-	-	20,709

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**Greene Metropolitan Housing Authority**  
**Statements of Revenues, Expenses and Changes in Retained Earnings**  
**FDS Schedule Submitted to HUD**  
**Proprietary Fund Type**  
**Enterprise Fund**  
**Year Ended March 31, 2003**

FDS Line Item No.	Account Description	14.850 Low Rent Housing	14.859 Comp Grant	14.872 Capital Fund	14.871 Sect. 8 Hsg Choice VO	14.182 Section 8 N/C S/R	14.238 Shelter Plus Care	14.135 Mortg Ins Rental Coop	Other Fed 1	Other Fed 2	State/Local Proj Total & SNAP	Other Bus Acct Disc, Trust, SSI	TOTAL
	<b>EXPENSES - CONTINUED</b>												
941	Ord maintenance/op - labor	169,637	-	-	-	-	-	-	-	-	-	-	169,637
942	Ord maintenance/op - materials	51,418	-	7,208	8,119	-	-	3,130	332	-	299	145	70,651
943	Ord maintenance/op - cont costs	75,042	-	38,798	6,257	-	-	15,374	1	-	71	916	136,459
945	Emp benefit contrib - ord main	56,031	-	-	-	-	-	-	-	-	-	14,744	70,775
961	Insurance premiums	51,963	-	-	9,869	-	-	2,866	-	-	49	-	64,747
962	Other general expenses	677	-	-	-	-	-	15,798	-	-	-	-	16,475
963	PILOT	44,352	-	-	-	-	-	-	-	-	-	-	44,352
964	Bad debts - tenant rents	21,646	-	-	-	-	-	1,820	-	-	-	-	23,466
967	Interest expense	5,342	-	-	-	-	-	30,867	-	-	-	-	36,209
969	<b>TOTAL OPERATING EXPENSES</b>	<b>967,600</b>	<b>-</b>	<b>192,753</b>	<b>588,374</b>	<b>22,200</b>	<b>1,242</b>	<b>94,247</b>	<b>19,008</b>	<b>19,238</b>	<b>106,093</b>	<b>134,561</b>	<b>2,145,316</b>
970	<b>EXCESS OPERATING REVENUE OVER EXPENSES</b>	<b>3,347</b>	<b>-</b>	<b>310,834</b>	<b>6,024,978</b>	<b>417,728</b>	<b>72,895</b>	<b>11,072</b>	<b>300,967</b>	<b>-</b>	<b>48,468</b>	<b>(72,783)</b>	<b>7,117,506</b>
973	Housing Assistance Payments	-	-	-	5,966,149	411,129	66,618	-	293,741	-	44,654	-	6,782,291
974	Depreciation expense	591,284	-	52,212	4,940	-	-	26,291	-	1,528	1,300	3,070	680,625
975	Fraud Losses	-	-	-	719	-	-	-	-	-	-	-	719
900	<b>TOTAL EXPENSES</b>	<b>1,558,884</b>	<b>-</b>	<b>244,965</b>	<b>6,560,182</b>	<b>433,329</b>	<b>67,860</b>	<b>120,538</b>	<b>312,749</b>	<b>20,766</b>	<b>152,047</b>	<b>137,631</b>	<b>9,608,951</b>
	<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>(587,937)</b>	<b>-</b>	<b>258,622</b>	<b>53,170</b>	<b>6,599</b>	<b>6,277</b>	<b>(15,219)</b>	<b>7,226</b>	<b>(1,528)</b>	<b>2,514</b>	<b>(75,853)</b>	<b>(346,129)</b>
1001	Operating transfers in	-	-	-	-	-	-	-	-	-	-	-	-
1002	Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
1103	Beginning equity	8,117,496	253,914	385,741	322,684	21,346	1,656	(5,524)	15,034	1,931	-	1,901,084	11,015,362
1104	Prior period adj/equity transfers	253,914	(253,914)	-	13,082	-	-	3,780	-	-	-	-	16,862
	<b>ENDING EQUITY</b>	<b>\$ 7,783,473</b>	<b>\$ -</b>	<b>\$ 644,363</b>	<b>\$ 388,936</b>	<b>\$ 27,945</b>	<b>\$ 7,933</b>	<b>\$ (16,963)</b>	<b>\$ 22,260</b>	<b>\$ 403</b>	<b>\$ 2,514</b>	<b>\$ 1,825,231</b>	<b>\$ 10,686,095</b>

