

**NOBLE METROPOLITAN HOUSING AUTHORITY  
CAMBRIDGE, OHIO**

**REPORT ON EXAMINATION OF  
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA**

**Year Ended March 31, 2000**

**Laura J. MacDonald, CPA, Inc.  
3613 Reserve Commons Drive  
Medina, Ohio 44256**



**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  

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**JIM PETRO, AUDITOR OF STATE**

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-728-7398

To the Board of Commissioners  
Noble Metropolitan Housing Authority  
Cambridge, Ohio

We have reviewed the Independent Auditor's Report of Noble Metropolitan Housing Authority, Noble County, prepared by Laura J. MacDonald, CPA, Inc., for the audit period April 1, 1999 to March 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

**JIM PETRO**  
Auditor of State

January 17, 2001

**NOBLE METROPOLITAN HOUSING AUTHORITY  
FINANCIAL STATEMENTS AND  
SUPPLEMENTAL DATA  
Year Ended March 31, 2000**

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**Laura J. MacDonald, CPA, Inc.**  
**3613 Reserve Commons Drive**  
**Medina, Ohio 44256**

**Phone (330) 722-1944**  
**Fax (330) 225-8084**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Noble Metropolitan Housing Authority  
Cambridge, Ohio

I have audited the accompanying balance sheet of the Noble Metropolitan Housing Authority as of March 31, 2000, and the related statements of revenues, expenses, and equity, and of cash flows for the year then ended. These financial statements are the responsibility of the Noble Metropolitan Housing Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Authority has kept its records and has prepared its financial statements for previous years in accordance with the basis of accounting prescribed or permitted by the U.S. Department of Housing and Urban Development at that time, which followed a comprehensive basis of accounting other than generally accepted accounting principles. As described in Note 3 to the financial statements, the Authority has adopted the accrual basis of accounting as of April 1, 1999.

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

In accordance with Government Auditing Standards, I have also issued a report dated November 2, 2000 on my consideration of the Noble Metropolitan Housing Authority's internal control over financial reporting and my 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 my audit.

To the Board of Commissioners  
Noble Metropolitan Housing Authority  
Page 2

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 Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. The information in this Schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Laura J. MacDonald, CPA, Inc.  
November 2, 2000

**NOBLE METROPOLITAN HOUSING AUTHORITY  
CAMBRIDGE, OHIO  
COMBINED BALANCE SHEET -  
-PROPRIETARY FUND TYPE  
MARCH 31, 2000**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 110,855	
Cash, restricted for security deposits	4,916	
Cash, restricted for Family Self Sufficiency Program	476	
Accounts receivable:		
HUD	10,925	
Tenants	205	
Other	6,402	
Interprogram due from	15,163	
Prepaid expenses and other assets	<u>2,384</u>	
		\$ 151,326

**PROPERTY AND EQUIPMENT**

Land	84,000	
Buildings	1,296,042	
Furniture, equipment and machinery	16,651	
Leasehold improvements	<u>9,356</u>	
		1,406,049
Less accumulated depreciation		<u>(233,562)</u>
		<u>1,172,487</u>
		<u><u>\$ 1,323,813</u></u>

Please refer to accompanying notes.



**NOBLE METROPOLITAN HOUSING AUTHORITY  
CAMBRIDGE, OHIO  
COMBINED STATEMENT OF REVENUE,  
EXPENSE, AND EQUITY - PROPRIETARY FUND TYPE  
Year Ended March 31, 2000**

<b>OPERATING REVENUE</b>		
HUD grants	\$ 376,315	
Rental income	<u>37,210</u>	\$ 413,525
<b>OPERATING EXPENSES</b>		
Administrative	147,120	
Tenant services	641	
Utilities	16,751	
Ordinary maintenance and operations	38,174	
General	<u>181,037</u>	<u>383,723</u>
<b>NET INCOME FROM OPERATIONS BEFORE DEPRECIATION</b>		29,802
<b>DEPRECIATION</b>		
Assets acquired with returned earnings	30,217	
Assets acquired with contributed capital	<u>1,962</u>	<u>32,179</u>
<b>NET OPERATING LOSS</b>		(2,377)
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest income		<u>1,181</u>
<b>NET LOSS</b>		(1,196)
<b>EQUITY, BEGINNING OF YEAR</b>		1,509,451
<b>CAPITAL OUTLAYS - CIAP PROGRAMS</b>		45,993
<b>PRIOR PERIOD ADJUSTMENTS</b>		<u>(298,081)</u>
<b>EQUITY, END OF YEAR</b>		<u><u>\$ 1,256,167</u></u>

Please refer to accompanying notes.



