

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

**REPORT ON AUDIT OF FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION AND SINGLE AUDIT**

FOR THE YEAR ENDED JUNE 30, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Board of Commissioners
Cincinnati Metropolitan Housing Authority

We have reviewed the Independent Auditor's Report of the Cincinnati Metropolitan Housing Authority, Hamilton County, prepared by Malcolm Johnson & Company, P.A. for the audit period July 1, 2000 through June 30, 2001. 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 Cincinnati Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

March 27, 2002

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Cincinnati Metropolitan Housing Authority
Cincinnati, Ohio

HUD, Cincinnati Area Office
525 Vine Street, 7th Floor
Cincinnati, Ohio 45202-3188

We have audited the financial statements of the Cincinnati Metropolitan Housing Authority ("the Authority") as of and for the year ended June 30, 2001, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Cincinnati Metropolitan Housing Authority as of June 30, 2001, and the results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued in the Single Audit Section of our report dated November 16, 2001, a report on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards in the Single Audit Section of our report is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, Audits of State, Local Governments and Non-Profit Organizations, and is not a required part of the financial statements. Also, the accompanying supplemental information including the Financial Data Schedule, is presented for purposes of additional analysis 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 stated, in all material respects, in relation to the financial statements taken as a whole.



Malcolm Johnson & Company, P. A.
Certified Public Accountants

DeBary, Florida
November 16, 2001

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CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

COMBINED BALANCE SHEET
JUNE 30, 2001

ASSETS

Current assets:

Cash and cash equivalents	\$ 5,600,123
Investments	11,000
Interest receivable	2,042
Accounts receivable (net of allowance for uncollectibles)	673,843
Due from other governments	9,073,359
Due from other programs	6,303,792
Inventories (net of allowance for obsolescence)	444,353
Prepaid expenses	601,980

Total current assets 22,710,492

Restricted assets:

Resident security deposits	951,413
Family self sufficiency escrow deposits	681,479

Total restricted assets 1,632,892

Fixed assets:

Land	10,939,679
Buildings	167,569,937
Furniture, equipment and machinery	3,600,518
Accumulated depreciation	(87,940,365)
Construction in process	63,218,469

Fixed assets, net of accumulated depreciation 157,388,238

TOTAL ASSETS \$ 181,731,622

The accompanying notes are an integral part of these financial statements.

LIABILITIES AND EQUITY

Current liabilities:

Accounts payable	\$ 5,786,092
Accrued wages/taxes payable	545,368
Accrued compensated absences	107,729
Accrued contingency liability	11,000
Other accrued liabilities	693,591
Due to other programs	6,303,792
Due to other governments	289,850
Matured notes payable	54,842
Deferred revenue	89,777

Total current liabilities 13,882,041

Current liabilities payable from restricted assets:

Resident security deposits 951,413

Noncurrent liabilities:

Notes and bonds payable (net of unamortized discount)	6,595,732
Long-term family self sufficiency escrow	306,479
Long-term workmen's compensation	567,417
Long-term compensated absences	862,198

Total noncurrent liabilities 8,331,826

Total liabilities 23,165,280

Equity:

Contributed capital

Governmental	150,344,851
Other	321,473

Total contributed capital 150,666,324

Retained earnings

Unreserved 7,900,018

Total equity 158,566,342

TOTAL LIABILITIES AND EQUITY \$ 181,731,622

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

COMBINED SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2001

Operating revenues:	
Rental revenue	\$ 12,873,247
Governmental grants	75,610,271
Other revenue	1,149,464
	<hr/>
Total operating revenues	89,632,982
	<hr/>
Operating expenses:	
Administrative	16,618,083
Tenant services	2,471,058
Utilities	10,321,929
Ordinary maintenance and operation	12,521,075
Protective services	188,297
General expenses	1,037,593
Housing assistance payments	24,209,807
Depreciation	12,332,422
	<hr/>
Total operating expenses	79,700,264
	<hr/>
Operating income	9,932,718
	<hr/>
Nonoperating revenues (expenses)	
Interest revenue	890,022
Interest expense	(115,454)
Casualty losses	(124,452)
	<hr/>
Total nonoperating revenues	650,116
	<hr/>
Net income	10,582,834
	<hr/>
FUND EQUITY:	
Adjusted fund equity - beginning of year - restated	147,983,508
	<hr/>
TOTAL FUND EQUITY	\$ 158,566,342
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

CINCINNATI METROPOLITAN HOUSING AUTHORITY

Cincinnati, Ohio

COMBINED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2001

Cash Flows From Operating Activities	
Receipts from residents and other	\$ 12,655,935
Payments to landlords	(24,209,807)
Payments to suppliers	(26,344,181)
Payments to/for employees	(16,618,083)
Other payments	(1,625,180)
Net cash used by operating activities	(56,141,316)
Cash Flows From Noncapital Financing Activities	
Operating subsidies	75,610,271
Cash Flows From Capital and Related Financing Activities	
Proceeds from capital debt	1,068,079
Purchases of capital assets	(26,962,461)
Net cash used by capital and related financing activities	(25,894,382)
Cash Flows From Investing Activities	
Proceeds from sales and maturities of investments	(11,000)
Interest and dividends	887,980
Net cash provided by investing activities	876,980
Net decrease in cash equivalents	(5,548,447)
Balance - beginning of the year	12,781,462
Balance - end of the year	\$ 7,233,015
Reconciliation of Cash Flows to Balance Sheet:	
Cash and cash equivalents	\$ 5,600,123
Resident security deposits	951,413
Family self-sufficiency escrow deposits	681,479
	\$ 7,233,015

CINCINNATI METROPOLITAN HOUSING AUTHORITY

Cincinnati, Ohio

COMBINED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2001 (Continued)

Reconciliation of Net Income to Net Cash Used In Operating Activities

Net Income	\$ 10,582,834
Adjustments to Reconcile Net Income to Net Cash Used In Net Income Activities:	
Increase in accounts receivable	(405,444)
Increase in deferred charges	(66,786)
Decrease in accounts payable	(1,569,585)
Increase in accrued liabilities	(2,316,345)
Decrease in deferred credits	1,752,609
Depreciation elimination	12,332,422
Adjustment to prior year	49,272
Governmental revenues reported in noncapital financing activities	(75,610,271)
Interest revenue reported in investing activities	(890,022)
Net cash used in Net Income activities	<u>\$ (56,141,316)</u>

The accompanying notes are an integral part of these financial statements.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

A - Summary of Significant Accounting Policies and Organization:

1. **Organization:** The Cincinnati Metropolitan Housing Authority (the "Authority") is a public body corporate and politic pursuant to laws of the State of Ohio, pursuant to article 44A which was organized to provide low rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development and other Federal Agencies.
2. **Reporting Entity:** The governing body of Cincinnati Metropolitan Housing Authority (CMHA) is its Board of Commissioners, which is composed of five members. The members are appointed as follows: Two (2) by the Mayor of the City of Cincinnati, one (1) by the Hamilton County Commissioners, one (1) by the Court of Common Pleas, and one (1) by the Probate Court. The Board appoints a Chief Executive Officer to administer the business of Cincinnati Metropolitan Housing Authority. CMHA is not considered a component unit of the City of Cincinnati, as the Board independently oversees CMHA's operations.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in section 2100 and 2600 of the Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14 of the Governmental Accounting Standards Board: The Financial Reporting Entity. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity had no component units:

The financial statements of the Cincinnati Metropolitan Housing Authority include Low-Income Public Housing under Annual Contributions Contract C-984 and Section 8 Housing Assistance Programs under Annual Contributions Contract C-5034, a PHA Local Initiatives Program and the Hamilton County Affordable Housing Program.

3. **Summary of HUD Programs:** The accompanying financial statements include the activities of the Housing Programs subsidized by HUD. A summary of each of these programs and the related contracts with HUD is provided below.
 - a. **Annual Contributions Contract C-984**
 - 1) **Low-Rent Public Housing:** This type of housing consists of apartments and single-family dwellings owned and operated by the Authority. Funding is provided by tenant rent payments and subsidies provided by HUD.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

3. Summary of HUD Programs: (Continued)

a. Annual Contributions Contract C-984 (Continued)

- 2) **Modernization and Development:** Substantially all additions to land, buildings, and equipment are accomplished through the HOPE VI Program, Development Program, Comprehensive Grant Program or Capital Fund Program. These programs add to, replace or materially upgrade deteriorated portions of the Authority's housing units. Funding is provided through programs established by the Department of Housing and Urban Development.
- 3) **Public Housing Drug Elimination Program (PHDEP):** This is funded by HUD and used to develop a comprehensive approach to counteract the drug problems facing residents of public housing in targeted communities by hiring security forces to patrol communities and establishing drug awareness and education programs.

b. Annual Contributions Contract C-5034 - Housing Assistance Payments Programs

- 1) **Section 8 Rental Certificates, Rental Vouchers and Moderate Rehabilitation:** These are housing programs wherein low-income tenants lease housing units directly from private landlords rather than through the Authority. HUD contracts with private landlords to make assistance payments for the difference between the approved contract rent and the actual rent paid by the low-income tenants.
- c. **Service Coordinator for Public Housing Program** – The Authority administers the service coordinator for public housing program to provide a service coordinator who is responsible for limited case management and referral services for elderly and disabled public housing residents currently residing in the authority's two-high-rise building. Funding for this program is provided by grants from HUD.
- d. **Economic Development and Supportive Services Program** – the Authority administers the economic development and supportive services program to provide reliable transportation for all elderly and disabled residents of the Cincinnati Metropolitan Housing Authority and to contract for housekeeping and personal assistance for residents who meet certain criteria. The program also provides for a service coordinator who implements and coordinates the program. Funding for this program is provided by grants from HUD.
- e. **Dormant Component Unit** – The Lincolnview, Inc. was formed by the Board of Commissioners of the Authority for the purpose of the Authority's interest in management of the HOPE VI program after completion of the Phase I and II. No activity flows through the dormant corporation as of June 30, 2001, and operational activity will not commence until fiscal year 2003.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

4. **Basis of Presentation and Accounting:** In accordance with uniform financial reporting standards for HUD housing programs, the financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP).

