

**BASIC FINANCIAL STATEMENTS  
AND SINGLE AUDIT**

**of the**

**MIAMI METROPOLITAN  
HOUSING AUTHORITY**

**for the**

**Year Ended December 31, 2008**





Mary Taylor, CPA  
Auditor of State

Board of Directors  
Miami Metropolitan Housing Authority  
1695 Troy Sidney Road  
Troy, Ohio 45373

We have reviewed the *Independent Auditors' Report* of the Miami Metropolitan Housing Authority, Miami County, prepared by Jones, Cochenour & Co., for the audit period January 1, 2008 through December 31, 2008. 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.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

November 30, 2009

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125 West Mulberry Street  
Lancaster, Ohio 43130

www.JCCcpa.com

740.653.9581 tel  
614.837.2921 tel  
740.653.0983 fax

Dean A. Cochenour, MBA, CPA  
Jeanette R. Addington, MBA, CPA, CGFM  
Brian D. Long, CPA  
Keith A. Lewis, CPA

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Miami Metropolitan Housing Authority  
Lancaster, Ohio

Regional Inspector General of Audit  
Department of Housing and Urban  
Development

We have audited the accompanying basic financial statements of Miami Metropolitan Housing Authority, as of and for the year ended December 31, 2008, as listed in the table of contents. These basic financial statements are the responsibility of the Miami Metropolitan Housing Authority's management. Our responsibility is to express opinions on these basic 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 opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Miami Metropolitan Housing Authority, as of December 31, 2008, and the results of its operations and the cash flows of its proprietary funds 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 our report dated October 20, 2009 on our consideration of Miami Metropolitan Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

Our audit was conducted for the purpose of forming opinions on the basic financial statements of the Authority taken as a whole. The FDS schedule and cost certification are presented for purposes of additional analysis and are not a required part of the financial statements of the Miami 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. 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.  
October 20, 2009

*much more than an accounting firm*

**MIAMI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2008**

**Unaudited**

It is a privilege to present for you the financial picture of Miami Metropolitan Housing Authority. The Miami Metropolitan Housing Authority's (the "Authority") management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify the single enterprise fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's basic financial statements.

**FINANCIAL HIGHLIGHTS**

The Authority's programs for the single enterprise fund are: Conventional Public-Housing, Capital Fund Program (CFP), and the Housing Choice Voucher Program.

- The revenue decreased by \$318,978 (or 5.73%) during 2008, and was \$5,245,402 and \$5,564,380 for 2008 and 2007, respectively.
- The total expenses increased by \$755,290 (14.76%). Total expenses were \$5,871,058 and 5,115,768 for 2008 and 2007, respectively.

**USING THIS ANNUAL REPORT**

The following graphic outlines the format of these financial statements:

<b>MD&amp;A</b> ~ Management Discussion and Analysis ~
<b>Basic Financial Statements</b> ~ Statement of Net Assets ~ ~ Statement of Revenues, Expenses and Changes in Net Assets ~ ~ Statement of Cash Flows ~ ~ Notes to Financial Statements ~

The clearly preferable focus is on the Authority as a single enterprise fund. This format allows the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the Authority's accountability.

MIAMI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED  
Year Ended December 31, 2008

Unaudited

**BASIC FINANCIAL STATEMENTS**

The basic financial statements are designed to be corporate-like in that all business type programs are consolidated into one single enterprise fund for the Authority.

These statements include a Statement of Net Assets, which is similar to a Balance Sheet. The Statement of Net Assets reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equals “Net Assets”, formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as “Current” (convertible into cash within one year), and “Non-current”.

The focus of the Statement of Net Assets (the “Unrestricted Net Assets”) is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Assets (formerly equity) are reported in three broad categories (as applicable):

Net Assets, Invested in Capital Assets, Net of Related Debt: This component of Net Assets consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets: This component of Net Assets consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Assets: Consists of Net Assets that do not meet the definition of “Net Assets Invested in Capital Assets, Net of Related Debt”, or “Restricted Net Assets”. This account resembles the old operating reserves account.

The basic financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Assets (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Assets is the “Change in Net Assets”, which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

The Authority’s programs that are consolidated into a single enterprise fund are as follows:

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the PHA to provide the housing at a rent that is based upon 30% of adjusted gross household income.

Capital Fund Program (CFP) – This is the current primary funding source for the Authority’s physical and management improvements. Funds are allocated by a formula allocation and based on size and age of the authority’s units.



**MIAMI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED  
Year Ended December 31, 2008**

**Unaudited**

**Housing Choice Voucher Program** – Under the Housing Choice Voucher Program, the Authority subsidizes rents to independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides funding to enable the Authority to structure a lease that requires the participant to pay a rent based on a percentage of their adjusted gross household income, typically 30%, and the Housing Authority subsidizes the balance.

**BASIC FINANCIAL STATEMENTS**

**STATEMENT OF NET ASSETS**

The following table reflects the condensed Statement of Net Assets compared to prior year.

**TABLE 1  
STATEMENT OF NET ASSETS**

	2008	2007
Current and Other Assets	\$ 698,888	\$ 1,104,620
Capital Assets	3,764,515	3,932,893
<b>TOTAL ASSETS</b>	<b>4,463,403</b>	<b>5,037,513</b>
Other Liabilities	149,812	132,521
Long-Term Liabilities	59,061	24,806
<b>TOTAL LIABILITIES</b>	<b>208,873</b>	<b>157,327</b>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	3,764,515	3,932,893
Restricted	51,447	570,907
Unrestricted	438,568	376,386
<b>TOTAL NET ASSETS</b>	<b>\$ 4,254,530</b>	<b>\$ 4,880,186</b>

**MAJOR FACTORS AFFECTING THE STATEMENT OF NET ASSETS**

Restricted Net Assets is primarily due to higher per unit cost for Section 8 Vouchers

Capital Assets decreased due to depreciation.

Unrestricted Net Assets is primarily due to operating subsidy increase.

**MIAMI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED  
Year Ended December 31, 2008**

**Unaudited**

**TABLE 2  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

The following schedule compares the revenues and expenses for the current and previous fiscal year.

	2008	2007
<b>Revenues</b>		
Tenant Revenue - Rents and Other	\$ 457,414	\$ 470,323
Operating Subsidies and Grants	4,599,948	4,989,903
Capital Grants	165,003	81,226
Investment Income/Other Revenues	23,037	22,928
<b>TOTAL REVENUE</b>	<b>5,245,402</b>	<b>5,564,380</b>
<b>Expenses</b>		
Administration	695,804	614,428
Tenant services	2,680	3,060
Utilities	176,114	164,054
Maintenance	209,231	202,876
General	30,372	22,768
PILOT	28,130	26,778
Bad Debt	10,567	6,574
Housing Assistance Payments	4,384,781	3,752,557
Depreciation	333,379	322,673
<b>TOTAL EXPENSES</b>	<b>5,871,058</b>	<b>5,115,768</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (625,656)</b>	<b>\$ 448,612</b>

**MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS**

Revenues decreased primarily due to the economy. Unemployment is up from 4.5% to 12.7%. This means less tenant share and more housing subsidy. Grants are totally dependent on congressional appropriations.

