

**YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY**

**AUDIT REPORT**

**FOR THE YEAR ENDED JUNE 30, 2001**





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  
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  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Board of Directors  
Youngstown Metropolitan Housing Authority  
131 W. Boardman St.  
Youngstown, OH 44503

We have reviewed the independent auditor's report of the Youngstown Metropolitan Housing Authority, Mahoning County, prepared by James G. Zupka, CPA, Inc., 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 Youngstown Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

**JIM PETRO**  
Auditor of State

February 11, 2002

**This Page is Intentionally Left Blank.**

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 AUDIT REPORT  
 FOR THE YEAR ENDED JUNE 30, 2001

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1-2
General Purpose Financial Statements:	
Combined Balance Sheet - Proprietary Fund Type	3
Combined Statement of Revenues, Expenses and Changes in Retained Earnings - Proprietary Fund Type	4
Combined Statement of Cash Flows - Proprietary Fund Type	5
Notes to the General Purpose Financial Statements	6-19
Supplemental Data:	
Combining Balance Sheet - (FDS Schedule Format)	20-25
Combining Statement of Revenues, Expenses and Changes in Retained Earnings - (FDS Schedule Format)	26-28
Additional FDS Schedule Information - FDS Schedule Submitted to HUD	29-31
Schedule of Federal Awards Expenditures	32
Statement of Modernization/Development Cost-Uncompleted	33
Statement of Modernization/Development Cost-Completed	34
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u> and <u>PIH Compliance Supplement</u>	35-36
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with <i>OMB Circular A-133</i> and <u>PIH Compliance Supplement</u>	37-38
Schedule of Findings and Questioned Costs	39-40

**This Page is Intentionally Left Blank.**

**JAMES G. ZUPKA, C.P.A., INC.**  
*Certified Public Accountants*  
*5240 East 98<sup>th</sup> Street*  
*Garfield Hts., Ohio 44125*

---

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Youngstown Metropolitan Housing Authority  
Youngstown, Ohio

Regional Inspector General of Audit  
Department of Housing and Urban  
Development

We have audited the accompanying general purpose financial statements of Youngstown Metropolitan Housing Authority, as of and for the year ended June 30, 2001, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Youngstown Metropolitan Housing Authority's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Youngstown Metropolitan Housing Authority, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund activities for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated November 29, 2001 on our consideration of Youngstown Metropolitan Housing Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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

November 29, 2001

---

James G. Zupka  
Certified Public Accountant



YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINED BALANCE SHEET  
 PROPRIETARY FUND TYPE  
 ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001

	Primary Government's Proprietary Funds	Component Unit - Lowellville	Totals Memorandum Only) Reporting Entity
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	\$ 2,110,874	\$ 1,388,703	\$ 3,499,577
Receivables - Net of Allowance	2,027,479	0	2,027,479
Due from Other Funds	732,574	0	732,574
Due from Component Unit	24,434	0	24,434
Deferred Charges and Other Assets	66,311	0	66,311
Fixed Assets - Net of Accumulated Depreciation	50,244,303	631,113	50,875,416
<b>Total Assets</b>	<b>\$ 55,205,975</b>	<b>\$ 2,019,816</b>	<b>\$ 57,225,791</b>
<b><u>LIABILITIES, RETAINED EARNINGS AND OTHER CREDITS</u></b>			
Accounts Payable	\$ 1,268,199	\$ 137,469	\$ 1,405,668
Due to Other Funds	732,574	0	732,574
Due to Primary Government	0	24,434	24,434
Accounts Payable - HUD	297,586	0	297,586
Accrued Wages/Payroll Taxes	126,672	1,393	128,065
Accrued Compensated Absences	181,967	3,279	185,246
Tenant Security Deposits	168,016	7,875	175,891
Deferred Credits and Other Liabilities	175,935	60,151	236,086
Non-Current Liabilities	1,798,737	503,953	2,302,690
<b>Total Liabilities</b>	<b>4,749,686</b>	<b>738,554</b>	<b>5,488,240</b>
<b><u>RETAINED EARNINGS AND OTHER CREDITS</u></b>			
Contributed Capital	48,483,299	0	48,483,299
Retained Earnings	1,972,990	1,281,262	3,254,252
<b>Total Retained Earnings and Other Credits</b>	<b>50,456,289</b>	<b>1,281,262</b>	<b>51,737,551</b>
<b>Total Liabilities, Retained Earnings, and Other Credits</b>	<b>\$ 55,205,975</b>	<b>\$ 2,019,816</b>	<b>\$ 57,225,791</b>

See accompanying notes to the general purpose financial statements.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
 PROPRIETARY FUND TYPE  
 ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001