Based upon compelling reasons offered by the U.S. Department of HUD, the Authority reports under the proprietary fund type (enterprise fund), which uses the accrual basis of accounting. The enterprise fund emphasizes the flow of economic resources measurement focus. In this fund, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. Pursuant to the election option made available by GASB Statement No. 20, pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 are applied in the preparation of the financial statements.

The enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business, or where the Board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability. The intent of the governing body is that the costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

5. **Budgets:** Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The modernization and development budgets are adopted on a "project length" basis. Budgets are not, however, legally adopted nor required for financial statement presentation.
6. **Cash Equivalents:** Cash equivalents consist of demand deposits and U.S. Government securities. They are stated at fair value.
7. **Interprogram Receivables and Payables:** Interprogram receivables/payables are all current, and are the result of the use of the Public Housing Program as the common paymaster for shared costs of CMHA. Cash settlements are made periodically and all interprogram balances net zero.
8. **Investments:** Investments are recorded at fair value. Investment instruments consist only of items specifically approved for public housing agencies by the U.S. Department of Housing and Urban Development. It is CMHA's policy that all funds on deposit are collateralized in accordance with both HUD requirements and requirements of the State of Ohio. Investments are either insured or collateralized using the dedicated method. Under the dedicated method of collateralization, all deposits and investments over the federal depository insurance coverage are collateralized with securities held by the Authority's agent in the Authority's name.
9. **Inventories:** Inventories are valued at cost using the first in, first out (FIFO) method. If inventory falls below cost due to damage, deterioration or obsolescence, CMHA establishes an allowance for obsolete inventory. CMHA relies upon its periodic (annual) inventory for financial reporting purposes. In accordance with the consumption method, inventory is expensed when items are actually placed in service.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

10. **Prepaid Expenses:** Payments made to vendors for goods or services that will benefit periods beyond the fiscal year end are recorded as prepaid expenses.
11. **Restricted Assets:** Certain assets may be classified as restricted assets on the balance sheet because their use is restricted by contracts or agreements with outside third parties and lending institutions.
12. **Use of Estimates:** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
13. **Fair Value of Financial Instruments:** The carrying amount of the CMHA's financial instruments at June 30, 2001, including cash, investments, accounts receivable, and accounts payable closely approximates fair value.

14. **Fixed Assets:**

- a. **Book Value:** All purchased fixed assets are valued at cost when historical records are available. When no historical records are available, fixed assets are valued at estimated historical cost.

Land values were derived from development closeout documentations.

Donated fixed assets are recorded at their fair value at the time they are received.

Donor imposed restrictions are deemed to expire as the asset depreciates.

All normal expenditures of preparing an asset for use are capitalized when they meet or exceed the capitalization threshold.

- b. **Depreciation:** Pursuant to the enterprise GAAP method, the cost of buildings and equipment is depreciated over the estimated useful lives of the related assets on a composite basis using the straight-line method.

Depreciation commences on modernization and development additions in the year following completion.

The useful lives of buildings and equipment for purposes of computing depreciation are as follows:

Buildings	40 years
Building modernization	10 years
Office and other equipment	5 years

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

14. Fixed Assets: (Continued)

- c. Maintenance and Repairs Expenditures: Maintenance and repairs expenditures are charged to operations when incurred. Betterments in excess of \$1,000 are capitalized. When buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved and any gain or loss is included in operations.
 - d. Impairment of Long-Lived Assets: CMHA has been and is currently involved in various demolition activities in conjunction with its HOPE VI, modernization and development programs. In accordance with Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of", CMHA has at June 30, 2001, recognized in the accompanying financial statements the impact of the demolition activities. Under the provisions of the statement, long-lived assets are to be reviewed for impairment. If the sum of the expected future cash flows is less than the carrying value amount of the asset, an impairment loss should be recognized. In the current year, there was no impairment loss.
15. Compensated Absences: Compensated absences are those absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of CMHA and its employees, is accrued as employees earn the right to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of CMHA and its employees are accounted for in the period in which such services are rendered or in which such events take place.
16. Litigation Losses: CMHA recognizes estimated losses related to litigation in the period in which the occasion giving rise to the loss occurred when the loss is probable and the loss is reasonably estimable.
17. Annual Contribution Contracts: Annual Contributions Contracts provide that HUD shall have the Authority to audit and examine the records of public housing authorities. Accordingly, final determination of CMHA's financing and contribution status for the Annual Contribution Contracts is the responsibility of HUD based upon financial reports submitted by CMHA.
18. Risk Management: The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior year.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

B - Deposits and Investments: For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. There were no noncash investing, capital and financing activities during the year.

The U.S. Department of HUD requires authorities to invest excess funds in obligations of the United States, certificates of deposit or any other federally insured instruments.

The U.S. Department of HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

It is the Authority's policy to maintain collateralization in accordance with state and HUD requirements.

Deposits: The three credit risk categories for deposits are defined as follows:

- (1) Insured or collateralized with securities held by the entity or by its agent (correspondent bank or Federal Reserve Bank) in the entity's name.
- (2) Collateralized with securities held by the pledging financial institution trust department or agent in the entity's name.
- (3) Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the entity's name.

	<u>Credit Risk Category</u>			<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
Demand Deposits	\$ 4,079,050	\$ -	\$ -	\$ 4,079,050
Certificates of Deposit	75,000	-	-	-75,000
U.S. Treasury Instruments	<u>3,077,415</u>	<u>-</u>	<u>-</u>	<u>3,077,415</u>
Total in Banks	<u>\$ 7,231,465</u>	<u>\$ -</u>	<u>\$ -</u>	7,231,465
Cash on hand				<u>1,550</u>
Total deposits				<u>\$ 7,233,015</u>
<u>Reconciliation of analysis to balance sheet:</u>				
Cash and cash equivalents				\$ 5,600,123
Resident security deposits				951,413
Modernization and development funds				<u>681,479</u>
				<u>\$ 7,233,015</u>

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

B - Deposits and Investments: (Continued)

Investments: The three credit risk categories for investments are defined as follows:

- (1) Insured or registered, or securities held by the government or its agent in the government's name.
- (2) Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the government's name.
- (3) Uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent but not in the government's name.

	Credit Risk Category			Fair Value
	1	2	3	
Certificates of Deposit	\$ 11,000	\$ -	\$ -	\$ 11,000
Total investments	\$ 11,000	\$ -	\$ -	\$ 11,000
<u>Reconciliation of Analysis to Balance Sheet:</u>				
Investments				\$ 11,000
Total				\$ 11,000

C - Accounts Receivable:

Tenants	\$ 473,299
The Community Builders – Developer	200,000
Other	544
	<u>\$673,843</u>

D - Due From Other Governments:

U. S. Department of HUD	\$7,917,459
City of Cincinnati	1,155,900
	<u>\$9,073,359</u>

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

E - Land, Buildings and Equipment:

	<u>Balance June 30, 2000</u>	<u>Transfers and Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2001</u>
Land	\$ 9,493,581	\$ 1,446,098	\$ -	\$ 10,939,679
Buildings	167,873,599	(303,662)	-	167,569,937
Equipment – Administration	3,455,396	145,122	-	3,600,518
Construction in Process	<u>37,543,566</u>	<u>25,674,903</u>	-	<u>63,218,469</u>
Total	218,366,142	26,962,461	-	245,328,603
Accumulated Depreciation	<u>(75,607,942)</u>	<u>(12,332,423)</u>	-	<u>(87,940,365)</u>
TOTAL	<u>\$ 142,758,200</u>	<u>\$ 14,630,038</u>	<u>\$ -</u>	<u>\$ 157,388,238</u>

F - Other Accrued Liabilities:

Accrued workmen's compensation – current portion	\$318,091
Family Self Sufficiency escrow – current portion	<u>375,500</u>
	<u>\$693,591</u>

Reconciliation of Family Self Sufficiency Escrow to Restricted Assets:

Family Self Sufficiency Escrow Liability – Long-term	\$305,979
Family Self Sufficiency Escrow Liability – Current Portion	<u>375,500</u>
Total Family Self Sufficiency Escrow Deposits	<u>\$681,479</u>