Expenses are up due to hiring a maintenance supervisor/inspector. Per unit housing cost went for \$350 PUC to \$375 PUC and the unpredictability of utility costs.

**MIAMI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED  
Year Ended December 31, 2008**

Unaudited

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**CAPITAL ASSETS**

As of year-end, the Authority had \$3,764,515 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of \$168,378.

**TABLE 3  
CAPITAL ASSETS AT YEAR-END  
(NET OF DEPRECIATION)**

	2008	2007
Land and Land Rights	\$ 357,350	\$ 357,350
Buildings	9,160,417	8,999,817
Equipment - Administrative	4,367	4,367
Equipment - Dwellings	77,642	77,642
Construction in progress	179,396	174,994
Accumulated Depreciation	(6,014,657)	(5,681,277)
<b>TOTAL</b>	<b>\$ 3,764,515</b>	<b>\$ 3,932,893</b>

The following reconciliation summarizes the change in Capital Assets.

**TABLE 4  
CHANGE IN CAPITAL ASSETS**

BEGINNING BALANCE - NET	\$	3,932,893
Additions		165,003
Depreciation Expense		(333,381)
<b>ENDING BALANCE</b>	<b>\$</b>	<b>3,764,515</b>

**MIAMI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED  
Year Ended December 31, 2008**

**Unaudited**

**ECONOMIC FACTORS**

The Housing Authority is primarily dependant on Congressional appropriations for operating. This consists of grants for the Voucher Program, Public Housing Programs, and Capital Fund Programs. We gained in operating subsidy but not enough to be fully funded according to our need and eligibility HUD monies.

**IN CONCLUSION**

Miami Metropolitan Housing Authority takes great pride in its financial management and is pleased to report on consistent and sound financial condition of the Authority.

**FINANCIAL CONTACT**

If you have any questions regarding this report, you may contact Jack Baird, Executive Director of the Miami Metropolitan Housing Authority at (937) 339-2111.

**MIAMI METROPOLITAN HOUSING AUTHORITY  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
December 31, 2008**

**ASSETS**

Cash and cash equivalents	\$	503,309
Cash and cash equivalents - restricted		51,447
Receivables - net of allowance		90,383
Inventories - net of allowance		29,325
Prepaid expenses and other assets		23,434
<b>TOTAL CURRENT ASSETS</b>		<b>697,898</b>

**CAPITAL ASSETS**

Land		357,350
Other capital assets - net		3,407,165
<b>TOTAL CAPITAL ASSETS</b>		<b>3,764,515</b>

**OTHER ASSETS**

		990
<b>TOTAL ASSETS</b>		<b>4,463,403</b>

**LIABILITIES**

Accounts payable		31,736
Intergovernmental payables		28,356
Accrued wages/payroll taxes		44,442
Accrued compensated absences - current		6,411
Tenant security deposits		38,867
<b>TOTAL CURRENT LIABILITIES</b>		<b>149,812</b>
Accrued compensated absences - non-current		59,061
<b>TOTAL LIABILITIES</b>		<b>208,873</b>

**NET ASSETS**

Invested in capital assets - net of related debt		3,764,515
Restricted net assets		51,447
Unrestricted net assets		438,568
<b>NET ASSETS</b>	\$	<b>4,254,530</b>

See accompanying notes to the basic financial statements

**MIAMI METROPOLITAN HOUSING AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUNDS**  
**Year Ended December 31, 2008**

<b>OPERATING REVENUES</b>	
Tenant revenue	\$ 457,414
Operating Subsidies and Grants	4,599,948
Other revenues	<u>10,847</u>
<b>TOTAL OPERATING REVENUES</b>	<b>5,068,209</b>
 <b>OPERATING EXPENSES</b>	
Administrative	695,804
Tenant services	2,680
Utilities	176,114
Maintenance	209,231
General	30,372
PILOT	28,130
Bad debts	10,567
Housing assistance payments	4,384,781
Depreciation	<u>333,379</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>5,871,058</u></b>
<b>OPERATING LOSS</b>	<b>(802,849)</b>
 <b>NON-OPERATING REVENUES</b>	
Interest revenue	12,190
<b>CAPITAL GRANTS</b>	<u>165,003</u>
<b>TOTAL NON-OPERATING REVENUE</b>	<b><u>177,193</u></b>
<b>CHANGE IN NET ASSETS</b>	<b>(625,656)</b>
Net assets beginning of year	<u>4,880,186</u>
<b>NET ASSETS END OF YEAR</b>	<b><u><u>\$ 4,254,530</u></u></b>

See accompanying notes to the basic financial statements

**MIAMI METROPOLITAN HOUSING AUTHORITY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended December 31, 2008**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Cash received from HUD	\$	4,545,422
Cash received from tenants		456,838
Cash received from other revenue		10,847
Cash payments for housing assistance payments		(4,384,781)
Cash payments for other operating expenses		(1,068,301)
Cash payments to HUD and other government		(26,552)

<b>NET CASH (USED) BY OPERATING ACTIVITIES</b>		<b>(466,527)</b>
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**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:**

Capital grants received		165,003
Acquisition of capital assets		(165,003)

<b>NET CASH (USED) BY CAPITAL AND FINANCING ACTIVITIES</b>		<b>-</b>
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**CASH FLOWS FROM INVESTING ACTIVITIES:**

Investment activity		12,190
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DECREASE IN CASH AND CASH EQUIVALENTS		(454,337)
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CASH AND CASH EQUIVALENTS, BEGINNING		1,009,093
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<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<b>\$</b>	<b>554,756</b>
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**RECONCILIATION OF OPERATING (LOSS) TO  
NET CASH USED BY OPERATING ACTIVITIES:**

Operating loss	\$	(802,849)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation		333,380
(Increase) decrease in:		
Receivables - net of allowance		(55,102)
Inventories - net of allowance		(5,804)
Prepaid expenses		12,301
Increase (decrease) in:		
Accounts payable		18,532
Accrued wages/payroll taxes		23,409
Accrued compensated absences		6,410
Accounts payable - other government		1,578
Tenant security deposits		1,618

<b>NET CASH (USED) BY OPERATING ACTIVITIES</b>	<b>\$</b>	<b>(466,527)</b>
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See accompanying notes to the basic financial statements

**MIAMI METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Summary of Significant Accounting Policies**

The financial statements of the Miami 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 Authority also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989, to its business-type activities and to its proprietary fund provided they do not conflict with or contradict GASB pronouncements. 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.

Oversight of the Miami Metropolitan Housing Authority is provided by a six (6) 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, one (1) appointee resident member appointed by the Resident Advisory Committee and two (2) appointees of the largest municipality of the county.

The accompanying Basic Financial Statements comply with the provision of Governmental Accounting Standards Board (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 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 for the Authority over which the Authority is financially accountable.

**Basis of Presentation**

The Authority's basic financial statements consist of a statement of net assets, a statement of revenue, expenses and changes in net assets, and a statement of cash flows.