	Primary Government's Proprietary Funds	Component Unit - Lowellville	Totals Memorandum Only) Reporting Entity
<b><u>OPERATING REVENUE</u></b>			
Tenant Revenue	\$ 1,366,391	\$ 109,356	\$ 1,475,747
Program Operating Grants/Subsidies	21,577,806	127,140	21,704,946
Other Income	347,709	1,552	349,261
<b>Total Operating Revenue</b>	<b>23,291,906</b>	<b>238,048</b>	<b>23,529,954</b>
<b><u>OPERATING EXPENSES</u></b>			
Administrative	3,556,791	18,227	3,575,018
Tenant Services	800,980	0	800,980
Utilities	1,225,034	47,130	1,272,164
Maintenance	2,618,291	93,371	2,711,662
General	272,308	1,927	274,235
Bad Debts	46,599	0	46,599
Housing Assistance Payments	5,141,466	0	5,141,466
Depreciation	3,601,053	30,867	3,631,920
<b>Total Operating Expenses</b>	<b>17,262,522</b>	<b>191,522</b>	<b>17,454,044</b>
<b>Net Operating Profit (Loss)</b>	<b>6,029,384</b>	<b>46,526</b>	<b>6,075,910</b>
<b><u>NON-OPERATING REVENUE</u></b>			
Interest Income	151,577	60,542	212,119
Interest Expense	(74,077)	(44,532)	(118,609)
<b>Net Profit (Loss)</b>	<b>6,106,884</b>	<b>62,536</b>	<b>6,169,420</b>
Retained Earnings and Other Credits, Beginning as Restated	45,396,299	1,218,726	46,615,025
Equity Transfers and Prior Period Adjustments	(1,046,894)	0	(1,046,894)
<b>RETAINED EARNINGS AND OTHER CREDITS, ENDING</b>	<b>\$ 50,456,289</b>	<b>\$ 1,281,262</b>	<b>\$ 51,737,551</b>

See accompanying notes to the general purpose financial statements.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINED STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPE  
 ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001

	Primary Government's Proprietary Funds	Component Unit - Lowellville	Totals Memorandum Only) Reporting Entity
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Cash Received from HUD	\$ 19,846,809	\$ 127,140	\$ 19,973,949
Cash Received From Tenants	1,399,624	112,985	1,512,609
Cash Payments for Housing Assistance Payments	(5,141,466)	0	(5,141,466)
Cash Payments for Administrative	(3,616,495)	(18,227)	(3,634,722)
Cash Payments for Other Operating Expenses	(4,664,442)	(154,910)	(4,819,352)
Cash Payments to HUD and Other Governments	(215,655)	0	(215,655)
<b>Net Cash (Used) by Operating Activities</b>	<u>7,608,375</u>	<u>66,988</u>	<u>7,675,363</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>			
Principal Payments on Lease/Purchase Agreement	(167,654)	(55,415)	(223,069)
Acquisition of Other Fixed Assets	(8,502,012)	(3,243)	(8,505,255)
<b>Net Cash Provided by Capital and Other Related Financing Activities</b>	<u>(8,669,666)</u>	<u>(58,658)</u>	<u>(8,728,324)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Investment Income	151,577	60,542	212,119
Interest Expense	(74,077)	(44,532)	(118,609)
<b>Net Cash Provided by Investing Activities</b>	<u>77,500</u>	<u>16,010</u>	<u>93,510</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(983,791)	24,340	(959,451)
Cash and Cash Equivalents, Beginning	3,094,665	1,364,363	4,459,028
Cash and Cash Equivalents, Ending	<u>\$ 2,110,874</u>	<u>\$ 1,388,703</u>	<u>\$ 3,499,577</u>
<b><u>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</u></b>			
Net Operating Income (Loss)	\$ 6,029,384	\$ 46,526	\$ 6,075,910
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities			
Depreciation	3,601,053	30,867	3,631,920
(Increase) Decrease in:			
Receivables - Net of Allowance	(1,665,064)	0	(1,665,064)
Due from Other Funds	539,647	0	539,647
Deferred Charges and Other Assets	(3,670)	0	(3,670)
Increase (Decrease) in:			
Accounts Payable	512,405	3,805	516,210
Due to Other Funds	(525,407)	(14,240)	(539,647)
Accrued Wages/Payroll Taxes and Compensated Absences	(227,405)	(3,077)	(230,482)
Tenants' Security Deposits	34,739	(355)	34,384
Deferred Credits Other Liabilities	(687,307)	3,462	(683,845)
<b>Net Cash Used by Operating Activities</b>	<u>\$ 7,608,375</u>	<u>\$ 66,988</u>	<u>\$ 7,675,363</u>

See accompanying notes to the general purpose financial statements.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity and Programs**

The Youngstown Metropolitan Housing Authority is a political subdivision created under Ohio Revised Code Section 3735.27 to engage in the acquisition, development, leasing, and administration of a low-rent housing program. The Authority contracts with the United States Department of Housing and Urban Development (HUD) to provide low and moderate income persons with safe and sanitary housing through rent subsidies provided by HUD. The Authority depends on the subsidies from HUD to operate. The Authority participates in the Section 8 Existing, Moderate Rehab, and Voucher Program provided by HUD. These programs help assist families in the payment of rent. Under the Certificate program, the dwelling unit a family will occupy must not exceed rent limitations in accordance with HUD guidelines. Under the Voucher program, the Authority determines the amount of subsidy a family will receive using HUD guidelines; however, there is a limit to the amount charged to the family. Under the Moderate Rehab program, subsidy payments are made directly to the landlord on behalf of families living in their respective unit. The Authority also participates in the Public Housing program. Under this program, the Authority manages constructed or financed public housing units using grant funds from HUD. Tenants of these facilities pay 30% of his/her adjusted gross income towards rent and utilities.

**B. Summary of Significant Accounting Policies**

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

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**C. Reporting Entity**

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

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

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

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

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

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Reporting Entity** (Continued)

Based on the criteria established by GASB Codification 2100, there is one component unit to be included with the reporting entity. This component unit is shown as Lowellville due to the name of its location. Lowellville is shown throughout these financial statements in a column separate from the primary funds.