G - Long-Term Debt – Business Activities (Hamilton County Affordable Housing Programs):

Hamilton County provided HOME funds for the development of the units subject to construction acquisition with rehabilitation. The funds will be loaned to CMHA at 2% per annum simple interest for a term of 20 years for new construction and 15 years for acquisition with rehabilitation. All interest and payment of principle on said loans will be deferred for the term of the loan then repaid on a ten year amortization schedule except that if the units are maintained for low income use, 10% of the accrued interest and principle will be forgiven for each full year that the units are preserved as low income housing. At December 31, 2000 the Total amount of HOME notes (\$411) and bank notes (\$6,650,574) provided was \$9,982,250. All units presently purchased and under lease are to tenants with income at the required low-income housing level.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

G - Long-Term Debt – Business Activities (Hamilton County Affordable Housing Programs):
(Continued)

The outstanding balance of Bank Notes Payable at December 31, 2000 was \$6,650,574. The notes are payable quarterly each year in the amounts and at the interest rate listed below:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
2002	\$ 54,842	5.2-7.75%
2003	57,766	5.2-5.25%
2004	454,795	5.2-5.25%
2005	45,368	5.2-5.25%
2006	47,050	5.25%
Thereafter	<u>5,990,753</u>	5.25%
	6,650,574	
Less Current Portion	<u>54,842</u>	
	<u>\$6,595,732</u>	

Interest expense for the year ended June 30, 2001 was \$115,454. There was no capitalized interest expense for the year ended June 30, 2001.

The debt is secured by the property purchased in conjunction with the Hamilton county HOME Investment Partnership Act agreement to cooperate in the development of scattered site Low-Income Rental Housing throughout Hamilton County, Ohio.

H - Due to Other Governments:

City of Cincinnati	\$168,663
U.S. Department of HUD	<u>121,187</u>
	<u>\$289,850</u>

I - Deferred Revenue:

Prepaid rents	\$78,902
Other	<u>10,875</u>
	<u>\$89,777</u>

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

J - Annual Contributions by Federal Agencies:

Annual Contributions Contract C-984 - Pursuant to the Annual Contributions Contract, HUD contributes an operating subsidy approved in the operating budget. Operating subsidy contributions for the year ended June 30, 2001, were \$19,048,708.

Annual Contributions Contract C-5034 - Annual Contributions Contracts on Section 8 programs provide for housing assistance payments to private owners of residential units on behalf of eligible low or very low-income families. The program provides for such payments with respect to existing and moderately rehabilitated housing covering the difference between the maximum rental on a dwelling unit, and the amount of rent contribution by a participating family and related administrative expense. The Authority is also eligible to receive reimbursements for preliminary expense prior to lease up.

HUD contributions for the year ended June 30, 2001 were as follows:

Section 8 Vouchers	\$20,939,299
Section 8 Certificates	4,662,165
Section 8 Moderate Rehabilitation	<u>1,787,506</u>
	<u>\$27,388,970</u>

K - Retirement Commitments:

1. **Plan Description:** The Authority contributes to the Public Employees' Retirement System of Ohio (PERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefits is provided by State Statute per Chapter 145 of the Ohio Revised Code. The Public Employees' Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-466-2085.
2. **Funding Policy:** The Ohio Revised Code provides statutory authority for employee and employer contributions.

The employee and employers contributions for the current and two preceding years were as follows:

	<u>Percentage of</u> <u>Covered Payroll</u>		<u>Total</u> <u>Payroll</u>	<u>Payroll</u> <u>Covered</u>	<u>Authority</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>
	<u>Employer</u>	<u>Employee</u>				
1999	13.55%	8.5%	\$13,390,315	\$ 13,169,464	\$ 1,784,379	\$ 1,119,364
2000	13.55%	8.5%	14,278,834	14,011,054	1,897,396	1,190,261
2001	13.55%	8.5%	14,567,740	14,299,545	1,937,588	1,215,465

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

- L - Other Post-Employment Benefits:** Public Employees Retirement System of Ohio provided post-retirement health care coverage to aid and service retirees with 10 or more years of qualifying Ohio service credit. The method of funding by the Authority is Advance-funded on an actuarially determined basis. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement Number 12. A portion of each employer's contribution to PERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2001 employer contribution rate for local government employers was 13.55% of covered payroll: 4.2% was the portion that was used to fund health care for the year 2000. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to PERS. The employer contributions actually made by the Authority to fund post-employment benefits during fiscal 2001 was \$600,581, based on the 2000 rate.
- M - Self-Funded Health Benefits:** The Housing Authority is self-insured for employee dental and vision coverage and maintains a \$90,000 stop-loss policy. The Authority has contracted with a third party administrator to direct this program.
- N - Compensated Absences Payable:** Accrued vacation is paid upon termination. 240 hours of sick leave is payable upon termination if the employee has accrued at least 1000 hours. If the employee has attained 70 points (age and years of service) at termination, the entire sick leave accrual may be converted to a post-employment health plan. The cost of current leave privileges computed in accordance with GASB Statement No. 16, "Compensated Absences", is recognized as a current year expenditure in the period in which it is earned, in accordance with U.S. generally accepted accounting principles.
- At June 30, 2001 total leave to be paid upon termination is \$969,927. \$107,729 is current and \$862,198 is long-term.
- O - Commitments:** The Authority is engaged in modernization programs funded by the United States Department of HUD. In this regard, the Authority has entered into construction-type contracts, with approximately \$4,227,003 remaining until completion.
- P - Economic Dependency:** The United States Department of HUD provides approximately 84% of the Authority's operating and modernization revenues.
- Q - Related Parties:** The Authority's Low-Rent Public Housing Program acts as a common paymaster for all the entities of the Authority and periodically receives reimbursement from them. At June 30, 2001, receivables and payables between these programs are reflected in the financial statements as "Due from other programs" and "Duc to other programs". These accounts net zero.
- R - Contingencies:**
1. The Authority is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Authority's attorney that resolution of these matters will not have a material adverse effect on the financial condition of the Authority.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001
(Continued)

R - Contingencies: (Continued)

2. The Authority is subject to possible examinations made by Federal and State authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years. There were no such examinations for the year ended June 30, 2001.

S - Conduit Type Debt: Debt related to the original acquisition and early modernization of the public housing developments is funded, guaranteed and serviced by the United States Department of HUD. There is no debt or pledge of faith and credit on part of the Authority. Accordingly, this debt has not been recorded in the financial statements of the Housing Authority. Additionally, the U.S. Department of HUD no longer provides debt service information to the Authority.

T - Schedule of Changes in Fund Equity:

	<u>Contributed Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance beginning of year	\$ 137,383,486	\$ 11,041,884	\$ 148,425,370
Adjustments to restate beginning balance*	<u>25,615,260</u>	<u>(26,057,122)</u>	<u>(441,862)</u>
Adjusted balance beginning of year	162,998,746	(15,015,238)	147,983,508
Net income (loss)	-	10,582,834	10,582,834
Depreciation add-back	<u>(12,332,422)</u>	<u>12,332,422</u>	<u> -</u>
Balance at end of year	<u>\$ 150,666,324</u>	<u>\$ 7,900,018</u>	<u>\$ 158,566,342</u>

***Adjustments to restate beginning balance**

Transfer HOME Partnership to Business Activities	\$ 1
Section 8 settlement adjustments	(556,948)
Compensated absences corrections – prior years	570,053
Interfund corrections	36,165
Prior period adjustment – FDS error – no Business Activities in prior year	<u>(491,133)</u>

Net adjustments to restate beginning balance **\$(441,862)**

U - New Accounting Pronouncements: The Governmental Accounting Standards Board (GASB) recently issued GASB Statement No. 34, “Basic Financial Statements – and Management’s Discussion and Analyses – for State and Local Governments (SGAS 34)”. This statement is a change in the reporting model for governmental entities. It will require a “dual perspective” approach along with management discussion and analysis and reporting of infrastructure assets and depreciation. Due to the significance of the changes, GASB has allowed an extended implementation period depending on the entities’ revenues. The management at CMHA has indicated they will implement this standard for the fiscal year ending June 30, 2004.