**NOBLE METROPOLITAN HOUSING AUTHORITY  
 COMBINED STATEMENT OF CASH FLOWS  
 Year Ended March 31, 2000**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net operating loss	\$ (2,377)
Adjustments to reconcile net operating loss to net cash provided by operating activities:	
Prior period adjustments	3,082
Depreciation	32,179
(Increase) decrease in assets:	
Accounts receivable - HUD	9,940
Accounts receivable - tenants	604
Accounts receivable - other	3,598
Prepaid expenses and other assets	(2,384)
Deferred charges	2,102
Increase (decrease) in liabilities:	
Accounts payable - HUD	(3,267)
Accounts payable - trade	(1,895)
Accounts payable - other	(20,739)
Accrued expenses	1,466
Deferred revenue	22,585
Other current liabilities	846
Tenant security deposits	716
Escrowed deposits for Family Self Sufficiency Program	(1,892)

**NET CASH PROVIDED BY  
 OPERATING ACTIVITIES**

\$ 44,564

**CASH FLOWS FROM NON-CAPITAL FINANCING  
 ACTIVITIES**

-

**CASH FLOWS FROM CAPITAL AND RELATED  
 FINANCING ACTIVITIES**

Capital grant proceeds 45,993

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income 1,181

**NET INCREASE IN CASH**

91,738

**CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR**

24,509

**CASH AND CASH EQUIVALENTS AT END OF YEAR**

\$ 116,247

Please refer to accompanying notes.

**NOBLE METROPOLITAN HOUSING AUTHORITY  
COMBINED STATEMENT OF CASH FLOWS (Continued)  
Year Ended March 31, 2000**

Non-cash transactions:

During the year ended March 31, 2000, the Authority recorded prior period adjustments to convert to the GAAP basis of accounting. These non-cash transactions affected the following accounts:

Property and equipment	\$ 99,780
Accumulated depreciation	201,383

**NOBLE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2000**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Noble Metropolitan Housing Authority (the Authority) is a political subdivision of the State of Ohio, created under Section 3735.27 of the Ohio Revised Code. The Authority contracts with the United States Department of Housing and Urban Development (HUD) to provide safe and sanitary housing for people in low to moderate income brackets, through rent subsidies provided by HUD.

**Accounting Basis**

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with generally accepted accounting principles. Under this method, revenues are recognized when they are earned and measurable, and expenditures are recognized as incurred.

In accordance with Statement Number 20 of the Government Accounting Standards Board, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Authority follows GASB guidance applicable to proprietary funds as well as Financial Accounting Standards Board 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.

**Fund Accounting**

The Authority uses fund accounting to segregate activity by program. All funds of the Authority are of the proprietary fund type and are classified as enterprise funds. Enterprise funds are used to account for operations that are operated in a manner similar to private business enterprises. During the year ended March 31, 2000, the Authority had separate enterprise funds for the Low Rent Public Housing Program, the Public Housing CIAP Program, the Section 8 Rental Voucher Program, and the Section 8 Rental Certificate Program.

**Cash and Investments**

Investment procedures are restricted by HUD regulations and by the provisions of the Ohio Revised Code. Purchased investments are valued at cost.