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

D. **Fund Accounting**

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

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

E. **Proprietary Fund Types**

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

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

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

F. **Measurement Focus/Basis of Accounting**

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

G. **Investments**

Investments are restricted by the provisions of the HUD Regulations (See Note 2). Investments are valued at market value. Interest income earned in fiscal year 2001 totaled \$151,577 for the primary component and \$60,542 for the component unit.

H. **Fixed Assets**

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

I. **Cash and Cash Equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

J. **Compensated Absences**

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

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

In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a fund liability. Information regarding compensated absences is detailed in Note 10.

K. **Capital Contributions**

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

L. **Budgetary Accounting**

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



YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

M. **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: **CASH AND INVESTMENTS**

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

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

Deposits - The carrying amount of Youngstown Metropolitan Housing Authority's deposits was \$2,110,874 plus \$1,388,703 for component unit for a total of \$3,499,577. The corresponding bank balances were \$3,338,533 for the primary government and \$1,388,703 for the component unit for a total of \$4,727,236.

The amount of \$300,000 was covered by federal depository insurance in three banks and the remaining deposits were covered by collateralization held by the banks for the Authority's deposits as required by HUD.

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

The accompanying Schedule of Federal Awards expenditures is a summary of the activity of the Authority's federal awards programs. The schedule has been prepared on the accrual basis of accounting.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 4: **INSURANCE COVERAGE**

The Youngstown Metropolitan Housing Authority is covered for property damage, general liability, automobile liability, law enforcement liability, public officials liability, and other crime liabilities through membership in the Ohio Housing Authority Property Casualty, Inc. (OHAPCI). OHAPCI is an insurance risk pool comprised of four Ohio housing authorities, of which YMHA is one. Deductibles and coverage limits are summarized below:

	<u>Deductible</u>	<u>Coverage Limits</u>
Property	\$ 2,500	\$ 50,000,000 (per location)
General Liability	0	5,000,000
Automobile	250	5,000,000
Law Enforcement	0	5,000,000
Public Officials	1,000	5,000,000

Additionally, Workers' Compensation insurance is maintained through the State of Ohio Bureau of Workers' Compensation, in which rates are calculated retrospectively. YMHA is also fully insured through a premium payment plan with Medical Mutual of Ohio for employee health care benefits. Settled claims have not exceeded the Authority's insurance in any of the past three years.

NOTE 5: **FIXED ASSETS**

The following is a summary of fixed assets held by the Authority:

Land	\$ 2,110,829
Buildings	110,317,532
Furniture and Equipment - Dwellings	321,721
Furniture and Equipment - Administrative	790,483
	<hr/>
	113,540,565
Accumulated Depreciation	(63,296,262)
	<hr/>
Net Fixed Assets - Primary Government	50,244,303
- Component Unit	631,113
	<hr/>
<b>Net Fixed Assets - Reporting Entity</b>	<b>\$ 50,875,416</b>
	<hr/> <hr/>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 5: **FIXED ASSETS** (Continued)

The following is a summary of changes in fixed assets:

	As Restated <u>June 30, 2000</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2001</u>
Land	\$ 2,107,807	\$ 3,022	\$ 0	\$ 2,110,829
Buildings	102,136,393	8,181,139	0	110,317,532
Furniture and Equipment				
Dwellings	194,917	195,000	(68,196)	321,721
Administrative	600,709	236,255	(46,481)	790,483
Total Fixed Assets -				
Primary Government	105,039,826	8,615,416	(114,677)	113,540,565
Less Depreciation -				
Primary Government				(63,296,262)
Net Fixed Assets - Primary Government				<u>50,244,303</u>
- Component Unit				631,113
<b>Net Fixed Assets - Reporting Entity</b>				<u><u>\$ 50,875,416</u></u>

Fixed assets at June 30, 2000 were overstated by \$1,976,291 due to duplication of building costs during the conversion from HUD basis accounting to the accrual basis of accounting. Restatement of fixed assets at June 30, 2000 are as follows:

Buildings, as originally reported	\$ 104,112,684
Duplication of Buildings in GAAP Conversion	(1,976,291)
Buildings as Restated	<u>\$ 102,136,393</u>
Total Fixed Assets - Primary Government,	
as Originally Reported	\$ 107,016,117
Duplication of Buildings in GAAP Conversion	(1,976,291)
Total Fixed Assets - Primary Government, Restated	<u><u>\$ 105,039,826</u></u>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2001  
 (CONTINUED)

NOTE 6: **CHANGES IN FINANCIAL STATEMENTS PREPARATION AND BASIS OF ACCOUNTING - RETAINED EARNINGS ADJUSTMENT**

Due to the restatement in fixed assets, there is an offsetting change in retained earnings and other credits. These restatements had the following effect on retained earnings and other credits:

<u>Fund Type</u>	<u>Balance Prior to Change 06/30/00</u>	<u>Adjustments to to Reflect Correction to Fixed Assets</u>	<u>Restated Balance 06/30/00</u>
<u>Proprietary Fund Type:</u>			
Enterprise Fund - Primary Gov't	\$47,372,591	\$ (1,976,291)	\$45,396,299
- Component Unit	1,218,726	0	1,218,726
<b>Enterprise Fund - Reporting Entity</b>	<u>\$48,591,316</u>	<u>\$ (1,976,291)</u>	<u>\$46,615,025</u>

In addition, the Authority had a \$1,046,894 negative adjustment to retained earnings during the year ended June 30, 2001. The adjustment represents a reduction in fixed asset costs due to certain soft costs that were determined to be incorrectly capitalized.