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SUPPLEMENTAL INFORMATION

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

COMBINING SCHEDULE OF ASSETS, LIABILITIES AND EQUITY
JUNE 30, 2001

	Congregate Housing Service Program	HOME Investment Partnerships Program	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program	Section 8 Moderate Rehabilitation Program MO002MR0002	Section 8 Moderate Rehabilitation Program MO002MR0003	Section 8 Moderate Rehabilitation Program MO002MR0004	Section 8 Moderate Rehabilitation Program MO002MR0005
ASSETS									
Current assets:									
Cash and cash equivalents	\$ --	\$ 67,039	\$ 4,578,508	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Investments	--	--	11,000	--	--	--	--	--	--
Interest receivable	--	--	201	--	--	--	--	--	--
Accounts receivable (net of allowance for uncollectibles)	--	27,515	445,784	--	--	--	--	--	--
Due from other governments	22,696	13,421	--	145,166	469,686	30,559	2,288	--	--
Due from other programs	--	--	6,077,176	--	--	--	--	--	--
Inventories (net of allowance for obsolescence)	--	--	444,353	--	--	--	--	--	--
Prepaid expenses	--	--	594,883	--	--	--	--	--	--
Total current assets	22,696	107,975	12,151,905	145,166	469,686	30,559	2,288	--	--
Restricted assets:									
Resident security deposits	--	51,298	900,115	--	--	--	--	--	--
Family self sufficiency escrow deposits	--	--	--	--	--	--	--	--	--
Total restricted assets	--	51,298	900,115	--	--	--	--	--	--
Fixed assets:									
Land	--	1,446,098	9,493,581	--	--	--	--	--	--
Buildings	--	5,813,355	161,755,582	--	--	--	--	--	--
Furniture, equipment and machinery	--	--	3,072,097	--	--	--	--	--	--
Accumulated depreciation	--	(245,556)	(87,316,569)	--	--	--	--	--	--
Construction in process	--	--	3,353,576	--	--	--	--	--	--
Fixed assets, net of accumulated depreciation	--	7,013,897	90,358,267	--	--	--	--	--	--
TOTAL ASSETS	\$ 22,696	\$ 7,173,170	\$ 103,410,287	\$ 145,166	\$ 469,686	\$ 30,559	\$ 2,288	\$ --	\$ --

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

COMBINING SCHEDULE OF ASSETS, LIABILITIES AND EQUITY
JUNE 30, 2001
(Continued)

	Section 8 Moderate Rehabilitation Program MO002MR0006	Section 8 Rental Certificate Program	Public Housing Comprehensive Grant Program	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services	Public Housing Capital Fund Program	Business Activities	Section 8 Single Room Occupancy Program # 1	Total
ASSETS									
Current assets:									
Cash and cash equivalents	\$ --	\$ 877,663	\$ --	\$ --	\$ --	\$ --	\$ 76,913	\$ --	\$ 5,600,123
Investments	--	--	--	--	--	--	--	--	11,000
Interest receivable	--	1,317	--	--	--	--	524	--	2,042
Accounts receivable (net of allowance for uncollectibles)	--	544	--	200,000	--	--	--	--	673,843
Due from other governments	--	--	185,426	7,408,383	11,570	650,846	83,895	49,423	9,073,359
Due from other programs	--	49,126	--	--	--	--	177,490	--	6,303,792
Inventories (net of allowance for obsolescence)	--	--	--	--	--	--	--	--	444,353
Prepaid expenses	--	7,097	--	--	--	--	--	--	601,980
Total current assets	--	935,747	185,426	7,608,383	11,570	650,846	338,822	49,423	22,710,492
Restricted assets:									
Resident security deposits	--	--	--	--	--	--	--	--	951,413
Family self sufficiency escrow deposits	--	681,479	--	--	--	--	--	--	681,479
Total restricted assets	--	681,479	--	--	--	--	--	--	1,632,892
Fixed assets:									
Land	--	--	--	--	--	--	--	--	10,939,679
Buildings	--	--	--	--	--	--	1,000	--	167,569,937
Furniture, equipment and machinery	--	499,932	--	--	--	--	28,489	--	3,600,518
Accumulated depreciation	--	(378,239)	--	--	--	--	(1)	--	(87,940,365)
Construction in process	--	--	45,369,092	10,848,353	--	3,647,448	--	--	63,218,469
Fixed assets, net of accumulated depreciation	--	121,693	45,369,092	10,848,353	--	3,647,448	29,488	--	157,388,238
TOTAL ASSETS	\$ --	\$ 1,738,919	\$ 45,554,518	\$ 18,456,736	\$ 11,570	\$ 4,298,294	\$ 368,310	\$ 49,423	\$ 181,731,622

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2001

	Congregate Housing Service Program	HOME Investment Partnerships Program	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program	Section 8 Moderate Rehabilitation Program MO002MR0002	Section 8 Moderate Rehabilitation Program MO002MR0003	Section 8 Moderate Rehabilitation Program MO002MR0004	Section 8 Moderate Rehabilitation Program MO002MR0005
Operating revenues:									
Rental revenue	\$ 66,735	\$ 601,591	\$ 12,271,656	\$ --	\$ --	\$ 276,916	\$ 43,387	\$ 653,425	\$ 113,753
Governmental grants	--	--	19,048,708	2,002,498	20,939,299	4	1	9	2
Other revenue	--	10,253	779,434	--	237	--	--	--	--
Total operating revenues	66,735	611,844	32,099,798	2,002,498	20,939,536	276,920	43,388	653,434	113,755
Operating expenses:									
Administrative	--	40,840	8,549,397	--	1,600,291	25,773	3,948	59,210	10,217
Tenant services	66,735	--	350,508	2,002,498	--	--	--	--	--
Utilities	--	62,836	10,259,093	--	--	--	--	--	--
Ordinary maintenance and operation	--	265,179	12,206,513	--	34,035	549	84	1,259	217
Protective services	--	--	188,297	--	--	--	--	--	--
General expenses	--	11,872	894,329	--	90,512	1,457	223	3,349	578
Housing assistance payments	--	--	--	--	16,685,399	268,729	41,156	617,350	106,523
Depreciation	--	122,334	12,162,335	--	--	--	--	--	--
Total operating expenses	66,735	503,061	44,610,472	2,002,498	18,410,237	296,508	45,411	681,168	117,535
Operating income (loss)	--	108,783	(12,510,674)	--	2,529,299	(19,588)	(2,023)	(27,734)	(3,780)
Nonoperating revenues (expenses)									
Interest revenue	--	4,530	683,963	--	136,825	2,204	675	5,062	874
Interest expense	--	(115,454)	--	--	--	--	--	--	--
Casualty losses	--	--	(121,083)	--	(2,445)	(33)	(5)	(76)	(13)
Total nonoperating revenues (expenses)	--	(110,924)	562,880	--	134,380	2,171	670	4,986	861
Income (loss) before operating transfers	--	(2,141)	(11,947,794)	--	2,663,679	(17,417)	(1,353)	(22,748)	(2,919)
Operating transfers from (to) other programs									
Net income (loss)	--	(2,141)	(11,947,794)	--	299,524	(17,417)	(1,353)	(22,748)	(2,919)
FUND EQUITY:									
Fund equity - beginning of year	--	491,132	109,381,509	--	274,878	16,028	(2,261)	48,403	9,847
Prior period adjustments, equity transfers and correction of errors	--	(169,659)	606,218	--	(104,716)	31,948	5,902	(31,774)	(31,305)
Adjusted fund equity - beginning of year	--	321,473	109,987,727	--	170,162	47,976	3,641	16,629	(21,458)
TOTAL FUND EQUITY	\$ --	\$ 319,332	\$ 98,039,933	\$ --	\$ 469,686	\$ 30,559	\$ 2,288	\$ (6,119)	\$ (24,377)

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2001
(Continued)

	Section 8 Moderate Rehabilitation Program MO002MR0006	Section 8 Rental Certificate Program	Public Housing Comprehensive Grant Program	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services	Public Housing Capital Fund Program	Business Activities	Section 8 Single Room Occupancy Program # 1	Total
Operating revenues:									
Rental revenue	\$ 700,025	4,662,165	10,738,633	11,742,873	51,317	4,521,114	--	\$ 12,873,247	
Governmental grants	9	82	--	27,135	--	--	--	75,610,271	
Other revenue						332,298	--	1,149,464	
Total operating revenues	700,034	4,662,247	10,738,633	11,770,008	51,317	4,521,114	49,423	89,632,982	
Operating expenses:									
Administrative	63,621	529,608	595,852	4,110,654	--	873,666	3,947	16,618,083	
Tenant services	--	--	--	--	51,317	--	--	2,471,058	
Utilities	--	--	--	--	--	--	--	10,321,929	
Ordinary maintenance and operation	1,353	11,802	--	--	--	--	84	12,521,075	
Protective services	--	--	--	--	--	--	--	188,297	
General expenses	3,598	31,388	--	--	--	--	223	1,037,593	
Housing assistance payments	663,349	5,786,144	--	--	--	64	--	24,209,807	
Depreciation	--	47,753	--	--	--	--	41,157	12,332,422	
Total operating expenses	731,921	6,406,695	595,852	4,110,654	51,317	873,666	45,411	79,700,264	
Operating income (loss)	(31,887)	(1,744,448)	10,142,781	7,659,354	--	3,647,448	4,012	9,932,718	
Nonoperating revenues (expenses)									
Interest revenue	5,440	47,448	--	--	--	--	--	890,022	
Interest expense	--	--	--	--	--	--	--	(115,454)	
Casualty losses	(81)	(711)	--	--	--	--	(5)	(124,452)	
Total nonoperating revenues (expenses)	5,359	46,737	--	--	--	--	(5)	650,116	
Income (loss) before operating transfers	(26,528)	(1,697,711)	10,142,781	7,659,354	--	3,647,448	4,007	10,582,834	
Operating transfers from (to) other programs									
	--	1,465,276	--	898,879	--	--	--	--	
Net income (loss)	(26,528)	(232,435)	10,142,781	8,558,233	--	3,647,448	4,007	10,582,834	
FUND EQUITY:									
Fund equity - beginning of year	41,822	129,313	35,226,311	2,317,255	--	--	--	148,425,370	
Prior period adjustments, equity transfers and correction of errors	(105,985)	(321,018)	--	--	--	--	--	(441,862)	
Adjusted fund equity - beginning of year	(64,163)	(191,705)	35,226,311	2,317,255	--	--	--	147,983,508	
TOTAL FUND EQUITY	(90,691)	(424,140)	\$ 45,369,092	\$ 10,875,488	\$ --	\$ 3,647,448	\$ 4,007	\$ 158,566,342	