See Independent Auditors' Report



**Greene Metropolitan Housing Authority**  
**FHA Project Number 046-35438-NP-L8**  
**Balance Sheet**  
**March 31, 2003**

**ASSETS**

1120	Cash - operations	\$	2,736
1130	Tenant/Member accounts receivable (Coops)		3,021
1131	Allowance for doubtful accounts		(1,248)
1130N	Net tenant accounts receivable		<u>1,773</u>
1200	Miscellaneous prepaids		<u>241</u>
1100T	<b>TOTAL CURRENT ASSETS</b>		<b>4,750</b>

**DEPOSITS**

1310	Escrow deposits		9,904
1320	Replacement reserve		24,798
1340	Residual receipts reserve		<u>20,567</u>
1300T	<b>TOTAL DEPOSITS</b>		<b>55,269</b>

**FIXED ASSETS**

1410	Land		31,400
1420	Buildings		763,041
1460	Furnishings		8,775
1490	Miscellaneous fixed assets		9,528
1495	Accumulated depreciation		<u>(449,605)</u>
1400N	<b>NET FIXED ASSETS</b>		<b>363,139</b>

**OTHER ASSETS**

1191	Tenant/patient deposits held in trust		<u>2,643</u>
1000T	<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u><u>425,801</u></u></b>

See Independent Auditors' Report

**Greene Metropolitan Housing Authority**  
**FHA Project Number 046-35438-NP-L8**  
**Balance Sheet**  
**March 31, 2003**

2110	Accounts payable - operations	\$	719
2216	Accounts payable - section 8 & other		14,694
2120	Accrued wages payable		1,618
2134	Accrued interest payable - other loans and notes		2,534
2150	Accrued property taxes		15,375
2170	Mortgage payable - short term		14,266
2210	Prepaid revenue		<u>5</u>
2122T	<b>TOTAL CURRENT LIABILITIES</b>		<b>49,211</b>
2191	Tenant/patient deposits held in trust (contra)		2,413
<b>LONG TERM LIABILITIES</b>			
2320	Mortgage payable - first mortgage		<u>391,140</u>
2300T	<b>TOTAL LONG TERM LIABILITIES</b>		<b>391,140</b>
2000T	<b>TOTAL LIABILITIES</b>		<b>442,764</b>
<b>NET ASSETS</b>			
3131	Unrestricted net assets		<u>(16,963)</u>
2033T	<b>TOTAL LIABILITIES AND EQUITY/NET ASSETS</b>	<b>\$</b>	<b><u>425,801</u></b>

See Independent Auditors' Report

**Greene Metropolitan Housing Authority**  
**FHA Project Number 046-35438-NP-L8**  
**Statement of Financial Activity**  
**Year Ended March 31, 2003**

5120	Rent revenue - gross potential	\$ 10,063
5121	Tenant assistance payments	93,661
5100T	<b>TOTAL RENT REVENUE</b>	<u>103,724</u>
5410	Financial revenue - project operations	190
5440	Revenue from investments - replacement reserve	462
5400T	<b>TOTAL FINANCIAL REVENUE</b>	<u>652</u>
5920	Tenant charges	943
5900T	<b>TOTAL OTHER REVENUE</b>	<u>943</u>
5000T	<b>TOTAL REVENUE</b>	<u>105,319</u>
<b>EXPENSES</b>		
6310	Office salaries	13,810
6311	Office expenses	5,456
6340	Legal expense - project	401
6350	Audit expense	116
6370	Bad debts	1,820
6263T	<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<u>21,603</u>
6450	Electricity	954
6451	Water	160
6453	Sewer	188
6400T	<b>TOTAL UTILITIES EXPENSES</b>	<u>1,302</u>
6515	Supplies	3,030
6520	Contracts	11,542
6525	Garbage and trash removal	3,832
6500T	<b>TOTAL OPERATING AND MAINTENANCE EPXNESES</b>	<u>18,404</u>
6710	Real estate taxes	15,798
6720	Property and liability insurance (hazard)	2,866
6723	Health insurance and other employee benefits	3,407
6700T	<b>TOTAL TAXES AND INSURANCE</b>	<u>22,071</u>
6820	Interest on mortgage payable	30,867
6800T	<b>TOTAL FINANCIAL EXPENSES</b>	<u>30,867</u>
6000T	<b>TOTAL COST OF OPERATIONS BEFORE DEPRECIATION</b>	<u>94,247</u>
5060T	<b>PROFIT BEFORE DEPRECIATION</b>	11,072
6600	DEPRECIATION	26,291
5060N	OPERATING LOSS	<u><u>\$ (15,219)</u></u>