NOTE 7: **DEFINED BENEFIT PENSION PLANS**

**Public Employees Retirement System**

The following information was provided by PERS of Ohio to assist the Authority in complying with GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employees*.

All employees of the Authority participate in the PERS of Ohio, a cost-sharing multiple-employer defined benefit pension plan. The PERS of Ohio provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. 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 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5 percent. The Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20 percent for state and local government divisions. The 2000 employer contribution rate for local government employer units was 10.84 percent of

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 7: **DEFINED BENEFIT PENSION PLANS** (Continued)

**Public Employees Retirement System** (Continued)

covered payroll, 6.54 percent to fund the pension and 4.3 percent to fund health care. The 1999 and 1998 employer contribution rates were 13.55 percent. The contribution requirements of plan members and the Authority are established and may be amended by the Public Employees Retirement Board. The Authority's required contributions to the PERS of Ohio for the years ended June 30, 2001, 2000, and 1999 were \$434,523, \$411,881, and \$400,625 respectively, which were equal to the required contributions for each year. The employee portion of 8.5 percent of the contribution is also paid by the Authority as an additional employee benefit.

The PERS of Ohio provides postemployment health care benefits to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health coverage for disability recipients is also available. The health care coverage provided by the PERS of Ohio is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the 2000 employer contribution rate (identified above) that was used to fund health care for the year ended June 30, 2001 was 4.3 percent of covered payroll, which amounted to \$137,893.

The significant actuarial assumptions and calculations relating to postemployment health care benefits were based on the PERS of Ohio's latest actuarial review performed as of December 31, 1999. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25 percent of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 1999 was 7.75 percent. An annual increase of 4.75 percent compounded annually is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75 percent base increase, were assumed to range from 0.54 percent to 5.1 percent. Health care costs were assumed to increase 4.75 percent annually.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2001  
 (CONTINUED)

NOTE 7: **DEFINED BENEFIT PENSION PLANS** (Continued)

**Public Employees Retirement System** (Continued)

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 401,339. The actuarial value of the PERS of Ohio's net assets available for OPEB at December 31, 1999 was \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively.

NOTE 8: **LONG-TERM DEBT**

Long-term debt for Low Rent Public Housing consists of a ten-year note payable to Citicorp. The proceeds of \$2,052,658 were used to improve the energy efficiency of the Authority's buildings. The note is secured by the equipment purchased and bears interest at 4.85 percent. The note matures as follows:

2001-02	\$ 175,935
2002-03	184,624
2003-04	193,742
2004-05	203,311
2005-06	213,353
Thereafter	768,906
	<u>\$1,739,871</u>

Long-term debt for the component unit of Lowellville consists of a 30 year mortgage bearing interest at 7.52 percent and secured by the building. The mortgage matures as follows:

2001-02	\$ 59,835
2002-03	64,493
2003-04	69,513
2004-05	74,925
2005-06	81,025
Thereafter	210,790
	<u>\$ 560,581</u>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2001  
 (CONTINUED)

NOTE 9: **DISCRETELY PRESENTED COMPONENT UNIT**

**Organization (Lowellville Apartment Complex)**

The Lowellville Apartments, a component unit of the Youngstown Metropolitan Housing Authority (YMHA) is an elderly high-rise apartment complex in the City of Lowellville. It is managed by YMHA. YMHA Board members also serve on the Board of Directors of Lowellville Apartments. YMHA is responsible for the Lowellville mortgage payable. YMHA receives the rental income and HUD subsidies and pays the bills of Lowellville.

NOTE 10: **COMPENSATED ABSENCES**

Full time, permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with the Authority. Vacation days may not be carried over into the next calendar year. Generally, upon termination after one year of service, employees are entitled to be paid all accrued vacation.

The following schedule details earned annual leave based on length of service:

Management		Maintenance	
1-5 years	2 weeks	1-5 years	2 weeks
6-10 years	3 weeks	6-10 years	3 weeks
11-15 years	4 weeks	11-17 years	4 weeks
16-24 years	5 weeks	18-24 years	5 weeks
25 years and over	6 weeks	25 years and over	6 weeks

Sick leave accrued to full time, permanent employees to specified maximums. Sick leave may be cumulative without limit. However, management employees with 7 years or more of service, upon termination of employment, may receive 100 percent of their accumulated sick leave, up to a maximum of 120 days. Maintenance employees with 7 or more years of service, upon termination of employment, may receive 50 percent of their accumulated sick leave, up to a maximum of 60 days.

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2001  
 (CONTINUED)

NOTE 10: **COMPENSATED ABSENCES** (Continued)

employee has not met the minimum service requirement is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

The estimated liability for compensated absences is detailed as follows:

	Current Accrued Compensated Absences	Other Liabilities	Total Accrued Compensated Absences
Public Housing	\$ 156,144	\$ 164,445	\$ 320,589
Section 8 - Certificate	25,823	27,201	53,024
Lowellville	3,279	3,462	6,741
	\$ 185,246	\$ 195,108	\$ 380,354

NOTE 11: **CHANGE IN ACCOUNTING PRINCIPLE**

For June 30, 2001, the Authority has adopted GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* and GASB Statement No. 36, *Recipient Reporting for Certain Shared Nonexchange Revenues*. GASB Statement No. 36 modified the provisions of GASB Statement No. 33 for certain specific nonexchange revenues.