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FINANCIAL DATA SCHEDULE

PHA: OH004 FYED: 06/30/2001

Line Item No.	Account Description	Business Activities	Congregate Housing Service Program	HOME Investment Partnerships Program	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program
111	Cash - Unrestricted	\$76,913	\$0	\$67,039	\$0	\$4,578,508	\$0	\$0
113	Cash - Other Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0
114	Cash - Tenant Security Deposits	\$0	\$0	\$51,298	\$0	\$900,115	\$0	\$0
100	Total Cash	\$76,913	\$0	\$118,337	\$0	\$5,478,623	\$0	\$0
122	Accounts Receivable - HUD Other Projects	\$83,895	\$22,696	\$13,421	\$49,423	\$0	\$145,166	\$469,686
124	Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
125	Accounts Receivable - Miscellaneous	\$0	\$0	\$19,396	\$0	\$196,596	\$0	\$0
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$0	\$8,119	\$0	\$303,661	\$0	\$0
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$0	\$-54,473	\$0	\$0
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$524	\$0	\$0	\$0	\$201	\$0	\$0
120	Total Receivables, net of allowances for doubtful accounts	\$84,419	\$22,696	\$40,936	\$49,423	\$445,985	\$145,166	\$469,686
131	Investments - Unrestricted	\$0	\$0	\$0	\$0	\$11,000	\$0	\$0
142	Prepaid Expenses and Other Assets	\$0	\$0	\$0	\$0	\$594,883	\$0	\$0
143	Inventories	\$0	\$0	\$0	\$0	\$515,516	\$0	\$0
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$-71,163	\$0	\$0
144	Interprogram Due From	\$177,490	\$0	\$0	\$0	\$6,077,176	\$0	\$0
150	Total Current Assets	\$338,822	\$22,696	\$159,273	\$49,423	\$13,052,020	\$145,166	\$469,686
161	Land	\$0	\$0	\$1,446,098	\$0	\$9,493,581	\$0	\$0
162	Buildings	\$1,000	\$0	\$5,813,355	\$0	\$161,755,582	\$0	\$0
164	Furniture, Equipment & Machinery - Administration	\$28,489	\$0	\$0	\$0	\$3,072,097	\$0	\$0
165	Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
166	Accumulated Depreciation	\$-1	\$0	\$-245,556	\$0	\$-87,316,569	\$0	\$0
167	Construction In Progress	\$0	\$0	\$0	\$0	\$3,353,576	\$0	\$0
160	Total Fixed Assets - Net of Accumulated Depreciation	\$29,488	\$0	\$7,013,897	\$0	\$90,358,267	\$0	\$0
180	Total Non-Current Assets	\$29,488	\$0	\$7,013,897	\$0	\$90,358,267	\$0	\$0
190	Total Assets	\$368,310	\$22,696	\$7,173,170	\$49,423	\$103,410,287	\$145,166	\$469,686

Line Item No.	Account Description	Business Activities	Congregate Housing Service Program	HOME Investment Partnerships Program	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program
312	Accounts Payable <= 90 Days	\$452	\$0	\$0	\$45,416	\$1,902,490	\$35,103	\$0
321	Accrued Wage/Payroll Taxes Payable	\$7,819	\$0	\$0	\$0	\$454,135	\$0	\$0
322	Accrued Compensated Absences	\$6,203	\$0	\$0	\$0	\$90,266	\$0	\$0
324	Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
333	Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$168,663	\$0	\$0
341	Tenant Security Deposits	\$0	\$0	\$51,298	\$0	\$900,115	\$0	\$0
342	Deferred Revenues	\$0	\$0	\$8,344	\$0	\$81,433	\$0	\$0
343	Current Portion of Long-term Debt - Capital Projects	\$0	\$0	\$54,842	\$0	\$0	\$0	\$0
346	Accrued Liabilities - Other	\$0	\$0	\$0	\$0	\$318,591	\$0	\$0
347	Interprogram Due To	\$0	\$22,696	\$143,622	\$0	\$83,330	\$110,063	\$0
310	Total Current Liabilities	\$14,474	\$22,696	\$258,106	\$45,416	\$4,010,023	\$145,166	\$0
351	Long-term Debt Net of Current - Capital Projects	\$0	\$0	\$6,595,732	\$0	\$0	\$0	\$0
353	Noncurrent Liabilities - Other	\$0	\$0	\$0	\$0	\$1,360,331	\$0	\$0
350	Total Noncurrent Liabilities	\$0	\$0	\$6,595,732	\$0	\$1,360,331	\$0	\$0
300	Total Liabilities	\$14,474	\$22,696	\$6,853,838	\$45,416	\$5,370,354	\$145,166	\$0
502	Project Notes (HUD)	\$0	\$0	\$0	\$0	\$83,075,628	\$0	\$0
503	Long-term Debt - HUD Guaranteed	\$0	\$0	\$0	\$0	\$4,857,145	\$0	\$0
504	Net HUD PHA Contributions	\$0	\$0	\$0	\$0	\$2,425,492	\$0	\$0
507	Other Contributions	\$0	\$0	\$321,473	\$0	\$0	\$0	\$0
508	Total Contributed Capital	\$0	\$0	\$321,473	\$0	\$90,358,265	\$0	\$0
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
512	Undesignated Fund Balance/Retained Earnings	\$353,836	\$0	\$-2,141	\$4,007	\$7,681,668	\$0	\$469,686
513	Total Equity	\$353,836	\$0	\$319,332	\$4,007	\$98,039,933	\$0	\$469,686
600	Total Liabilities and Equity	\$368,310	\$22,696	\$7,173,170	\$49,423	\$103,410,287	\$145,166	\$469,686

Line Item No	Account Description	Business Activities	Congregate Housing Service Program	HOME Investment Partnerships Program	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program
703	Net Tenant Rental Revenue	\$0	\$0	\$601,591	\$0	\$12,271,656	\$0	\$0
704	Tenant Revenue - Other	\$0	\$0	\$0	\$0	\$188,132	\$0	\$0
705	Total Tenant Revenue	\$0	\$0	\$601,591	\$0	\$12,459,788	\$0	\$0
706	HUD PHA Grants	\$0	\$66,735	\$0	\$49,423	\$19,048,708	\$2,002,498	\$20,939,299
711	Investment Income - Unrestricted	\$3,001	\$0	\$4,530	\$0	\$683,963	\$0	\$136,825
715	Other Revenue	\$332,298	\$0	\$10,253	\$0	\$591,302	\$0	\$237
700	Total Revenue	\$335,299	\$66,735	\$616,374	\$49,423	\$32,783,761	\$2,002,498	\$21,076,361

PHA: OH004 FYED: 06/30/2001

Line Item No.	Account Description	Business Activities	Congregate Housing Service Program	HOME Investment Partnerships Program	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Section 8 Rental Voucher Program
1101	Capital Outlays Enterprise Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$491,133	\$0	\$491,132	\$0	\$109,381,509	\$0	\$274,878
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$-321,473	\$0	\$-169,659	\$0	\$606,218	\$0	\$-104,716
1112	Depreciation Add Back	\$0	\$0	\$122,334	\$0	\$12,162,335	\$0	\$0
1113	Maximum Annual Contributions Commitment (Per ACC)	\$0	\$0	\$0	\$0	\$0	\$0	\$20,469,613
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1116	Total Annual Contributions Available	\$0	\$0	\$0	\$0	\$0	\$0	\$20,469,613
1120	Unit Months Available	0	0	1,368	0	67,891	0	40,968
1121	Number of Unit Months Leased	0	0	1,325	0	65,967	0	40,968

Line Item No	Account Description	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0002	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0003	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0004	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0005	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0006	Section 8 Rental Certificate Program	Public Housing_Comprehensive Grant Program
111	Cash - Unrestricted	\$0	\$0	\$0	\$0	\$0	\$877,663	\$0
113	Cash - Other Restricted	\$0	\$0	\$0	\$0	\$0	\$681,479	\$0
114	Cash - Tenant Security Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100	Total Cash	\$0	\$0	\$0	\$0	\$0	\$1,559,142	\$0
122	Accounts Receivable - HUD Other Projects	\$30,559	\$2,288	\$0	\$0	\$0	\$0	\$185,426
124	Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
125	Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$544	\$0
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0	\$1,317	\$0
120	Total Receivables, net of allowances for doubtful accounts	\$30,559	\$2,288	\$0	\$0	\$0	\$1,861	\$185,426
131	Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0
142	Prepaid Expenses and Other Assets	\$0	\$0	\$0	\$0	\$0	\$7,097	\$0
143	Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144	Interprogram Due From	\$0	\$0	\$0	\$0	\$0	\$49,126	\$0
150	Total Current Assets	\$30,559	\$2,288	\$0	\$0	\$0	\$1,617,226	\$185,426
161	Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0
162	Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
164	Furniture, Equipment & Machinery - Administration	\$0	\$0	\$0	\$0	\$0	\$499,932	\$0
165	Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
166	Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$-378,239	\$0
167	Construction In Progress	\$0	\$0	\$0	\$0	\$0	\$0	\$45,369,092
160	Total Fixed Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$121,693	\$45,369,092
180	Total Non-Current Assets	\$0	\$0	\$0	\$0	\$0	\$121,693	\$45,369,092
190	Total Assets	\$30,559	\$2,288	\$0	\$0	\$0	\$1,738,919	\$45,554,518