The Authority uses a single enterprise fund to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Enterprise fund reporting focuses on the determination of the change in net assets, financial position and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods and services.



**MIAMI METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2008**

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

**Measurement Focus**

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Authority are included on the statement of net assets. The statement of changes in net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Authority finances and meets the cash flow needs of its enterprise activity.

**Enterprise Fund**

The Authority uses the proprietary fund to report on its financial position and the results of its operations for the Section 8 and public housing programs. 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.

The following are the various programs which are included in the single enterprise fund:

**Conventional Public Housing (PH)** – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the PHA to provide the housing at a rent that is based upon 30% of adjusted gross household income.

**Capital Fund Program (CFP)** – This is the current primary funding source for the Authority's physical and management improvements. While the formula funding methodology used for the CGP was revised for the CFP, funds are still provided by formula allocation and based on the size and age of the units.

**Housing Choice Voucher Program (HCVP)** – Under the Housing Choice Voucher Program, the Authority subsidizes rents to independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an ACC with HUD. HUD provides funding to enable the Authority to structure a lease that requires the participant to pay a rent based on a percentage of their adjusted gross household income, typically 30%, and the Housing Authority subsidizes the balance.

**Accounting and Reporting for Nonexchange Transactions**

Nonexchange transactions occur when the Public Housing Authority (PHA) receives (or gives) value without directly giving equal value in return. GASB 33 identifies four classes of nonexchange transactions as follows:

- **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.

MIAMI METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

- 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.

Prepaid expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2007, are recorded as prepaid expenses using the consumption method. A current asset for the amount is recorded at the time of the purchase and expense is reported in the year in which the services are consumed.

Capital 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 Authority's capitalization policy is \$2,000. 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

Accrued Liabilities

All payables and accrued liabilities are reported in the basic financial statements.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets – net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are recorded as restricted when there are limitations imposed on their use either by internal or external restrictions.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the Authority, these revenues are tenant revenues, operating grants from HUD and other miscellaneous revenue. Operating expenses are those expenses that are generated from the primary activity of the proprietary fund.

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.

MIAMI METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 liability.

Capital Contributions

This represents contributions made available by HUD with respect to all federally aided projects under an annual contribution 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 Department of Housing and Urban Development and once approved is adopted by the Board of the Housing Authority.

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 collectability of outstanding tenant receivable balances at the end of the year. The allowance for bad debts was \$0 at December 31, 2008.

Inventories

Inventories are stated at cost. The allowance for obsolete inventory was \$0 at December 31, 2008.

Due to/Due From Programs

These are reflected in the FDS and eliminated for the basic financial statement.

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.

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.

**MIAMI METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2008**

**2. CASH AND INVESTMENTS - CONTINUED**

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 the 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 \$554,756 (includes tenant security deposits of \$38,867). The corresponding bank balances totaled \$611,949.

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

Category 1:	\$250,000 was covered by federal depository insurance
Category 2:	\$361,949 was covered by specific collateral pledged by the financial institution in the name of the Authority.

The Authority did not have any investments at December 31, 2008.

**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.

**4. RISK MANAGEMENT**

The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. 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 member premiums and reinsures through commercial insurance companies. In addition, coverage for employee health and accident insurance is purchased by an independent third party. Settlement claims for these risks have not exceeded coverage for the past three years. Further there has been no reduction in insurance coverage.

**MIAMI METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2008**

**5. CAPITAL ASSETS**

The following is a summary of capital assets:

	Balance 12/31/2007	Net Additions / Deletions/ Corrections	Balance 12/31/2008
<b>CAPITAL ASSETS, NOT BEING DEPRECIATED</b>			
Land	\$ 357,350	\$ -	\$ 357,350
<b>TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED</b>	<u>\$ 357,350</u>	<u>\$ -</u>	<u>\$ 357,350</u>
<b>CAPITAL ASSETS BEING DEPRECIATED</b>			
Building and Improvements	\$ 8,999,817	\$ 160,600	\$ 9,160,417
Furniture and equipment	82,009	-	82,009
Construction in progress	174,994	4,402	179,396
Totals at Historical Costs	<u>9,256,820</u>	<u>165,002</u>	<u>9,421,822</u>
Less: Accumulated Depreciation	<u>(5,681,277)</u>	<u>(333,380)</u>	<u>(6,014,657)</u>
<b>TOTAL CAPITAL ASSETS, BEING DEPRECIATED, NET</b>	<u>\$ 3,575,543</u>	<u>\$ (168,378)</u>	<u>\$ 3,407,165</u>
<b>TOTAL CAPITAL ASSETS, NET</b>	<u>\$ 3,932,893</u>	<u>\$ (168,378)</u>	<u>\$ 3,764,515</u>

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

- A. The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:
- 1) The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan.
  - 2) The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
  - 3) The Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.
- B. OPERS provides retirement, disability, and survivor and death benefits and annual cost-of-living adjustments to qualifying members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.
- C. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.
- D. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.
- E. The Ohio Revised Code provides statutory authority for member and employer contributions. For 2008, member and employer contribution rates were consistent across all three plans.

The member contribution rates were 10.0%, 9.5% and 9.0% for 2008, 2007, and 2006, respectively, for the Authority.

**MIAMI METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2008**

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

The employer contribution rates were 14.0%, 13.85%, and 13.70% of covered payroll for 2008, 2007, and 2006, respectively, for the Authority.

The Authority's contributions to OPERS for the years ended December 31, 2008, and 2007 were \$104,552, and \$98,570, respectively, which were equal to the required contributions for those years.

**7. POSTEMPLOYMENT BENEFITS**

- A. Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan (MD) – a defined contribution plan; and the Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement, to qualifying members of both the TP and the CO Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interest parties may obtain a copy by writing OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

- B. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement healthcare through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer's contributions are expressed as a percentage of the covered payroll of active members. In 2008, the Authority contributed at 7.0% of covered payroll. The Ohio Revised Code currently limits the employer contribution rate not to exceed 14.0% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2008, the employer contributions allocated to the health care plan was 7.0% of covered payroll. For 2007, these percentages were 5.0% for January through June 2007 and 6.0% for July through December 2007. For 2006, this percentage was 4.5%. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

- C. The employer contributions that were used to fund post-employment benefits were approximately \$52,276 for 2008.
- D. The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

**MIAMI METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
December 31, 2008**

**8. FDS SCHEDULE SUBMITTED TO HUD**

For the fiscal year ended December 31, 2008, the Authority electronically submitted an unaudited version of the balance sheet, statement of revenues, expenses and changes in net asset and other data to HUD as required on the GAAP basis. The schedules are presented in the manner prescribed by Housing and Urban Development.

**9. RELATED PARTY TRANSACTION**

The Miami County Metropolitan Housing Authority has an “Employer of Record” contract with Miami County Community Action Council. This contract provides staffing services 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”.