GASB Statement No. 33 and GASB Statement No. 36 were required for the current year. These statements clarified the timing requirements for recognizing assets, liabilities, revenues, and expenditures/expenses associated with nonexchange transactions. As a result of implementation of these statements, there was no impact on prior year balances. Therefore, restatement of prior year balances is not necessary.

NOTE 12: **SUBSEQUENT EVENT**

There is a lawsuit pending for a class action complaint regarding the Section 8 Program and lead paint exposure. The parties reached a confidential settlement agreement on September 18, 2001 which has been approved by the court hearing the case. As of the date of our report, there has been no disbursement for this case.



YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)

NOTE 13: **CONTINGENCIES**

The Authority is party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The Authority's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the Authority.

The Authority has received several federal and state grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, management believes such disallowances, if any, will be immaterial.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING BALANCE SHEET  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 JUNE 30, 2001

FDS Line Item No.	Account Description	14.850 Low Rent Public Housing	Development	Capital Fund	Public and Indian Housing Drug Elimination Program	Multifamily Housing Service Coordinators	14.852 Comprehensive Grant Program
<b>ASSETS</b>							
111	Cash - Unrestricted	\$ 1,636,835	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
113	Cash - Other Restrictions	32,226	0	0	0	0	0
<b>100</b>	<b>Total Cash</b>	<u>1,669,061</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
122	A/R - HUD - Other Projects	0	7,276	249,105	8,808	0	732,431
125	A/R - Miscellaneous	4,636	0	0	0	0	0
126	A/R Tenants - Dwelling	72,179	0	0	0	0	0
126.1	Allowance for Doubtful Accounts	(33,600)	0	0	0	0	0
128	Fraud Recovery	0	0	0	0	0	0
128.1	Allowance for Doubtful Accounts- Fraud	0	0	0	0	0	0
129	Accrued Interest Receivable	64,998	0	0	0	0	0
<b>120</b>	<b>Total Accounts Receivable</b>	<u>108,213</u>	<u>7,276</u>	<u>249,105</u>	<u>8,808</u>	<u>0</u>	<u>732,431</u>
142	Prepaid Expenses and Other Assets	66,311	0	0	0	0	0
144	Interprogram Due From	373,846	0	0	0	0	9,520
<b>150</b>	<b>Total Current Assets</b>	<u>2,217,431</u>	<u>7,276</u>	<u>249,105</u>	<u>8,808</u>	<u>0</u>	<u>741,951</u>
161	Land	1,790,527	320,302	0	0	0	0
162	Buildings	93,338,906	10,478,938	509,379	0	0	4,870,315
163	Furniture & Equipment - Dwellings	0	11,269	79,808	0	0	189,780
164	Furniture & Equipment - Administration	693,928	0	0	0	0	96,555
165	Leasehold Improvements	0	0	0	0	0	0
166	Accumulated Depreciation	(63,274,895)	(1)	(1)	0	0	(1)
<b>160</b>	<b>Total Fixed Assets Net</b>	<u>32,548,466</u>	<u>10,810,508</u>	<u>589,186</u>	<u>0</u>	<u>0</u>	<u>5,156,649</u>
<b>180</b>	<b>Total Non-Current Assets</b>	<u>32,548,466</u>	<u>10,810,508</u>	<u>589,186</u>	<u>0</u>	<u>0</u>	<u>5,156,649</u>
<b>190</b>	<b>TOTAL ASSETS</b>	<u><u>\$34,765,897</u></u>	<u><u>\$10,817,784</u></u>	<u><u>\$ 838,291</u></u>	<u><u>\$ 8,808</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 5,898,600</u></u>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING BALANCE SHEET  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 JUNE 30, 2001  
 (CONTINUED)

FDS Line Item No.	Account Description	Economic Development & Supportive Services Program	Hope 1	Local Grants	14.855 Section 8 Rental Voucher Program	14.857 Section 8 Rental Certificate Program	14.182 N/C S/R Section 8 Programs
<b>ASSETS</b>							
111	Cash - Unrestricted	\$ 0	\$ 0	\$ 0	\$ 0	\$ 398,549	\$ 0
113	Cash - Other Restrictions	0	0	0	43,364	0	0
100	<b>Total Cash</b>	0	0	0	43,264	398,549	0
122	A/R - HUD - Other Projects	5,463	78,816	0	660,972	0	0
125	A/R - Miscellaneous	0	0	21,000	0	133,664	0
126	A/R Tenants - Dwelling	0	0	0	0	0	0
126.1	Allowance for Doubtful Accounts	0	0	0	0	0	0
128	Fraud Recovery	0	0	0	7,180	0	0
128.1	Allowance for Doubtful Accounts- Fraud	0	0	0	(1,840)	0	0
129	Accrued Interest Receivable	0	0	0	0	0	0
120	<b>Total Accounts Receivable</b>	5,463	78,816	21,000	666,312	133,664	0
142	Prepaid Expenses and Other Assets	0	0	0	0	0	0
144	Interprogram Due From	0	0	131,131	0	176,160	48,757
150	<b>Total Current Assets</b>	5,463	78,816	152,131	709,576	708,373	48,757
161	Land	0	0	0	0	0	0
162	Buildings	0	1,098,993	21,001	0	0	0
163	Furniture & Equipment - Dwellings	0	0	0	0	40,864	0
164	Furniture & Equipment - Administration	0	0	0	0	0	0
165	Leasehold Improvements	0	0	0	0	0	0
166	Accumulated Depreciation	0	(1)	(1)	0	(21,362)	0
160	<b>Total Fixed Assets Net</b>	0	1,098,992	21,000	0	19,502	0
180	<b>Total Non-Current Assets</b>	0	1,098,992	21,000	0	19,502	0
190	<b>TOTAL ASSETS</b>	\$ 5,463	\$ 1,177,808	\$ 173,131	\$ 709,576	\$ 727,875	\$ 48,757