PHA: OH004 FYED: 06/30/2001

Line Item No.	Account Description	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0002	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0003	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0004	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0005	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0006	Section 8 Rental Certificate Program	Public Housing_Comprehensive Grant Program
310	Accounts Payable <= 90 Days	\$0	\$0	\$0	\$0	\$0	\$67,010	\$123,754
321	Accrued Wage/Payroll Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$60,845	\$0
322	Accrued Compensated Absences	\$0	\$0	\$0	\$0	\$0	\$11,260	\$0
324	Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$6,119	\$24,377	\$90,691	\$0	\$0
333	Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
341	Tenant Security Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
342	Deferred Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0
343	Current Portion of Long-term Debt - Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
346	Accrued Liabilities - Other	\$0	\$0	\$0	\$0	\$0	\$375,000	\$0
347	Interprogram Due To	\$0	\$0	\$0	\$0	\$0	\$1,273,181	\$61,672
310	Total Current Liabilities	\$0	\$0	\$6,119	\$24,377	\$90,691	\$1,787,296	\$185,426
351	Long-term Debt, Net of Current - Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
353	Noncurrent Liabilities - Other	\$0	\$0	\$0	\$0	\$0	\$375,763	\$0
350	Total Noncurrent Liabilities	\$0	\$0	\$0	\$0	\$0	\$375,763	\$0
300	Total Liabilities	\$0	\$0	\$6,119	\$24,377	\$90,691	\$2,163,059	\$185,426
502	Project Notes (HUD)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
503	Long-term Debt - HUD Guaranteed	\$0	\$0	\$0	\$0	\$0	\$0	\$0
504	Net HUD PHA Contributions	\$0	\$0	\$0	\$0	\$0	\$121,693	\$45,369,092
507	Other Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
508	Total Contributed Capital	\$0	\$0	\$0	\$0	\$0	\$121,693	\$45,369,092
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
512	Undesignated Fund Balance/Retained Earnings	\$30,559	\$2,288	\$-6,119	\$-24,377	\$-90,691	\$-545,833	\$0
513	Total Equity	\$30,559	\$2,288	\$-6,119	\$-24,377	\$-90,691	\$-424,140	\$45,369,092
600	Total Liabilities and Equity	\$30,559	\$2,288	\$0	\$0	\$0	\$1,738,919	\$45,554,518

Line Item No	Account Description	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitat OH004MR0002	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitat OH004MR0003	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitat OH004MR0004	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitat OH004MR0005	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitat OH004MR0006	Section 8 Rental Certificate Program	Public Housing Comprehensive Grant Program
911	Administrative Salaries	\$14,987	\$2,296	\$34,430	\$5,941	\$36,995	\$322,693	\$0
912	Auditing Fees	\$131	\$20	\$301	\$52	\$323	\$2,820	\$0
913	Outside Management Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
914	Compensated Absences	\$0	\$0	\$0	\$0	\$0	\$-25,339	\$0
915	Employee Benefit Contributions - Administrative	\$4,058	\$622	\$9,323	\$1,609	\$10,018	\$87,383	\$0
916	Other Operating - Administrative	\$6,597	\$1,010	\$15,156	\$2,615	\$16,285	\$142,051	\$595,852
921	Tenant Services - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
923	Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
924	Tenant Services - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
931	Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0
932	Electricity	\$0	\$0	\$0	\$0	\$0	\$0	\$0
933	Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0
935	Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0
937	Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
938	Other Utilities Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
941	Ordinary Maintenance and Operations - Labor	\$163	\$25	\$373	\$64	\$401	\$0	\$0
942	Ordinary Maintenance and Operations - Materials and Other	\$386	\$59	\$886	\$153	\$952	\$3,500	\$0
943	Ordinary Maintenance and Operations - Contract Costs	\$0	\$0	\$0	\$0	\$0	\$8,302	\$0
945	Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
951	Protective Services - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0
952	Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
955	Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
961	Insurance Premiums	\$699	\$107	\$1,607	\$277	\$1,726	\$15,057	\$0
962	Other General Expenses	\$758	\$116	\$1,742	\$301	\$1,872	\$16,331	\$0
963	Payments in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
964	Bad Debt - Tenant Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0
967	Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
969	Total Operating Expenses	\$27,779	\$4,255	\$63,818	\$11,012	\$68,572	\$572,798	\$595,852
970	Excess Operating Revenue over Operating Expenses	\$251,345	\$39,808	\$594,678	\$103,617	\$636,902	\$4,136,897	\$10,142,781
971	Extraordinary Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
972	Casualty Losses - Non-Capitalized	\$33	\$5	\$76	\$13	\$81	\$711	\$0
973	Housing Assistance Payments	\$268,729	\$41,156	\$617,350	\$106,523	\$663,349	\$5,786,144	\$0
974	Depreciation Expense	\$0	\$0	\$0	\$0	\$0	\$47,753	\$0
900	Total Expenses	\$296,541	\$45,416	\$681,244	\$117,548	\$732,002	\$6,407,406	\$595,852
1001	Operating Transfers In	\$0	\$0	\$0	\$0	\$0	\$1,465,276	\$0
1002	Operating Transfers Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$1,465,276	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$-17,417	\$-1,353	\$-22,748	\$-2,919	\$-26,528	\$-232,435	\$10,142,781

Line Item No.	Account Description	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0002	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0003	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0004	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0005	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat OH004MR0006	Section 8 Rental Certificate Program	Public Housing_Comprehensive Grant Program
1101	Capital Outlays Enterprise Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$16,028	\$-2,261	\$48,403	\$9,847	\$41,822	\$129,313	\$35,226,311
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$31,948	\$5,902	\$-31,774	\$-31,305	\$-105,985	\$-321,018	\$0
1112	Depreciation Add Back	\$0	\$0	\$0	\$0	\$0	\$47,753	\$0
1113	Maximum Annual Contributions Commitment (Per ACC)	\$0	\$60,802	\$0	\$0	\$790,716	\$4,662,165	\$0
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$246,357	\$0	\$659,544	\$138,130	\$0	\$0	\$0
1116	Total Annual Contributions Available	\$246,357	\$60,802	\$659,544	\$138,130	\$790,716	\$4,662,165	\$0
1120	Unit Months Available	780	480	1,790	312	1,920	22,044	0
1121	Number of Unit Months Leased	543	307	1,477	235	1,788	16,765	0

Line Item No.	Account Description	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services	Public Housing Capital Fund Program	Total
111	Cash - Unrestricted	\$0	\$0	\$0	\$5,600,123
113	Cash - Other Restricted	\$0	\$0	\$0	\$681,479
114	Cash - Tenant Security Deposits	\$0	\$0	\$0	\$951,413
100	Total Cash	\$0	\$0	\$0	\$7,233,015
122	Accounts Receivable - HUD Other Projects	\$6,252,483	\$11,570	\$650,846	\$7,917,459
124	Accounts Receivable - Other Government	\$1,155,900	\$0	\$0	\$1,155,900
125	Accounts Receivable - Miscellaneous	\$200,000	\$0	\$0	\$416,536
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$0	\$0	\$311,780
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$-54,473
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$0	\$0	\$2,042
120	Total Receivables, net of allowances for doubtful accounts	\$7,608,383	\$11,570	\$650,846	\$9,749,244
131	Investments - Unrestricted	\$0	\$0	\$0	\$11,000
142	Prepaid Expenses and Other Assets	\$0	\$0	\$0	\$601,980
143	Inventories	\$0	\$0	\$0	\$515,516
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$-71,163
144	Interprogram Due From	\$0	\$0	\$0	\$6,303,792
150	Total Current Assets	\$7,608,383	\$11,570	\$650,846	\$24,343,384
161	Land	\$0	\$0	\$0	\$10,939,679
162	Buildings	\$0	\$0	\$0	\$167,569,937
164	Furniture, Equipment & Machinery - Administration	\$0	\$0	\$0	\$3,600,518
165	Leasehold Improvements	\$0	\$0	\$0	\$0
166	Accumulated Depreciation	\$0	\$0	\$0	\$-87,940,365
167	Construction In Progress	\$10,848,353	\$0	\$3,647,448	\$63,218,469
160	Total Fixed Assets, Net of Accumulated Depreciation	\$10,848,353	\$0	\$3,647,448	\$157,388,238
180	Total Non-Current Assets	\$10,848,353	\$0	\$3,647,448	\$157,388,238
190	Total Assets	\$18,456,736	\$11,570	\$4,298,294	\$181,731,622