HUD Handbook 7475.1, Chapter 4, Section 1 authorizes the Authority to make investments in:

- Direct Obligations of the Federal Government
- Obligations of Federal Government Agencies
- Securities of Government-Sponsored Agencies
- Demand and Savings Deposits
- Certificates of Deposits

**NOBLE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2000**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**  
**(Continued)**

The Authority's cash and investment balances with banks as of March 31, 2000 were as follows:

<u>Annual Contribution Contract</u>	<u>Bank Balance</u>	<u>Book Balance</u>	<u>Market Value</u>
Public Housing (C-5105)	\$ 99,261	\$ 92,842	\$ 92,842
Section 8 Housing (C-5102)	<u>23,405</u>	<u>23,405</u>	<u>23,405</u>
	<u>\$122,666</u>	<u>\$116,247</u>	<u>\$116,247</u>

As of March 31, 2000, the bank balance consisted of \$115,657 in demand deposits and \$7,009 in certificates of deposit. Of this amount, \$107,009 was collateralized by Federal Depository Insurance and the remaining \$15,657 was collateralized with specific government securities pledged by banks.

**Restricted Cash**

Tenant security deposits and deposits associated with the operation of the Family Self Sufficiency Program are required to be held in separate accounts and generally are not available for operating purposes.

**Property and Equipment**

Property and equipment is stated at cost. Renewals and betterments are capitalized. The costs of maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Land	15 years
Buildings	20-40 years
Furniture, equipment and machinery	3-7 years
Leasehold improvements	15 years

**Deferred Revenue**

Deferred revenue represents unexpended housing assistance receipts for fiscal 2001, received in fiscal 2000.

**Use of Estimates**

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Actual results could vary from the estimates that were used.

**NOBLE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2000**

**Statement of Cash Flows**

The Statement of Cash Flows is presented in accordance with Government Accounting Standards Board Statement No. 9. The Authority considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents consist of certificates of deposit at March 31, 2000. There were no cash payments for interest or income taxes during the year ended March 31, 2000.

**NOTE 2 – INSURANCE COVERAGE**

As of March 31, 2000, the Authority had general liability insurance of \$1,000,000 (each occurrence) with an aggregate limit of \$2,000,000; commercial property coverage of approximately \$1,875,000; and vehicle liability coverage of \$2,000,000.

**NOTE 3 – CHANGE IN ACCOUNTING BASIS**

Effective April 1, 1999, the Authority adopted the accrual basis of accounting in conformity with generally accepted accounting principles, to conform to the latest requirements of the U.S. Department of Housing and Urban Development (HUD), effective January 1, 1999. Prior to this time, the Authority's financial statements were prepared in accordance with HUD requirements at that time, which followed a comprehensive basis of accounting other than generally accepted accounting principles. As a result of this change in accounting basis, equity has been reduced by \$298,081 to retroactively reflect this change in accounting.

**NOTE 4 – CONTRIBUTED CAPITAL**

The Authority receives funding for capital projects under various Comprehensive Improvement Assistance Program (CIAP) grants from the U.S. Department of Housing and Urban Development. Such funding is reflected as an increase in the contributed capital balance when it is received. The depreciation expense related to fixed assets purchased with such grants is reflected as a decrease in contributed capital. The activity in the contributed capital account balance during the year ended March 31, 2000 was as follows:

Contributed capital balance at April 1, 1999	\$226,694
Add: CIAP funding for capital projects for year ended March 31, 2000	45,993
Less: Depreciation on CIAP projects for year ended March 31, 2000	<u>(1,962)</u>
Contributed capital balance at March 31, 2000	<u>\$ 270,725</u>

## **SUPPLEMENTAL DATA**

**Laura J. MacDonald, CPA, Inc.**  
**3613 Reserve Commons Drive**  
**Medina, Ohio 44256**

**Phone (330) 722-1944**  
**Fax (330) 225-8084**

**INDEPENDENT AUDITOR'S REPORT  
ON SUPPLEMENTAL DATA**

To the Board of Commissioners  
Noble Metropolitan Housing Authority  
Cambridge, Ohio

My report on my audit of the basic financial statements of Noble Metropolitan Housing Authority, as of and for the year ended March 31, 2000 appears on page 1. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, for the purpose of forming an opinion on the basic financial statements taken as a whole. The information included in the accompanying Supplemental Combining Schedule of Revenue and Expense by Program is presented only for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Laura J. MacDonald, CPA, Inc.  
November 2, 2000

NOBLE METROPOLITAN HOUSING AUTHORITY  
CAMBRIDGE , OHIO  
SUPPLEMENTAL COMBINING SCHEDULE OF REVENUE  
AND EXPENSE BY PROGRAM  
YEAR ENDED MARCH 31, 2000