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING BALANCE SHEET  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 JUNE 30, 2001  
 (CONTINUED)

FDS Line Item No.	Account Description	14.856 Section 8 Moderate Rehab		Totals (Memorandum Only)		Totals (Memorandum Only)	
		OH002 MR0001	Business Activities	Primary Government	Component Unit Lowellville	Reporting Entity	
<b>ASSETS</b>							
111	Cash - Unrestricted	\$ 0	\$ 0	\$ 2,035,384	\$ 1,087,681	\$ 3,123,065	
113	Cash - Other Restrictions	0	0	75,490	301,022	376,512	
100	<b>Total Cash</b>	<u>0</u>	<u>0</u>	<u>2,110,874</u>	<u>1,388,703</u>	<u>3,499,577</u>	
122	A/R - HUD - Other Projects	16,391	0	1,759,262	0	1,759,262	
125	A/R - Miscellaneous	0	0	159,300	0	159,300	
126	A/R Tenants - Dwelling	0	0	72,179	0	72,179	
126.1	Allowance for Doubtful Accounts	0	0	(33,600)	0	(33,600)	
128	Fraud Recovery	0	0	7,180	0	7,180	
128.1	Allowance for Doubtful Accounts- Fraud	0	0	(1,840)	0	(1,840)	
129	Accrued Interest Receivable	0	0	64,998	0	64,998	
120	<b>Total Accounts Receivable</b>	<u>16,391</u>	<u>0</u>	<u>2,027,479</u>	<u>0</u>	<u>2,027,479</u>	
142	Prepaid Expenses and Other Assets	0	0	66,311	0	66,311	
144	Interprogram Due From	0	17,594	757,008	0	757,008	
150	<b>Total Current Assets</b>	<u>16,391</u>	<u>17,594</u>	<u>4,961,672</u>	<u>1,388,703</u>	<u>6,350,375</u>	
161	Land	0	0	2,110,829	88,000	2,198,829	
162	Buildings	0	0	110,317,532	1,234,667	111,552,199	
163	Furniture & Equipment - Dwellings	0	0	321,721	0	321,721	
164	Furniture & Equipment - Administration	0	0	790,483	4,310	794,793	
165	Leasehold Improvements	0	0	0	0	0	
166	Accumulated Depreciation	0	0	(63,296,262)	(695,864)	(63,992,126)	
160	<b>Total Fixed Assets Net</b>	<u>0</u>	<u>0</u>	<u>50,244,303</u>	<u>631,113</u>	<u>50,875,416</u>	
180	<b>Total Non-Current Assets</b>	<u>0</u>	<u>0</u>	<u>50,244,303</u>	<u>631,113</u>	<u>50,825,416</u>	
190	<b>TOTAL ASSETS</b>	<u>\$ 16,391</u>	<u>\$ 17,594</u>	<u>\$55,205,975</u>	<u>\$ 2,019,816</u>	<u>\$57,225,791</u>	

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING BALANCE SHEET  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 JUNE 30, 2001  
 (CONTINUED)

FDS Line Item No.	Account Description	14.850 Low Rent Public Housing	Development	Capital Fund	Public & Indian Housing Drug Elimination Program	Multifamily Housing Service Coordinators	14.852 Comprehensive Grant Program
<b>LIABILITIES</b>							
312	Accounts Payable, <= 90 Days	\$ 150,650	\$ 7,276	\$ 249,105	\$ 8,808	\$ 0	\$ 732,431
321	Accrued Wages/Payroll Taxes	113,021	0	0	0	0	0
322	Accrued Compensated Absence	156,144	0	0	0	0	0
325	Accrued Interest Payable	0	0	0	0	0	0
331	Accounts Payable - HUD PHA Prog.	0	0	0	0	0	9,520
333	Accounts Payable - PHA Projects	0	0	0	0	0	0
341	Tenant Security Deposits	168,016	0	0	0	0	0
342	Deferred Revenues	0	0	0	0	0	0
343	Long-Term Debt-Capital Projects	175,935	0	0	0	0	0
347	Interprogram Due To	158,244	0	0	0	0	0
310	<b>Total Current Liabilities</b>	<u>922,010</u>	<u>7,276</u>	<u>249,105</u>	<u>8,808</u>	<u>0</u>	<u>741,951</u>
351	Long-Term Debt, Net of Current Capital Projects	1,563,827	0	0	0	0	0
353	Non-Current Liabilities - Other	164,445	0	0	0	0	0
350	<b>Total Non-Current Liabilities</b>	<u>1,728,272</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
300	<b>TOTAL LIABILITIES</b>	<u>2,650,282</u>	<u>7,276</u>	<u>249,105</u>	<u>8,808</u>	<u>0</u>	<u>741,951</u>
504	Net PHA HUD Contributions	30,666,913	10,810,509	589,186	0	0	5,156,649
507	Other Contributions	8,920	0	0	0	0	0
508	<b>Total Contributed Capital</b>	<u>30,675,833</u>	<u>10,810,509</u>	<u>589,186</u>	<u>0</u>	<u>0</u>	<u>5,156,649</u>
512	Retained Earnings	1,439,782	0	0	0	0	0
513	<b>Total Equity</b>	<u>32,115,615</u>	<u>10,810,509</u>	<u>589,186</u>	<u>0</u>	<u>0</u>	<u>5,156,649</u>
600	<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u>\$ 34,765,897</u></u>	<u><u>\$ 10,817,785</u></u>	<u><u>\$ 838,291</u></u>	<u><u>\$ 8,808</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 5,898,600</u></u>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING BALANCE SHEET  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 JUNE 30, 2001  
 (CONTINUED)