**MIAMI METROPOLITAN HOUSING AUTHORITY  
COMBINED - STATEMENT OF NET ASSETS  
December 31, 2008**

Line Item No.	Description	Project Totals	Program Totals	Subtotal	Total
<b>Balance Sheet</b>					
111	Cash-unrestricted	\$ 438,501	\$ 25,941	\$ 464,442	\$ 464,442
113	Cash-other restricted	\$ -	\$ 51,447	\$ 51,447	\$ 51,447
114	Cash-tenant security deposits	\$ 38,867	\$ -	\$ 38,867	\$ 38,867
100	<b>Total Cash</b>	<b>\$ 477,368</b>	<b>\$ 77,388</b>	<b>\$ 554,756</b>	<b>\$ 554,756</b>
122-020	Accounts receivable - HUD other projects - Capital fund	\$ 15,115	\$ -	\$ 15,115	\$ 15,115
122	<b>Accounts receivable - HUD other projects</b>	<b>\$ 15,115</b>	<b>\$ 8,580</b>	<b>\$ 23,695</b>	<b>\$ 23,695</b>
125-050	Account receivable - miscellaneous - Other	\$ 63,616	\$ -	\$ 63,616	\$ 63,616
125-060	Other - Comment				
125	<b>Account receivable - miscellaneous</b>	<b>\$ 63,616</b>	<b>\$ 314</b>	<b>\$ 63,930</b>	<b>\$ 63,930</b>
126	Accounts receivable - tenants	\$ 2,758	\$ -	\$ 2,758	\$ 2,758
120	<b>Total receivables, net of allowance for doubtful accounts</b>	<b>\$ 81,489</b>	<b>\$ 8,894</b>	<b>\$ 90,383</b>	<b>\$ 90,383</b>
142	Prepaid expenses and other assets	\$ 20,898	\$ 2,536	\$ 23,434	\$ 23,434
143	Inventories	\$ 29,325	\$ -	\$ 29,325	\$ 29,325
150	<b>Total Current Assets</b>	<b>\$ 609,080</b>	<b>\$ 88,818</b>	<b>\$ 697,898</b>	<b>\$ 697,898</b>
161	Land	\$ 357,350	\$ -	\$ 357,350	\$ 357,350
162	Buildings	\$ 9,160,417	\$ -	\$ 9,160,417	\$ 9,160,417
163	Furniture, equipment and machinery - dwellings	\$ 77,642	\$ -	\$ 77,642	\$ 77,642
164	Furniture, equipment and machinery - administration	\$ 4,367	\$ -	\$ 4,367	\$ 4,367
166	Accumulated depreciation	\$ (6,014,657)	\$ -	\$ (6,014,657)	\$ (6,014,657)
167	Construction in progress	\$ 179,396	\$ -	\$ 179,396	\$ 179,396
160	<b>Total capital assets, net of accumulated depreciation</b>	<b>\$ 3,764,515</b>	<b>\$ -</b>	<b>\$ 3,764,515</b>	<b>\$ 3,764,515</b>
174-050	Other assets - Other	\$ 990	\$ -	\$ 990	\$ 990
174-060	Other - Comment				
174	<b>Other assets</b>	<b>\$ 990</b>	<b>\$ -</b>	<b>\$ 990</b>	<b>\$ 990</b>
180	<b>Total Non-current Assets</b>	<b>\$ 3,765,505</b>	<b>\$ -</b>	<b>\$ 3,765,505</b>	<b>\$ 3,765,505</b>
190	<b>Total Assets</b>	<b>\$ 4,374,585</b>	<b>\$ 88,818</b>	<b>\$ 4,463,403</b>	<b>\$ 4,463,403</b>
312	Accounts payable <= 90 days	\$ 18,518	\$ 13,219	\$ 31,737	\$ 31,737
321	Accrued wage/payroll taxes payable	\$ 42,263	\$ 2,179	\$ 44,442	\$ 44,442
322	Accrued compensated absences - current portion	\$ 2,628	\$ 3,783	\$ 6,411	\$ 6,411
332	Accounts payable - PHA Projects	\$ -	\$ 226	\$ 226	\$ 226
333	Accounts payable - other government	\$ 28,130	\$ -	\$ 28,130	\$ 28,130
341	Tenant security deposits	\$ 38,867	\$ -	\$ 38,867	\$ 38,867
310	<b>Total Current Liabilities</b>	<b>\$ 130,406</b>	<b>\$ 19,407</b>	<b>\$ 149,813</b>	<b>\$ 149,813</b>
354	Accrued compensated absences- Non-current	\$ 27,463	\$ 31,598	\$ 59,061	\$ 59,061
350	<b>Total Non-current liabilities</b>	<b>\$ 27,463</b>	<b>\$ 31,598</b>	<b>\$ 59,061</b>	<b>\$ 59,061</b>
300	<b>Total Liabilities</b>	<b>\$ 157,869</b>	<b>\$ 51,005</b>	<b>\$ 208,874</b>	<b>\$ 208,874</b>
508.1	Invested in capital assets, net of related debt	\$ 3,764,515	\$ -	\$ 3,764,515	\$ 3,764,515
511.1	Restricted Net Assets	\$ -	\$ 51,447	\$ 51,447	\$ 51,447
512.1	Unrestricted Net Assets	\$ 452,201	\$ (13,634)	\$ 438,567	\$ 438,567
513	<b>Total Equity/Net Assets</b>	<b>\$ 4,216,716</b>	<b>\$ 37,813</b>	<b>\$ 4,254,529</b>	<b>\$ 4,254,529</b>
600	<b>Total Liabilities and Equity/Net assets</b>	<b>\$ 4,374,585</b>	<b>\$ 88,818</b>	<b>\$ 4,463,403</b>	<b>\$ 4,463,403</b>

See independent auditors' report



**MIAMI METROPOLITAN HOUSING AUTHORITY**  
**COMBINED - STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET ASSETS**  
**Year Ended December 31, 2008**