LINE ITEM #	ACCOUNT DESCRIPTION	LOW RENT PUBLIC HOUSING	PUBLIC HOUSING CIAP PROGRAM	SECTION 8 RENTAL VOUCHER PROGRAM
<b>REVENUE:</b>				
<u>HUD Grants:</u>				
706	HUD PHA grants	\$ 51,592	\$ 115,275	\$ 140,274
708	Other government grants	-	-	-
<u>Rental income:</u>				
703	Net tenant revenue	36,502	-	-
704	Tenant revenue - other	708	-	-
711	Interest income	749	-	311
714	Fraud recovery	-	-	-
716	Gain/loss on sale of fixed assets	-	-	-
715	Other revenue	-	-	-
<b>TOTAL REVENUES</b>		<b>89,551</b>	<b>115,275</b>	<b>140,585</b>
<b>EXPENSES:</b>				
<u>Administrative:</u>				
911	Administrative salaries	11,689	27,138	13,176
912	Auditing fees	2,870	-	1,618
915	Employee benefit contributions - administrative	2,502	8,402	3,471
916	Other operating - administrative	8,593	52,609	5,304
		<u>25,654</u>	<u>88,149</u>	<u>23,569</u>
<u>Tenant Services:</u>				
921	Tenant services - salaries	336	-	-
923	Employee benefit contributions - tenant service	233	-	-
924	Tenant services - other	72	-	-
		<u>641</u>	<u>-</u>	<u>-</u>
<u>Utilities:</u>				
931	Water	13,315	-	-
932	Electricity	2,712	-	-
933	Gas	724	-	-
		<u>16,751</u>	<u>-</u>	<u>-</u>
<u>Ordinary maintenance and operations:</u>				
941	Labor	4,504	15,000	-
942	Materials and Other	3,045	7,076	328
943	Contract costs	2,705	1,050	-
945	Employee benefit contributions - ordinary maintenance	340	4,000	-
952	Protective services - other contract costs	-	-	-
		<u>10,594</u>	<u>27,126</u>	<u>328</u>
<u>General Expenses:</u>				
961	Insurance premiums	1,322	-	936
963	Payments in lieu of taxes	2,130	-	-
964	Bad debt - tenant rent	286	-	-
973	Housing assistance payments	-	-	117,244
974	Depreciation expense	32,179	-	-
1010	Other Financing Sources (Uses)	-	-	-
		<u>35,917</u>	<u>-</u>	<u>118,180</u>
<b>TOTAL EXPENSES</b>		<b>89,557</b>	<b>115,275</b>	<b>142,077</b>
<b>1000</b>	<b>EXCESS (DEFICIENCY) OF OPERATING REVENUE OVER (UNDER) EXPENSES</b>	<b>\$ (6)</b>	<b>\$ -</b>	<b>\$ (1,492)</b>

Please refer to auditor's report on supplemental data.



<b>SECTION 8 RENTAL CERTIFICATE PROGRAM</b>		<b>TOTAL</b>
\$ 69,174	\$ 376,315	
-	-	
-	36,502	
-	708	
121	1,181	
-	-	
-	-	
-	-	
<u>69,295</u>	<u>414,706</u>	
5,299	57,302	
997	5,485	
1,415	15,790	
2,037	68,543	
<u>9,748</u>	<u>147,120</u>	
-	336	
-	233	
-	72	
<u>-</u>	<u>641</u>	
-	-	
-	13,315	
-	2,712	
-	724	
<u>-</u>	<u>16,751</u>	
-	-	
-	19,504	
126	10,575	
-	3,755	
-	4,340	
<u>-</u>	<u>-</u>	
126	38,174	
23	2,281	
-	2,130	
-	286	
59,096	176,340	
-	32,179	
-	-	
<u>59,119</u>	<u>213,216</u>	
<u>68,993</u>	<u>415,902</u>	
	-	
<u>\$ 302</u>	<u>\$ (1,196)</u>	

**NOBLE METROPOLITAN HOUSING AUTHORITY  
CAMBRIDGE, OHIO  
SCHEDULE OF FEDERAL AWARDS EXPENDITURES\*  
Year Ended March 31, 2000**