FDS Line Item No.	Account Description	Economic Development & Supportive Services Program	Hope 1	Local Grants	14.855 Section 8 Rental Voucher Program	14.857 Section 8 Rental Certificate Program	14.182 N/C S/R Section 8 Programs
<b><u>LIABILITIES</u></b>							
312	Accounts Payable, <= 90 Days	\$ 5,463	\$ 78,816	\$ 21,000	\$ 0	\$ 14,650	\$ 0
321	Accrued Wages/Payroll Taxes	0	0	0	0	13,651	0
322	Accrued Compensated Absence	0	0	0	0	25,823	0
325	Accrued Interest Payable	0	0	0	0	0	0
331	Accounts Payable - HUD PHA Prog.	0	0	0	0	244,849	43,217
333	Accounts Payable - PHA Projects	0	0	0	0	0	0
341	Tenant Security Deposits	0	0	0	0	0	0
342	Deferred Revenues	0	0	0	0	0	0
343	Long-Term Debt-Capital Projects	0	0	0	0	0	0
347	Interprogram Due To	0	0	0	570,678	0	0
310	<b>Total Current Liabilities</b>	5,463	78,816	21,000	570,678	298,973	43,217
351	Long-Term Debt, Net of Current Capital Projects	0	0	0	0	0	0
353	Non-Current Liabilities - Other	0	0	0	43,264	27,201	0
350	<b>Total Non-Current Liabilities</b>	0	0	0	43,264	27,201	0
300	<b>TOTAL LIABILITIES</b>	5,463	78,816	21,000	613,942	326,174	43,217
504	Net PHA HUD Contributions	0	1,098,992	0	0	0	0
507	Other Contributions	0	0	152,130	0	0	0
508	<b>Total Contributed Capital</b>	0	1,098,992	152,130	0	0	0
512	Retained Earnings	0	0	0	95,635	401,701	5,539
513	<b>Total Equity</b>	0	1,098,992	152,130	95,635	401,701	5,539
600	<b>TOTAL LIABILITIES AND EQUITY</b>	\$ 5,463	\$ 1,177,808	\$ 173,130	\$ 709,577	\$ 727,875	\$ 48,756

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING BALANCE SHEET  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 JUNE 30, 2001  
 (CONTINUED)

FDS Line Item No.	Account Description	14.856 Section 8 Moderate Rehab OH002 MR0001	Business Activities	Totals (Memorandum Only) Primary Government	Component Unit Lowellville	Totals (Memorandum Only) Reporting Entity
<b><u>LIABILITIES</u></b>						
312	Accounts Payable, <= 90 Days \$	0	\$ 0	\$ 1,268,199	\$ 137,469	\$ 1,405,668
321	Accrued Wages/Payroll Taxes	0	0	126,672	1,393	128,065
322	Accrued Compensated Absence	0	0	181,967	3,279	185,246
325	Accrued Interest Payable	0	0	0	0	0
331	Accounts Payable - HUD PHA Prog.	0	0	297,586	0	297,586
333	Accounts Payable - PHA Projects	0	0	0	0	0
341	Tenant Security Deposits	0	0	168,016	7,875	175,891
342	Deferred Revenues	0	0	0	61	61
343	Long-Term Debt-Capital Projects	0	0	175,935	60,090	236,025
347	Interprogram Due To	3,652	0	732,574	24,434	757,008
310	<b>Total Current Liabilities</b>	3,652	0	2,950,949	234,601	3,185,550
351	Long-Term Debt, Net of Current Capital Projects	0	0	1,563,827	500,491	2,064,318
353	Non-Current Liabilities - Other	0	0	234,910	3,462	238,372
350	Total Non-Current Liabilities	0	0	1,798,737	503,953	2,302,690
300	<b>TOTAL LIABILITIES</b>	3,652	0	4,749,686	738,554	5,488,240
504	Net PHA HUD Contributions	0	0	48,322,249	0	48,322,249
507	Other Contributions	0	0	161,050	0	161,050
508	<b>Total Contributed Capital</b>	0	0	48,483,299	0	48,483,299
512	Retained Earnings	12,739	17,594	1,972,990	1,281,262	3,254,252
513	<b>Total Equity</b>	12,739	17,594	50,456,289	1,281,262	51,737,551
600	<b>TOTAL LIABILITIES AND EQUITY</b>	\$ 16,391	\$ 17,594	\$ 55,205,975	\$ 2,019,816	\$ 57,225,791