See Independent Auditors' Report

**Greene Metropolitan Housing Authority  
Yellow Springs Village Greene  
FHA Project No. 046-35438-NP-L8**

**Supporting Data Required by HUD  
Year Ended March 31, 2003**

**Changes in Fixed Assets**

<u>Account Description</u>	<u>Cost</u>			<u>Accumulated Depreciation</u>					<u>Net Book Value</u>
	<u>Balance 03/31/2002</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 03/31/2003</u>	<u>Balance 03/31/2002</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 03/31/2003</u>	
Land	\$ 31,400	\$ -	\$ -	\$ 31,400	\$ -	\$ -	\$ -	\$ -	\$ 31,400
Buildings	757,376	5,665	-	763,041	411,673	25,018	-	436,691	326,350
Furniture & fixtures	8,775	-	-	8,775	8,775	-	-	8,775	-
Miscellaneous	2,866	6,662	-	9,528	2,866	1,273	-	4,139	5,389
<b>TOTAL</b>	<u>\$ 800,417</u>	<u>\$ 12,327</u>	<u>\$ -</u>	<u>\$ 812,744</u>	<u>\$ 423,314</u>	<u>\$ 26,291</u>	<u>\$ -</u>	<u>\$ 449,605</u>	<u>\$ 363,139</u>

See Independent Auditors' Report

**Greene Metropolitan Housing Authority  
 Yellow Springs Village Greene  
 FHA Project No. 046-35438-NP-L8**

**Supporting Data Required by HUD  
 Year Ended March 31, 2003**

**RESERVE FOR REPLACEMENTS – AND RESIDUAL RECEIPTS**

In accordance with the provisions of the regulatory agreement, restricted cash is held by the Federal Housing Administration to be used for replacement of property with the approval of HUD as follows:

	<u>Reserve for Replacement</u>
Balance - March 31, 2002	\$ 20,627
Monthly deposits	3,709
Interest earned	462
<b>BALANCE - END OF YEAR (CONFIRMED BY MORTGATOR)</b>	<u><u>\$ 24,798</u></u>
	<u>Residual Receipts</u>
Balance - March 31, 2002	\$ 3,000
Total deposits	17,498
Interest earned	69
<b>BALANCE - END OF YEAR</b>	<u><u>\$ 20,567</u></u>

See Independent Auditors' Report

**Greene Metropolitan Housing Authority  
Cost Certification of Capital Fund Program  
March 31, 2003**

**Capital Fund Number OH10PO22501-00**

<b>Management improvements</b>	<b>\$ 91,346</b>
<b>Administration</b>	<b>67,410</b>
<b>Fees and costs</b>	<b>12,690</b>
<b>Site improvement</b>	<b>72,026</b>
<b>Dwelling structure</b>	<b>351,657</b>
<b>Non-dwelling equipment</b>	<b><u>78,972</u></b>
 <b>TOTAL EXPENDED</b>	 <b><u><u>\$ 674,101</u></u></b>
 <b>TOTAL RECEIVED</b>	 <b><u><u>\$ 674,101</u></u></b>

1. The final evaluation report was signed and filed on December 30, 2002.
2. The actual modernization cost certificate was signed and filed on January 14, 2003.
3. The final costs on the certificate agree to the Authority's records.