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>ANNUAL CONTRIBUTION CONTRACT NO.</u>	<u>FEDERAL EXPENDITURES</u>
U.S. Department of Housing and Urban Development:			
Direct Programs:			
PHA Owned Housing:			
Operating Subsidy	14.850	C-5105	\$ 51,592
Comprehensive Improvement Assistance Program	14.852	C-5105	161,268
Housing Assistance Payments Program:			
Section 8 Cluster:			
Section 8 Rental Certificate Program	14.857	C-5102	68,993
Section 8 Rental Voucher Program	14.855	C-5102	<u>140,274</u>
			<u>\$ 422,127</u>

\*This schedule has been prepared on the accrual basis of accounting.

**Laura J. MacDonald, CPA, Inc.  
3613 Reserve Commons Drive  
Medina, Ohio 44256**

**Phone (330) 722-1944  
Fax (330) 225-8084**

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

To the Board of Commissioners  
Noble Metropolitan Housing Authority  
Cambridge, Ohio

I have audited the financial statements of the Noble Metropolitan Housing Authority as of and for the year ended March 31, 2000, and have issued my report thereon dated November 2, 2000. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Noble Metropolitan Housing Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

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

This report is intended for the information and use of the Board of Commissioners, management and 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.

Laura J. MacDonald, CPA, Inc.  
November 2, 2000

**Laura J. MacDonald, CPA, Inc.**  
**3613 Reserve Commons Drive**  
**Medina, Ohio 44256**

**Phone (330) 722-1944**  
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**INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH  
MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Commissioners  
Noble Metropolitan Housing Authority  
Cambridge, Ohio

**Compliance**

I have audited the compliance of the Noble Metropolitan Housing Authority with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program in addition to the provisions of Public and Indian Housing Notice 97-30 for the year ended March 31, 2000. The Noble Metropolitan Housing Authority's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Noble Metropolitan Housing Authority's management. My responsibility is to express an opinion on the Noble Metropolitan Housing Authority's compliance based on my audit.

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

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

**Internal Control Over Compliance**

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

Noble Metropolitan Housing Authority  
Cambridge, Ohio  
Page 2

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

This report is intended for the information and use of the Board of Commissioners, 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.

Laura J. MacDonald, CPA, Inc.  
November 2, 2000

**NOBLE METROPOLITAN HOUSING AUTHORITY  
SCHEDULE OF FINDINGS  
March 31, 2000**

I. SUMMARY OF AUDITOR'S RESULTS

Type of Financial Statement Opinion	Unqualified
Were there any material control weakness conditions reported at the financial statement level (Generally Accepted Government Auditing Standards)?	No
Were there any other reportable control weakness conditions reported at the financial statement level (Generally Accepted Government Auditing Standards)?	No
Was there any material reported noncompliance at the financial statement level (Generally Accepted Government Auditing Standards)?	No
Were there any material internal control weakness conditions reported for major federal programs?	No
Were there any other reportable internal control weakness conditions reported for major federal programs?	No
Type of Major Programs' Compliance Opinion	Unqualified
Are there any reportable findings under Section 510?	No
Major Programs:	Housing Assistance Payments Program: Section 8 Cluster- (Existing and Vouchers)
Dollar Threshold: Type A\B Programs	Type A: > \$300,000 Type B: All others
Low Risk Auditee?	Yes

II. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

NONE

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

NONE

**NOBLE METROPOLITAN HOUSING AUTHORITY  
GENERAL COMMENTS  
Year Ended March 31, 2000**

**ACTIVITIES OF THE AUTHORITY**

The Noble Metropolitan Housing Authority had 98 units in management as of March 31, 2000 as follows:

	<u>Units</u>
Public Housing:	
Project Number OH-069-001	28
Section 8 Programs:	
Project Number: OH16-E069-002/004	23
Project Number: OH16-V069-003/004	<u>47</u>
	<u>98</u>

**AUDIT ADJUSTMENTS**

There were no audit adjustment made as of March 31, 2000 and for the year then ended.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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

**NOBLE METROPOLITAN HOUSING AUTHORITY**

**NOBLE 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  
JANUARY 30, 2001**