Line Item No.	Description	Project Totals	Program Totals	Subtotal	Total
<b>Income Statement</b>					
70300	Net tenant rental revenue	\$ 446,735	\$ -	\$ 446,735	\$ 446,735
70400	Tenant revenue - other	\$ 10,679	\$ -	\$ 10,679	\$ 10,679
70500	<b>Total Tenant Revenue</b>	\$ 457,414	\$ -	\$ 457,414	\$ 457,414
70600-010	Housing assistance payments	\$ -	\$ 3,861,160	\$ 3,861,160	\$ 3,861,160
70600-020	Ongoing administrative fees earned	\$ -	\$ 507,738	\$ 507,738	\$ 507,738
70600	<b>HUD PHA operating grants</b>	\$ 231,050	\$ 4,368,898	\$ 4,599,948	\$ 4,599,948
70610	Capital grants	\$ 165,003	\$ -	\$ 165,003	\$ 165,003
71100	<b>Investment income - unrestricted</b>	\$ 8,029	\$ -	\$ 8,029	\$ 8,029
71500	Other revenue	\$ 10,847	\$ -	\$ 10,847	\$ 10,847
72000-010	Housing Assistance Payment	\$ -	\$ 4,161	\$ 4,161	\$ 4,161
72000	<b>Investment income - restricted</b>	\$ -	\$ 4,161	\$ 4,161	\$ 4,161
70000	<b>Total Revenue</b>	\$ 872,343	\$ 4,373,059	\$ 5,245,402	\$ 5,245,402
91100	Administrative salaries	\$ 106,351	\$ 313,601	\$ 419,952	\$ 419,952
91200	Auditing fees	\$ 1,268	\$ 6,488	\$ 7,756	\$ 7,756
91500	Employee benefit contributions - administrative	\$ 42,997	\$ 132,110	\$ 175,107	\$ 175,107
91600	Office Expenses	\$ 17,492	\$ 52,017	\$ 69,509	\$ 69,509
91700	Legal Expense	\$ 902	\$ 150	\$ 1,052	\$ 1,052
91800	Travel	\$ -	\$ 8,109	\$ 8,109	\$ 8,109
91900	Other	\$ 14,318	\$ -	\$ 14,318	\$ 14,318
91000	<b>Total Operating-Administrative</b>	\$ 183,328	\$ 512,475	\$ 695,803	\$ 695,803
92400	Tenant services - other	\$ 2,680	\$ -	\$ 2,680	\$ 2,680
92500	<b>Total Tenant Services</b>	\$ 2,680	\$ -	\$ 2,680	\$ 2,680
93100	Water	\$ 21,632	\$ -	\$ 21,632	\$ 21,632
93200	Electricity	\$ 110,546	\$ -	\$ 110,546	\$ 110,546
93300	Gas	\$ 43,936	\$ -	\$ 43,936	\$ 43,936
93000	<b>Total Utilities</b>	\$ 176,114	\$ -	\$ 176,114	\$ 176,114
94100	Ordinary maintenance and operations - labor	\$ 79,402	\$ -	\$ 79,402	\$ 79,402
94200	Ordinary maintenance and operations - materials and other	\$ 35,279	\$ -	\$ 35,279	\$ 35,279
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	\$ 18,068	\$ -	\$ 18,068	\$ 18,068
94300-020	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	\$ 3,433	\$ -	\$ 3,433	\$ 3,433
94300-040	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	\$ 3,339	\$ -	\$ 3,339	\$ 3,339
94300-050	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	\$ 15,887	\$ -	\$ 15,887	\$ 15,887
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	\$ 1,552	\$ -	\$ 1,552	\$ 1,552
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	\$ 13,357	\$ -	\$ 13,357	\$ 13,357
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	\$ 804	\$ -	\$ 804	\$ 804
94300	<b>Ordinary Maintenance and Operations Contracts</b>	\$ 56,440	\$ -	\$ 56,440	\$ 56,440
94500	Employee benefit contribution - ordinary maintenance	\$ 31,425	\$ -	\$ 31,425	\$ 31,425
94000	<b>Total Maintenance</b>	\$ 202,546	\$ -	\$ 202,546	\$ 202,546

See independent auditors' report

**MIAMI METROPOLITAN HOUSING AUTHORITY**  
**COMBINED - STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET ASSETS**  
**Year Ended December 31, 2008**

Line Item No.	Description	Project Totals	Program Totals	Subtotal	Total
96140	All other Insurance	\$ 19,930	\$ 2,475	\$ 22,405	\$ 22,405
96100	<b>Total Insurance Premiums</b>	<b>\$ 19,930</b>	<b>\$ 2,475</b>	<b>\$ 22,405</b>	<b>\$ 22,405</b>
96200	Other general expenses	\$ -	\$ 1,556	\$ 1,556	\$ 1,556
96210	Compensated absences	\$ 2,628	\$ 3,783	\$ 6,411	\$ 6,411
96300	Payments in lieu of taxes	\$ 28,130	\$ -	\$ 28,130	\$ 28,130
96400	Bad debt - tenant rents	\$ 10,567	\$ -	\$ 10,567	\$ 10,567
96000	<b>Total Other General Expenses</b>	<b>\$ 41,325</b>	<b>\$ 5,339</b>	<b>\$ 46,664</b>	<b>\$ 46,664</b>
96900	<b>Total Operating Expenses</b>	<b>\$ 625,923</b>	<b>\$ 520,289</b>	<b>\$ 1,146,212</b>	<b>\$ 1,146,212</b>
97000	<b>Excess Revenue Over Operating Expenses</b>	<b>\$ 246,420</b>	<b>\$ 3,852,770</b>	<b>\$ 4,099,190</b>	<b>\$ 4,099,190</b>
97100	Extraordinary maintenance	\$ 6,685	\$ -	\$ 6,685	\$ 6,685
97300-050	All Other	\$ -	\$ 4,384,781	\$ 4,384,781	\$ 4,384,781
97300	<b>Housing assistance payments</b>	<b>\$ -</b>	<b>\$ 4,384,781</b>	<b>\$ 4,384,781</b>	<b>\$ 4,384,781</b>
97400	Depreciation expense	\$ 333,380	\$ -	\$ 333,380	\$ 333,380
90000	<b>Total Expenses</b>	<b>\$ 965,988</b>	<b>\$ 4,905,070</b>	<b>\$ 5,871,058</b>	<b>\$ 5,871,058</b>
10000	<b>Excess (Deficiency) of Revenue Over (Under) Expenses</b>	<b>\$ (93,645)</b>	<b>\$ (532,011)</b>	<b>\$ (625,656)</b>	<b>\$ (625,656)</b>
11030	Beginning equity	\$ 4,310,362	\$ 569,824	\$ 4,880,186	\$ 4,880,186
11170-001	Administrative Fee Equity- Beginning Balance	\$ -	\$ (1,083)	\$ (1,083)	\$ (1,083)
11170-010	Administrative Fee Revenue	\$ -	\$ 507,738	\$ 507,738	\$ 507,738
11170-060	Total Admin Fee Revenues	\$ -	\$ 507,738	\$ 507,738	\$ 507,738
11170-080	Total Operating Expenses	\$ -	\$ 520,289	\$ 520,289	\$ 520,289
11170-110	Total Expenses	\$ -	\$ 520,289	\$ 520,289	\$ 520,289
11170-002	Net Administrative Fee	\$ -	\$ (12,551)	\$ (12,551)	\$ (12,551)
11170-003	Administrative Fee Equity- Ending Balance	\$ -	\$ (13,634)	\$ (13,634)	\$ (13,634)
11170	<b>Administrative Fee Equity</b>	<b>\$ -</b>	<b>\$ (13,634)</b>	<b>\$ (13,634)</b>	<b>\$ (13,634)</b>
11180-001	Housing Assistance Payments Equity - Begining Balance	\$ -	\$ 570,907	\$ 570,907	\$ 570,907
11180-010	Housing Assistance Payment Revenues	\$ -	\$ 3,861,160	\$ 3,861,160	\$ 3,861,160
11180-025	Investment Income	\$ -	\$ 4,161	\$ 4,161	\$ 4,161
11180-030	Total HAP Revenues	\$ -	\$ 3,865,321	\$ 3,865,321	\$ 3,865,321
11180-080	Housing Assistance Payments	\$ -	\$ 4,384,781	\$ 4,384,781	\$ 4,384,781
11180-100	Total Housing Assistance Payments Expenses	\$ -	\$ 4,384,781	\$ 4,384,781	\$ 4,384,781
11180-002	Net Housing Assistance Payments	\$ -	\$ (519,460)	\$ (519,460)	\$ (519,460)
11180-003	Housing Assistance Payments Equity-Ending Balance	\$ -	\$ 51,447	\$ 51,447	\$ 51,447
11180	<b>Housing Assistance Payments Equity</b>	<b>\$ -</b>	<b>\$ 51,447</b>	<b>\$ 51,447</b>	<b>\$ 51,447</b>
11190-210	Total ACC HCV Units	0	11750	11750	11750
11190	<b>Unit Months Available</b>	<b>1524</b>	<b>11750</b>	<b>13274</b>	<b>13274</b>
11210	<b>Unit Months Leased</b>	<b>1428</b>	<b>11637</b>	<b>13065</b>	<b>13065</b>
11270	<b>Excess Cash</b>	<b>\$ 428,451</b>	<b>\$ -</b>	<b>\$ 428,451</b>	<b>\$ 428,451</b>
11650	Leasehold Improvements Purchases	\$ 165,003	\$ -	\$ 165,003	\$ 165,003