Line Item No.	Account Description	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services	Public Housing Capital Fund Program	Total
312	Accounts Payable <= 90 Days	\$3,160,196	\$560	\$451,111	\$5,786,092
321	Accrued Wage/Payroll Taxes Payable	\$22,569	\$0	\$0	\$545,368
322	Accrued Compensated Absences	\$0	\$0	\$0	\$107,729
324	Accrued Contingency Liability	\$0	\$0	\$0	\$11,000
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$121,187
333	Accounts Payable - Other Government	\$0	\$0	\$0	\$168,663
341	Tenant Security Deposits	\$0	\$0	\$0	\$951,413
342	Deferred Revenues	\$0	\$0	\$0	\$89,777
343	Current Portion of Long-term Debt - Capital Projects	\$0	\$0	\$0	\$54,842
346	Accrued Liabilities - Other	\$0	\$0	\$0	\$693,591
347	Interprogram Due To	\$4,398,483	\$11,010	\$199,735	\$6,303,792
310	Total Current Liabilities	\$7,581,248	\$11,570	\$650,846	\$14,833,454
351	Long-term Debt, Net of Current - Capital Projects	\$0	\$0	\$0	\$6,595,732
353	Noncurrent Liabilities - Other	\$0	\$0	\$0	\$1,736,094
350	Total Noncurrent Liabilities	\$0	\$0	\$0	\$8,331,826
300	Total Liabilities	\$7,581,248	\$11,570	\$650,846	\$23,165,280
502	Project Notes (HUD)	\$0	\$0	\$0	\$83,075,628
503	Long-term Debt - HUD Guaranteed	\$0	\$0	\$0	\$4,857,145
504	Net HUD PHA Contributions	\$10,848,353	\$0	\$3,647,448	\$62,412,078
507	Other Contributions	\$0	\$0	\$0	\$321,473
508	Total Contributed Capital	\$10,848,353	\$0	\$3,647,448	\$150,666,324
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0
512	Undesignated Fund Balance/Retained Earnings	\$27,135	\$0	\$0	\$7,900,018
513	Total Equity	\$10,875,488	\$0	\$3,647,448	\$158,566,342
600	Total Liabilities and Equity	\$18,456,736	\$11,570	\$4,298,294	\$181,731,622

Line Item No	Account Description	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services	Public Housing Capital Fund Program	Total
703	Net Tenant Rental Revenue	\$0	\$0	\$0	\$12,873,247
704	Tenant Revenue - Other	\$0	\$0	\$0	\$188,132
705	Total Tenant Revenue	\$0	\$0	\$0	\$13,061,379
706	HUD PHA Grants	\$11,742,873	\$51,317	\$4,521,114	\$75,610,271
711	Investment Income - Unrestricted	\$0	\$0	\$0	\$890,022
715	Other Revenue	\$27,135	\$0	\$0	\$961,332
700	Total Revenue	\$11,770,008	\$51,317	\$4,521,114	\$90,523,004

Line Item No.	Account Description	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services	Public Housing Capital Fund Program	Total
911	Administrative Salaries	\$0	\$0	\$0	\$5,701,895
912	Auditing Fees	\$0	\$0	\$0	\$66,500
913	Outside Management Fees	\$0	\$0	\$0	\$39,289
914	Compensated Absences	\$0	\$0	\$0	\$-8,222
915	Employee Benefit Contributions - Administrative	\$0	\$0	\$0	\$1,515,657
916	Other Operating - Administrative	\$4,110,654	\$0	\$873,666	\$9,302,964
921	Tenant Services - Salaries	\$0	\$0	\$0	\$212,459
923	Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$56,194
924	Tenant Services - Other	\$0	\$51,317	\$0	\$2,202,405
931	Water	\$0	\$0	\$0	\$2,427,730
932	Electricity	\$0	\$0	\$0	\$3,234,390
933	Gas	\$0	\$0	\$0	\$3,775,935
935	Labor	\$0	\$0	\$0	\$649,302
937	Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$171,736
938	Other Utilities Expense	\$0	\$0	\$0	\$62,836
941	Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0	\$5,622,837
942	Ordinary Maintenance and Operations - Materials and Other	\$0	\$0	\$0	\$1,998,611
943	Ordinary Maintenance and Operations - Contract Costs	\$0	\$0	\$0	\$3,380,246
945	Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	\$1,477,135
951	Protective Services - Labor	\$0	\$0	\$0	\$17,032
952	Protective Services - Other Contract Costs	\$0	\$0	\$0	\$166,760
955	Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$4,505
961	Insurance Premiums	\$0	\$0	\$0	\$309,451
962	Other General Expenses	\$0	\$0	\$0	\$250,522
963	Payments in Lieu of Taxes	\$0	\$0	\$0	\$168,663
964	Bad Debt - Tenant Rents	\$0	\$0	\$0	\$308,957
967	Interest Expense	\$0	\$0	\$0	\$115,454
969	Total Operating Expenses	\$4,110,654	\$51,317	\$873,666	\$43,231,243
970	Excess Operating Revenue over Operating Expenses	\$7,659,354	\$0	\$3,647,448	\$47,291,761
971	Extraordinary Maintenance	\$0	\$0	\$0	\$42,246
972	Casualty Losses - Non-Capitalized	\$0	\$0	\$0	\$124,452
973	Housing Assistance Payments	\$0	\$0	\$0	\$24,209,807
974	Depreciation Expense	\$0	\$0	\$0	\$12,332,422
900	Total Expenses	\$4,110,654	\$51,317	\$873,666	\$79,940,170
1001	Operating Transfers In	\$898,879	\$0	\$0	\$2,364,155
1002	Operating Transfers Out	\$0	\$0	\$0	\$-2,364,155
1010	Total Other Financing Sources (Uses)	\$898,879	\$0	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$8,558,233	\$0	\$3,647,448	\$10,582,834

Line Item No.	Account Description	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services	Public Housing Capital Fund Program	Total
1101	Capital Outlays Enterprise Fund	\$0	\$0	\$0	\$0
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$2,317,255	\$0	\$0	\$148,425,370
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0	\$-441,862
1112	Depreciation Add Back	\$0	\$0	\$0	\$12,332,422
1113	Maximum Annual Contributions Commitment (Per ACC)	\$0	\$0	\$0	\$25,983,296
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$0	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$0	\$0	\$0	\$1,044,031
1116	Total Annual Contributions Available	\$0	\$0	\$0	\$27,027,327
1120	Unit Months Available	0	0	0	137,553
1121	Number of Unit Months Leased	0	0	0	129,375

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

**STATEMENT AND RECONCILIATION OF ACTUAL
CAPITAL FUND COSTS AND ADVANCES
FOR THE YEAR ENDED JUNE 30, 2001**

PROGRAM	<u>CFP 501</u>
BUDGET	<u>\$ 16,472,068</u>
ADVANCES:	
Cash receipts - prior years	\$ 3,870,268
Cash receipts - current year	<u> --</u>
Cumulative as of June 30, 2001	<u>\$ 3,870,268</u>
COSTS:	
Prior years	\$ --
Current year	<u>4,521,114</u>
Cumulative as of June 30, 2001	<u>\$ 4,521,114</u>
DEFICIENCY OF ADVANCES DUE FROM HUD	<u>\$ (650,846)</u>
Actual Capital Fund Cost Certificate issued	<u>No</u>
Soft costs	
Prior years	\$ --
Current year	<u>873,665</u>
Cumulative as of June 30, 2001	<u>\$ 873,665</u>
Hard costs	
Prior years	\$ --
Current year	<u>3,647,449</u>
Cumulative as of June 30, 2001	<u>\$ 3,647,449</u>
Cumulative Hard and Soft Costs	<u>\$ 4,521,114</u>

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

**STATEMENT AND RECONCILIATION OF ACTUAL
HOPE VI COSTS AND ADVANCES
FOR THE YEAR ENDED JUNE 30, 2001**

PROGRAM	HOPE VI (98) Lincoln Court	HOPE VI (99) Laurel Homes	Total
BUDGET	\$ 31,096,590	\$ 35,000,000	\$ 66,096,590
ADVANCES:			
Cash receipts - prior years	\$ 3,561,469	\$ --	\$ 3,561,469
Cash receipts - current year	4,323,106	3,401,238	7,724,344
Cumulative as of June 30, 2001	\$ 7,884,575	\$ 3,401,238	\$ 11,285,813
COSTS:			
Prior years	\$ 4,997,778	\$ 797,696	\$ 5,795,474
Current year	8,683,505	3,059,317	11,742,822
Cumulative as of June 30, 2001	\$ 13,681,283	\$ 3,857,013	\$ 17,538,296
DEFICIENCY OF ADVANCES DUE FROM HUD	\$ (5,796,708)	\$ (455,775)	\$ (6,252,483)
Actual HOPE VI Cost Certificate issued	No	No	
Soft costs			
Prior years	\$ 2,680,523	\$ 797,646	\$ 3,478,169
Current year	1,392,966	1,818,809	3,211,775
Cumulative as of June 30, 2001	\$ 4,073,489	\$ 2,616,455	\$ 6,689,944
Hard costs			
Prior years	\$ 2,317,255	\$ --	\$ 2,317,255
Current year	7,290,538	1,240,560	8,531,098
Cumulative as of June 30, 2001	\$ 9,607,793	\$ 1,240,560	\$ 10,848,353
Cumulative Hard and Soft Costs	\$ 13,681,282	\$ 3,857,015	\$ 17,538,297

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

**CERTIFICATION OF ACTUAL HOPE VI DEMOLITION
 COSTS AND ADVANCES
 FOR THE YEAR ENDED JUNE 30, 2001**

PROGRAM	<u>HOPE VI(97)</u>
BUDGET	<u>\$ 720,000</u>
ADVANCES:	
Cash receipts - prior years	\$ 720,000
Cash receipts - current year	<u> --</u>
Cumulative as of June 30, 2001	<u>\$ 720,000</u>
COSTS:	
Prior years	\$ 720,000
Current year	<u> --</u>
Cumulative as of June 30, 2001	<u>\$ 720,000</u>
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	<u>\$ --</u>

The Actual HOPE VI Cost Certificate is in agreement with Authority records.