**See Independent Auditors' Report**

**Greene Metropolitan Housing Authority  
Schedule of Federal Awards Expenditures  
March 31, 2003**

	<b>FEDERAL CFDA NUMBER</b>	<b>FUNDS EXPENDED</b>
<b><u>FROM U.S. DEPARTMENT OF HUD</u></b>		
<b><u>DIRECT PROGRAMS</u></b>		
<b>PHA Owned Housing:</b>		
Low Rent Public Housing	14.850A	\$ 386,527
Public Housing Capital Fund Program	14.872	503,587
		890,114
<b>Housing Assistance Payments:</b>		
<b>Annual Contribution -</b>		
Section 8 Housing Choice Vouchers	14.871	6,599,891
Section 8 New Construction and Substantial Rehabilitation	14.182	438,962
Shelter Plus Care	14.238	74,137
Mortgage Insurance Rental and Cooperative	14.135	93,661
Moving to Work	14.XXX	319,770
Moving to Work Technical Assistance	14.XXX	19,238
<b>Total - All Programs</b>		<b>\$ 8,435,773</b>

See Independent Auditors' Report



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

**Board of Directors  
Greene Metropolitan Housing Authority  
Xenia, Ohio**

**Regional Inspector General of Audit  
Department of Housing and Urban  
Development**

We have audited the general purpose financial statements of Greene Metropolitan Housing Authority as of and for the year ended March 31, 2003, and have issued our report thereon dated July 14, 2003. 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.

**Compliance**

As part of obtaining reasonable assurance about whether Greene Metropolitan Housing Authority's financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Greene Metropolitan Housing Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the board of directors, management, Auditor of State and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

**Jones, Cochenour & Co.  
July 14, 2003**





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

Board of Directors  
Greene Metropolitan Housing Authority  
Xenia, Ohio

Regional Inspector General of Audit  
Department of Housing and Urban  
Development

**Compliance**

We have audited the compliance of Greene Metropolitan Housing Authority with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133* that are applicable to each of its major federal programs for the year ended March 31, 2003. Greene Metropolitan Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Greene Metropolitan Housing Authority's management. Our responsibility is to express an opinion on Greene Metropolitan Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we 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 Greene Metropolitan Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Greene Metropolitan Housing Authority's compliance with those requirements.

In our opinion, Greene Metropolitan Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended March 31, 2003.

**Internal Control Over Compliance**

The management of Greene 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 our audit, we considered Greene 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 our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

**Our 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. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.**

**This report is intended solely for the information and use of the board of directors, management, Auditor of State, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.**

**Jones, Cochenour & Co.  
July 14, 2003**

**Summary of Auditors' Results and Schedule of Findings  
OMB Circular A-133 § .505**

**Greene Metropolitan Housing Authority  
March 31, 2003**

**1. SUMMARY OF AUDITORS' RESULTS**

<b>Type of Financial Statement Opinion</b>	<b>Unqualified</b>
<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	<b>No</b>
<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	<b>No</b>
<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	<b>No</b>
<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	<b>No</b>
<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	<b>No</b>
<b>Type of Major Programs' Compliance Opinion</b>	<b>Unqualified</b>
<b>Are there any reportable findings under § .510?</b>	<b>No</b>
<b>Major Programs (list):</b>	<b>Section 8 Housing Choice Vouchers CFDA #14.871; Public Housing Capital Fund #14.872; Moving to Work CFDA #14.XXX</b>
<b>Dollar Threshold: Type A/B Programs</b>	<b>Type A: \$300,000 Type B: All others</b>
<b>Low Risk Auditee?</b>	<b>Yes</b>

**Summary of Auditors' Results and Schedule of Findings  
OMB Circular A-133 § .505 - Continued**

**Greene Metropolitan Housing Authority  
March 31, 2003**

**2. FINDINGS RELATED TO FINANCIAL STATEMENTS**

**There are no findings or questioned costs for the year ended March 31, 2003.**

**3. FINDINGS RELATED TO FEDERAL AWARDS**

**There are no findings or questioned costs for the year ended March 31, 2003.**

**Greene Metropolitan Housing Authority  
FHA Project Number 046-35438-NP-L8**

**CERTIFICATION OF EXECUTIVE DIRECTOR  
Year Ended March 31, 2003**

**We hereby certify that we have examined the accompanying financial statements and supplemental information of Greene Metropolitan Housing Authority and its component unit, which includes Yellow Springs Village Greene, FHA Project No. 046-35438-NP-L8, and, to the best of our knowledge and belief, the same is complete and accurate.**

**GREENE METROPOLITAN HOUSING AUTHORITY  
Federal I.D. No. 31-0669308**

**By: \_\_\_\_\_                      \_\_\_\_\_  
Executive Director                      Date**





**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**GREENE COUNTY METROPOLITAN HOUSING AUTHORITY**

**GREENE 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  
NOVEMBER 6, 2003**