See independent auditors' report

**MIAMI METROPOLITAN HOUSING AUTHORITY**  
**PROJECT - STATEMENT OF NET ASSETS**  
**December 31, 2008**

Line Item No.	Description	Total Projects	OH062000001
111	Cash-unrestricted	\$ 438,501	\$438,501
114	Cash-tenant security deposits	\$ 38,867	\$38,867
100	<b>Total Cash</b>	<b>\$ 477,368</b>	<b>\$ 477,368</b>
122-020	Accounts receivable - HUD other projects - Capital fund	\$ 15,115	\$15,115
122	<b>Accounts receivable - HUD other projects</b>	<b>\$ 15,115</b>	<b>\$ 15,115</b>
125-050	Account receivable - miscellaneous - Other	\$ 63,616	\$63,616
125	<b>Account receivable - miscellaneous</b>	<b>\$ 63,616</b>	<b>\$ 63,616</b>
126	Accounts receivable - tenants	\$ 2,758	\$2,758
120	<b>Total receivables, net of allowance for doubtful accounts</b>	<b>\$ 81,489</b>	<b>\$ 81,489</b>
142	Prepaid expenses and other assets	\$ 20,898	\$20,898
143	Inventories	\$ 29,325	\$29,325
150	<b>Total Current Assets</b>	<b>\$ 609,080</b>	<b>\$ 609,080</b>
161	Land	\$ 357,350	\$357,350
162	Buildings	\$ 9,160,417	\$9,160,417
163	Furniture, equipment and machinery - dwellings	\$ 77,642	\$77,642
164	Furniture, equipment and machinery - administration	\$ 4,367	\$4,367
166	Accumulated depreciation	\$ (6,014,657)	-\$6,014,657
167	Construction in progress	\$ 179,396	\$179,396
160	<b>Total capital assets, net of accumulated depreciation</b>	<b>\$ 3,764,515</b>	<b>\$ 3,764,515</b>
174-050	Other assets - Other-BWC Deposit	\$ 990	\$990
174	<b>Other assets</b>	<b>\$ 990</b>	<b>\$ 990</b>
180	<b>Total Non-current Assets</b>	<b>\$ 3,765,505</b>	<b>\$ 3,765,505</b>
190	<b>Total Assets</b>	<b>\$ 4,374,585</b>	<b>\$ 4,374,585</b>
312	Accounts payable <= 90 days	\$ 18,518	\$18,518
321	Accrued wage/payroll taxes payable	\$ 42,263	\$42,263
322	Accrued compensated absences - current portion	\$ 2,628	\$2,628
333	Accounts payable - other government	\$ 28,130	\$28,130
341	Tenant security deposits	\$ 38,867	\$38,867
310	<b>Total Current Liabilities</b>	<b>\$ 130,406</b>	<b>\$ 130,406</b>
354	Accrued compensated absences- Non-current	\$ 27,463	\$27,463
350	<b>Total Non-Current Liabilities</b>	<b>\$ 27,463</b>	<b>\$ 27,463</b>
300	<b>Total Liabilities</b>	<b>\$ 157,869</b>	<b>\$ 157,869</b>
508.1	Invested in capital assets, net of related debt	\$ 3,764,515	\$3,764,515
512.1	Unrestricted Net Assets	\$ 452,201	\$452,201
513	<b>Total Equity/Net Assets</b>	<b>\$ 4,216,716</b>	<b>\$ 4,216,716</b>
600	<b>Total Liabilities and Equity/Net assets</b>	<b>\$ 4,374,585</b>	<b>\$ 4,374,585</b>

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**MIAMI METROPOLITAN HOUSING AUTHORITY**  
**PROJECT - STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET ASSETS**  
**Year Ended December 31, 2008**