All HOPE VI Demolition work in connection with the grant has been completed.

All liabilities have been paid and there are no undischarged mechanics', laborers', contractors' or material-men's liens against such program work on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.

There were no budget overruns.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

**STATEMENT AND RECONCILIATION OF ACTUAL
COMPREHENSIVE GRANT COSTS AND ADVANCES
FOR THE YEAR ENDED JUNE 30, 2001**

PROGRAM	<u>CGP 707</u>	<u>CGP 708</u>	<u>Total</u>
BUDGET	<u>\$ 16,638,185</u>	<u>\$ 19,672,305</u>	<u>\$ 36,310,490</u>
ADVANCES:			
Cash receipts - prior years	\$ 16,131,949	\$ 5,434,164	\$ 21,566,113
Cash receipts - current year	506,236	11,170,609	11,676,845
Cumulative as of June 30, 2001	<u>\$ 16,638,185</u>	<u>\$ 16,604,773</u>	<u>\$ 33,242,958</u>
COSTS:			
Prior years	\$ 16,191,103	\$ 6,498,663	\$ 22,689,766
Current year	426,420	10,312,197	10,738,617
Cumulative as of June 30, 2001	<u>\$ 16,617,523</u>	<u>\$ 16,810,860</u>	<u>\$ 33,428,383</u>
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	<u>\$ 20,662</u>	<u>\$ (206,087)</u>	<u>\$ (185,425)</u>
Actual Modernization Cost Certificate issued	No	No	
Soft costs			
Prior years	\$ 1,323,546	\$ 834,294	\$ 2,157,840
Current year	7,772	588,080	595,852
Cumulative as of June 30, 2001	<u>\$ 1,331,318</u>	<u>\$ 1,422,374</u>	<u>\$ 2,753,692</u>
Hard costs			
Prior years	\$ 14,867,630	\$ 5,664,369	\$ 20,531,999
Current year	418,575	9,724,117	10,142,692
Cumulative as of June 30, 2001	<u>\$ 15,286,205</u>	<u>\$ 15,388,486</u>	<u>\$ 30,674,691</u>
Cumulative Hard and Soft Costs	<u>\$ 16,617,523</u>	<u>\$ 16,810,860</u>	<u>\$ 33,428,383</u>

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

**STATEMENT AND RECONCILIATION OF ACTUAL DRUG ELIMINATION
 COSTS AND ADVANCES
 FOR THE YEAR ENDED JUNE 30, 2001**

PROGRAM YEAR	1998	1999	2000	TOTAL
BUDGET	\$ 1,898,780	\$ 1,592,809	\$ 1,660,033	\$ 5,151,622
ADVANCES:				
Cash receipts - prior years	\$ 1,313,654	\$ 204,342	\$ --	\$ 1,517,996
Cash receipts - current year	585,126	792,183	573,230	1,950,539
Cumulative as of June 30, 2001	\$ 1,898,780	\$ 996,525	\$ 573,230	\$ 3,468,535
COSTS:				
Prior years	\$ 1,375,766	\$ 235,437	\$ --	\$ 1,611,203
Current year	523,014	828,514	650,970	2,002,498
Cumulative as of June 30, 2001	\$ 1,898,780	\$ 1,063,951	\$ 650,970	\$ 3,613,701
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	\$ --	\$ (67,426)	\$ (77,740)	\$ (145,166)
Amount subject to recapture by HUD	\$ --	\$ --	\$ --	\$ --
Final SF 269a issued and agreed to PHA records	Yes	No	No	
Soft costs				
Prior years	\$ 1,375,766	\$ 235,437	\$ --	\$ 1,611,203
Current year	523,014	828,514	650,970	2,002,498
Cumulative as of June 30, 2001	\$ 1,898,780	\$ 1,063,951	\$ 650,970	\$ 3,613,701
Hard costs				
Prior years	\$ --	\$ --	\$ --	\$ --
Current year	--	--	--	--
Cumulative as of June 30, 2001	\$ --	\$ --	\$ --	\$ --
Cumulative Hard and Soft Costs	\$ 1,898,780	\$ 1,063,951	\$ 650,970	\$ 3,613,701

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SINGLE AUDIT SECTION

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2001

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting:	
<ul style="list-style-type: none"> • Material weakness(es) identified? No • Reportable condition(s) identified that are not considered to be material weaknesses? None reported 	
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
<ul style="list-style-type: none"> • Material weakness(es) identified? No • Reportable condition(s) identified that are not considered to be material weakness(es)? None reported 	
Type of auditors’ report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.850a	Low-Rent Public Housing
14.854	Drug Elimination Program
14.857	Section 8 Certificate Program
14.855	Section 8 Voucher Program
14.856	Section 8 Moderate Rehabilitation Program

Dollar threshold used to distinguish between type A and type B programs:	\$2,268,306
Auditee qualified as low-risk auditee?	Yes

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2001
(Continued)

SECTION II – FINANCIAL STATEMENT FINDINGS

There are no Financial Statement Findings.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no Federal Award Findings and Questioned Costs.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no Prior Audit Findings.

CINCINNATI METROPOLITAN HOUSING AUTHORITY
Cincinnati, Ohio

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2001

CFDA NUMBER	FEDERAL GRANTOR PROGRAM TITLE	PASS THRU ENTITY	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>			
14.170	Congregate Housing Service Program	NA	\$ 66,735
14.249	Section 8 Moderate Rehabilitation Single Room Occupancy	NA	49,423
14.850a	Low Rent Public Housing	NA	19,048,708
14.854	Public and Indian Housing Drug Elimination Program	NA	2,002,498
14.856	Section 8 Moderate Rehabilitation Program	NA	1,787,506
	<u>Section 8 Cluster</u>		
14.855	Section 8 Rental Voucher Program	NA	20,939,299
14.857	Section 8 Rental Certificate Program	NA	4,662,165
			25,601,464
14.859	Public Housing Comprehensive Grant Program	NA	10,738,633
14.866	Revitalization of Severely Distressed Public Housing	NA	11,742,873
14.870	Resident Opportunity and Supportive Services	NA	51,317
14.872	Public Housing Capital Fund Program	NA	4,521,114
	Total Federal Awards Expenditures		\$ 75,610,271

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

A. Basis of Accounting:

This schedule is prepared on the accrual basis of accounting.

B. Reconciliation of Total Federal Awards Expenditures to Financial Data Schedule:

FDS line 706	Total Federal Awards Expenditures	\$ 75,610,271
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Cincinnati Metropolitan Housing Authority
Cincinnati, Ohio

HUD, Cincinnati Area Office
525 Vine Street, 7th Floor
Cincinnati, Ohio 45202-3188

We have audited the financial statements of the Cincinnati Metropolitan Housing Authority ("the Authority") as of and for the year ended June 30, 2001, and have issued our report thereon dated November 16, 2001. We conducted our audit in accordance with U. S. 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.

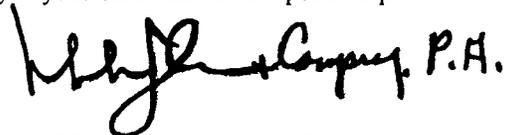
Compliance

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

Internal Control Over Financial Reporting.

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

This report is intended for the information and use of the Authority's 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.



Malcolm Johnson & Company, P. A.
Certified Public Accountants

DeBary, Florida
November 16, 2001

MALCOLM JOHNSON & COMPANY, P. A.
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

Board of Commissioners
Cincinnati Metropolitan Housing Authority
Cincinnati, Ohio

HUD, Cincinnati Area Office
525 Vine Street, 7th Floor
Cincinnati, Ohio 45202-3188

Compliance

We have audited the compliance of the Cincinnati Metropolitan Housing Authority ("the 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 June 30, 2001. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. 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 we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

We also noted another immaterial instance of noncompliance that we have reported to management/Board of Commissioners of the Authority in a separate letter dated November 16, 2001.

In our opinion, the Cincinnati 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 June 30, 2001.

Internal Control Over Compliance

The management of the 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 the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

This report is intended for the information and use of the Authority's 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.



Malcolm Johnson & Company, P. A.
Certified Public Accountants

DeBary, Florida
November 16, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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CINCINNATI METROPOLITAN HOUSING AUTHORITY

HAMILTON 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
APRIL 9, 2002**