Line Item No.	Description	Total Projects	OH062000001	Operating Fund Program	Capital Fund Program
70300	Net tenant rental revenue	\$ 446,735	\$ 446,735	\$446,735	
70400	Tenant revenue - other	\$ 10,679	\$ 10,679	\$10,679	
70500	<b>Total Tenant Revenue</b>	<b>\$ 457,414</b>	<b>\$ 457,414</b>	<b>\$ 457,414</b>	<b>\$ -</b>
70600	<b>HUD PHA operating grants</b>	<b>\$ 231,050</b>	<b>\$ 231,050</b>	<b>\$229,606</b>	<b>\$1,444</b>
70610	Capital grants	\$ 165,003	\$ 165,003		\$165,003
71100	<b>Investment income - unrestricted</b>	<b>\$ 8,029</b>	<b>\$ 8,029</b>	<b>\$8,029</b>	
71500	Other revenue	\$ 10,847	\$ 10,847	\$10,847	
70000	<b>Total Revenue</b>	<b>\$ 872,343</b>	<b>\$ 872,343</b>	<b>\$ 705,896</b>	<b>\$ 166,447</b>
91100	Administrative salaries	\$ 106,351	\$ 106,351	\$106,351	
91200	Auditing fees	\$ 1,268	\$ 1,268	\$1,268	
91500	Employee benefit contributions - administrative	\$ 42,997	\$ 42,997	\$42,997	
91600	Office Expenses	\$ 17,492	\$ 17,492	\$17,492	
91700	Legal Expense	\$ 902	\$ 902	\$902	
91900	Other	\$ 14,318	\$ 14,318	\$12,874	\$1,444
91000	<b>Total Operating-Administrative</b>	<b>\$ 183,328</b>	<b>\$ 183,328</b>	<b>\$ 181,884</b>	<b>\$ 1,444</b>
92400	Tenant services - other	\$ 2,680	\$ 2,680	\$2,680	
92500	<b>Total Tenant Services</b>	<b>\$ 2,680</b>	<b>\$ 2,680</b>	<b>\$ 2,680</b>	<b>\$ -</b>
93100	Water	\$ 21,632	\$ 21,632	\$21,632	
93200	Electricity	\$ 110,546	\$ 110,546	\$110,546	
93300	Gas	\$ 43,936	\$ 43,936	\$43,936	
93000	<b>Total Utilities</b>	<b>\$ 176,114</b>	<b>\$ 176,114</b>	<b>\$ 176,114</b>	<b>\$ -</b>
94100	Ordinary maintenance and operations - labor	\$ 79,402	\$ 79,402	\$79,402	
94200	Ordinary maintenance and operations - materials and other	\$ 35,279	\$ 35,279	\$35,279	
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	\$ 18,068	\$ 18,068	\$18,068	
94300-020	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	\$ 3,433	\$ 3,433	\$3,433	
94300-040	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	\$ 3,339	\$ 3,339	\$3,339	
94300-050	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	\$ 15,887	\$ 15,887	\$15,887	
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	\$ -	\$ -		
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	\$ 1,552	\$ 1,552	\$1,552	
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	\$ 13,357	\$ 13,357	\$13,357	
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	\$ 804	\$ 804	\$804	
94300	<b>Ordinary Maintenance and Operations Contracts</b>	<b>\$ 56,440</b>	<b>\$ 56,440</b>	<b>\$ 56,440</b>	<b>\$ -</b>
94500	Employee benefit contribution - ordinary maintenance	\$ 31,425	\$ 31,425	\$31,425	
94000	<b>Total Maintenance</b>	<b>\$ 202,546</b>	<b>\$ 202,546</b>	<b>\$ 202,546</b>	<b>\$ -</b>
96140	All other Insurance	\$ 19,930	\$ 19,930	\$19,930	
96100	<b>Total Insurance Premiums</b>	<b>\$ 19,930</b>	<b>\$ 19,930</b>	<b>\$ 19,930</b>	<b>\$ -</b>
96200	Other general expenses	\$ -	\$ -		
96210	Compensated absences	\$ 2,628	\$ 2,628	\$2,628	
96300	Payments in lieu of taxes	\$ 28,130	\$ 28,130	\$28,130	
96400	Bad debt - tenant rents	\$ 10,567	\$ 10,567	\$10,567	
96000	<b>Total Other General Expenses</b>	<b>\$ 41,325</b>	<b>\$ 41,325</b>	<b>\$ 41,325</b>	<b>\$ -</b>
96900	<b>Total Operating Expenses</b>	<b>\$ 625,923</b>	<b>\$ 625,923</b>	<b>\$ 624,479</b>	<b>\$ 1,444</b>
97000	<b>Excess Revenue Over Operating Expenses</b>	<b>\$ 246,420</b>	<b>\$ 246,420</b>	<b>\$ 81,417</b>	<b>\$ 165,003</b>

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**MIAMI METROPOLITAN HOUSING AUTHORITY**  
**PROJECT - STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET ASSETS**  
**Year Ended December 31, 2008**

Line Item No.	Description	Total Projects	OH062000001	Operating Fund Program	Capital Fund Program
97100	Extraordinary maintenance	\$ 6,685	\$ 6,685	\$6,685	
97400	Depreciation expense	\$ 333,380	\$ 333,380	\$333,380	
90000	<b>Total Expenses</b>	<b>\$ 965,988</b>	<b>\$ 965,988</b>	<b>\$ 964,544</b>	<b>\$ 1,444</b>
10000	<b>Excess (Deficiency) of Revenue Over (Under) Expenses</b>	<b>\$ (93,645)</b>	<b>\$ (93,645)</b>	<b>\$ (258,648)</b>	<b>\$ 165,003</b>
11030	Beginning equity	\$ 4,310,362	\$ 4,310,362	\$4,135,368	\$174,994
11040-070	Equity Transfers	\$ -	\$ -	\$160,600	-\$160,600
11040	<b>Prior period adjustments, equity transfers, and correction of errors</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 160,600</b>	<b>\$ (160,600)</b>
11190	Unit Months Available	1524	1524	1524	
11210	Unit Months Leased	1428	1428	1428	
11270	Excess Cash	\$ 428,451	\$ 428,451	\$ 428,451	
11650	Leasehold Improvements Purchases	\$ 165,003	\$ 165,003		\$165,003

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**MIAMI METROPOLITAN HOUSING AUTHORITY  
PROGRAM - STATEMENT OF NET ASSETS  
December 31, 2008**

Line Item No.	Description	Total Programs	14.871 Housing Choice Vouchers
<b>Balance Sheet</b>			
111	Cash-unrestricted	\$ 25,941	\$25,941
113	Cash-other restricted	\$ 51,447	\$51,447
100	<b>Total Cash</b>	<b>\$ 77,388</b>	<b>\$ 77,388</b>
122	Accounts receivable - HUD other projects	\$ 8,580	\$8,580
125	Account receivable - miscellaneous	\$ 314	\$314
120	<b>Total receivables, net of allowance for doubtful accounts</b>	<b>\$ 8,894</b>	<b>\$ 8,894</b>
142	Prepaid expenses and other assets	\$ 2,536	\$2,536
150	<b>Total Current Assets</b>	<b>\$ 88,818</b>	<b>\$ 88,818</b>
190	<b>Total Assets</b>	<b>\$ 88,818</b>	<b>\$ 88,818</b>
312	Accounts payable <= 90 days	\$ 13,219	\$13,219
321	Accrued wage/payroll taxes payable	\$ 2,179	\$2,179
322	Accrued compensated absences - current portion	\$ 3,783	\$3,783
332	Accounts payable - PHA Projects	\$ 226	\$226
310	<b>Total Current Liabilities</b>	<b>\$ 19,407</b>	<b>\$ 19,407</b>
354	Accrued compensated absences- Non-current	\$ 31,598	\$31,598
350	<b>Total Non-current liabilities</b>	<b>\$ 31,598</b>	<b>\$ 31,598</b>
300	<b>Total Liabilities</b>	<b>\$ 51,005</b>	<b>\$ 51,005</b>
511.1	Restricted Net Assets	\$ 51,447	\$51,447
512.1	Unrestricted Net Assets	\$ (13,634)	-\$13,634
513	<b>Total Equity/Net Assets</b>	<b>\$ 37,813</b>	<b>\$ 37,813</b>
600	<b>Total Liabilities and Equity/Net assets</b>	<b>\$ 88,818</b>	<b>\$ 88,818</b>

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**MIAMI METROPOLITAN HOUSING AUTHORITY**  
**PROGRAM - STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET ASSETS**  
**Year Ended December 31, 2008**

Line Item No.	Description	Total Programs	Housing Choice Vouchers
			<b>14,871</b>
	<b>Income Statement</b>		
70600-010	Housing assistance payments	\$ 3,861,160	\$3,861,160
70600-020	Ongoing administrative fees earned	\$ 507,738	\$507,738
70600	<b>HUD PHA operating grants</b>	<b>\$ 4,368,898</b>	<b>\$ 4,368,898</b>
72000-010	Housing Assistance Payment	\$ 4,161	\$4,161
72000	<b>Investment income - restricted</b>	<b>\$ 4,161</b>	<b>\$ 4,161</b>
70000	<b>Total Revenue</b>	<b>\$ 4,373,059</b>	<b>\$ 4,373,059</b>
91100	Administrative salaries	\$ 313,601	\$313,601
91200	Auditing fees	\$ 6,488	\$6,488
91500	Employee benefit contributions - administrative	\$ 132,110	\$132,110
91600	Office Expenses	\$ 52,017	\$52,017
91700	Legal Expense	\$ 150	\$150
91800	Travel	\$ 8,109	\$8,109
91000	<b>Total Operating-Administrative</b>	<b>\$ 512,475</b>	<b>\$ 512,475</b>
96140	All Other Insurance	\$ 2,475	\$2,475
96100	<b>Total Insurance Premiums</b>	<b>\$ 2,475</b>	<b>\$ 2,475</b>
96200	Other general expenses	\$ 1,556	\$1,556
96210	Compensated absences	\$ 3,783	\$3,783
96000	<b>Total Other General Expenses</b>	<b>\$ 5,339</b>	<b>\$ 5,339</b>
96900	<b>Total Operating Expenses</b>	<b>\$ 520,289</b>	<b>\$ 520,289</b>
97000	<b>Excess Revenue Over Operating Expenses</b>	<b>\$ 3,852,770</b>	<b>\$ 3,852,770</b>
97300-050	All Other	\$ 4,384,781	\$4,384,781
97300	<b>Housing assistance payments</b>	<b>\$ 4,384,781</b>	<b>\$ 4,384,781</b>
90000	<b>Total Expenses</b>	<b>\$ 4,905,070</b>	<b>\$ 4,905,070</b>
10000	<b>Excess (Deficiency) of Revenue Over (Under) Expenses</b>	<b>\$ (532,011)</b>	<b>\$ (532,011)</b>
11030	Beginning equity	\$ 569,824	\$569,824
11170-001	Administrative Fee Equity- Beginning Balance	\$ (1,083)	-\$1,083
11170-010	Administrative Fee Revenue	\$ 507,738	\$ 507,738
11170-060	Total Admin Fee Revenues	\$ 507,738	\$ 507,738
11170-080	Total Operating Expenses	\$ 520,289	\$ 520,289
11170-110	Total Expenses	\$ 520,289	\$ 520,289
11170-002	Net Administrative Fee	\$ (12,551)	\$ (12,551)
11170-003	Administrative Fee Equity- Ending Balance	\$ (13,634)	\$ (13,634)
11170	<b>Administrative Fee Equity</b>	<b>\$ (13,634)</b>	<b>\$ (13,634)</b>
11180-001	Housing Assistance Payments Equity - Beginning Balance	\$ 570,907	\$570,907
11180-010	Housing Assistance Payment Revenues	\$ 3,861,160	\$ 3,861,160
11180-025	Investment Income	\$ 4,161	\$ 4,161
11180-030	Total HAP Revenues	\$ 3,865,321	\$ 3,865,321
11180-080	Housing Assistance Payments	\$ 4,384,781	\$ 4,384,781
11180-100	Total Housing Assistance Payments Expenses	\$ 4,384,781	\$ 4,384,781
11180-002	Net Housing Assistance Payments	\$ (519,460)	\$ (519,460)
11180-003	Housing Assistance Payments Equity-Ending Balance	\$ 51,447	\$ 51,447
11180	<b>Housing Assistance Payments Equity</b>	<b>\$ 51,447</b>	<b>\$ 51,447</b>
11190-210	Total ACC HCV Units	11750	11,750
11190	<b>Unit Months Available</b>	<b>11750</b>	<b>11750</b>
11210	<b>Unit Months Leased</b>	<b>11637</b>	<b>11637</b>

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**MIAMI METROPOLITAN HOUSING AUTHORITY  
 SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
 Year Ended December 31, 2008**

	<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>		
Public and Indian Housing	14.850A	\$ 229,606
Public Housing Capital Fund	14.872	160,976
<b>Housing Assistance Payments:</b>		
<b>Annual Contribution -</b>		
Section 8 Housing Choice Vouchers	14.871	4,368,898
<b>Total - All Programs</b>		<b>\$ 4,759,480</b>

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125 West Mulberry Street  
Lancaster, Ohio 43130

www.JCCcpa.com

740.653.9581 tel

614.837.2921 tel

740.653.0983 fax

Dean A. Cochenour, MBA, CPA  
Jeanette R. Addington, MBA, CPA, CGFM  
Brian D. Long, CPA  
Keith A. Lewis, CPA

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

Board of Directors  
Miami Metropolitan Housing Authority  
Troy, Ohio

Regional Inspector General of Audit  
Department of Housing and Urban  
Development

We have audited the basic financial statements for Miami Metropolitan Housing Authority as of and for the year ended December 31, 2008 and have issued our report thereon dated October 20, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standard applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Miami Metropolitan Housing Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Miami Metropolitan Housing Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Authority's financial statements that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Authority's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Miami 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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Jones, Cochenour & Co.  
October 20, 2009



125 West Mulberry Street  
Lancaster, Ohio 43130

www.JCCcpa.com

740.653.9581 tel

614.837.2921 tel

740.653.0983 fax

Dean A. Cochenour, MBA, CPA  
Jeanette R. Addington, MBA, CPA, CGFM  
Brian D. Long, CPA  
Keith A. Lewis, CPA

**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  
Miami Metropolitan Housing Authority  
Troy, Ohio

Regional Inspector General of Audit  
Department of Housing and Urban  
Development

**Compliance**

We have audited the compliance of 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 each of its major federal programs for the year ended December 31, 2008. Miami 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 Miami Metropolitan Housing Authority's management. Our responsibility is to express an opinion on Miami 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 Miami 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 of Miami Metropolitan Housing Authority's compliance with those requirements.

In our opinion, Miami 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 December 31, 2008.

**Internal Control Over Compliance**

The management of 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 our audit, we considered 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 our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Miami Metropolitan Housing Authority's internal control over compliance.

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**A control deficiency** in an Authority's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A **significant deficiency** is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of federal program that is more than inconsequential will not be prevented or detected by the Authority's internal control.

**A material weakness** is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a noncompliance with a type of compliance requirement of federal program will not be prevented or detected by the Authority's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

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.  
October 20, 2009

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

**Miami Metropolitan Housing Authority  
December 31, 2008**

<b>1. SUMMARY OF AUDITORS' RESULTS</b>
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<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>Yes</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 Low Rent Public Housing CFDA#14.850 Public Housing Capital Fund Program CFDA#14.872</b>
<b>Dollar Threshold: Type A/B Programs</b>	<b>\$300,000</b>
<b>Low Risk Auditee?</b>	<b>Yes</b>

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

**Miami Metropolitan Housing Authority  
December 31, 2008**

**2. FINDINGS RELATED TO FINANCIAL STATEMENTS**

**There are no findings for the year ended December 31, 2008.**

**3. FINDINGS RELATED TO FEDERAL AWARDS**

**There are no findings for the year ended December 31, 2008.**



**Mary Taylor, CPA**  
Auditor of State

**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  
DECEMBER 10, 2009**