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001

FDS Line Item No.	Account Description	14.850 Low Rent Public Housing	Development	Capital Fund	Public & Indian Housing Drug Elimination Program	Multifamily Housing Service Coordinators	14.852 Comprehensive Grant Program
<b>REVENUE</b>							
703	Net Tenant Rental Revenue	\$ 1,360,976	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
704	Tenant Revenue - Other	5,415	0	0	0	0	0
705	<b>Total Tenant Revenue</b>	<u>1,366,391</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
706	HUD PHA Grants	4,712,658	3,698,178	753,132	585,297	54,074	4,755,329
711	Investment Income - Unrestricted	113,854	0	0	0	0	0
714	Fraud Recovery	0	0	0	0	0	0
715	Other Revenue	167,882	0	0	0	0	0
700	<b>Total Revenue</b>	<u>6,360,785</u>	<u>3,698,178</u>	<u>753,132</u>	<u>585,297</u>	<u>54,074</u>	<u>4,755,329</u>
<b>EXPENSES</b>							
911	Administrative Salaries	987,693	21,419	59,216	0	0	425,302
912	Auditing Fees	27,602	0	0	0	0	1,000
914	Compensated Absences	3,201	0	0	0	0	0
915	Employee Benefit Contributions - Administrative	375,698	0	0	0	0	0
916	Other Operating - Administrative	554,965	0	104,730	0	0	156,018
922	Relocation Costs	0	11,593	0	0	0	0
924	Tenant Services - Other	2,488	0	0	585,297	54,074	8,524
931	Water	372,247	0	0	0	0	0
932	Electricity	417,241	0	0	0	0	0
933	Gas	298,403	0	0	0	0	0
934	Fuel	137,143	0	0	0	0	0
941	Ordinary Maintenance and Operations-Labor	1,325,553	0	0	0	0	0
942	Ordinary Maintenance and Operations-Materials	272,209	0	0	0	0	0
943	Ordinary Maintenance and Operations-Contract Costs	510,818	0	0	0	0	0
945	Employee Benefit Contributions - Ordinary Maintenance	504,213	0	0	0	0	0
952	Protective Services	8,001	0	0	0	0	0
961	Insurance Premiums	174,112	0	0	0	0	0
962	Other General Expenses	79,506	0	0	0	0	0
964	Bad Debts - Tenant Rents	46,599	0	0	0	0	0
967	Interest Expense	74,077	0	0	0	0	0
968	Severance Expense	16,037	0	0	0	0	0
969	<b>Total Operating Expenses</b>	<u>6,187,806</u>	<u>33,012</u>	<u>163,946</u>	<u>585,297</u>	<u>54,074</u>	<u>590,844</u>
970	Excess Operating Revenues Over Expenses	172,979	3,665,166	589,186	0	0	4,164,485
<b>OTHER EXPENSES</b>							
971	Extraordinary Maintenance	0	0	0	0	0	0
972	Casualty Losses-NonCapitalized	2,715	0	0	0	0	0
973	Housing Assistance Payments	0	0	0	0	0	0
974	Depreciation Expense	3,594,968	0	0	0	0	0
975	Gain/Loss on Asset Disposal	0	0	0	0	0	0
900	<b>Total Expenses</b>	<u>9,785,489</u>	<u>33,012</u>	<u>163,946</u>	<u>585,297</u>	<u>54,074</u>	<u>590,844</u>
1010	Total Other Financing Sources (Uses)	0	0	0	0	0	0
1000	Excess (Deficiency) of Operating Revenues Over (Under) Expenses	(3,424,704)	3,665,166	589,186	0	0	4,164,485
1101	Capital Outlays-Enterprise Fund	0	0	0	0	0	0
1102	Debt Principal Payments	0	0	0	0	0	0
1103	Beginning Equity	34,803,977	7,745,080	0	0	0	4,151,954
1104	Prior Period Adjustment	736,342	(599,737)	0	0	0	(3,159,790)
<b>ENDING EQUITY</b>		<u>\$ 32,115,615</u>	<u>\$ 10,810,509</u>	<u>\$ 589,186</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,156,649</u>



YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001

FDS Line Item No.	Account Description	Economic Development & Supportive Services Program	Hope 1	Local Grants	14.855 Section 8 Rental Voucher Program	14.857 Section 8 Rental Certificate Program	14.182 N/C S/R Section 8 Programs
	<b>REVENUE</b>						
703	Net Tenant Rental Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
704	Tenant Revenue - Other	0	0	0	0	0	0
705	<b>Total Tenant Revenue</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
706	HUD PHA Grants	107,410	1,121,993	0	4,691,508	811,018	134,411
711	Investment Income - Unrestricted	0	0	0	28,270	7,393	1,103
714	Fraud Recovery	0	0	0	1,140	1,261	0
715	Other Revenue	0	0	177,426	0	0	0
700	<b>Total Revenue</b>	<u>107,410</u>	<u>1,121,993</u>	<u>177,426</u>	<u>4,720,918</u>	<u>819,672</u>	<u>135,514</u>
	<b>EXPENSES</b>						
911	Administrative Salaries	0	0	0	287,951	75,306	11,232
912	Auditing Fees	0	0	0	4,985	1,304	194
914	Compensated Absences	0	0	0	12,292	3,215	479
915	Employee Benefit Contributions - Administrative	0	0	0	130,296	34,075	5,082
916	Other Operating - Administrative	0	44,762	0	148,172	38,751	5,779
922	Relocation Costs	0	6,299	0	0	0	0
924	Tenant Services - Other	107,410	0	25,295	0	0	0
931	Water	0	0	0	0	0	0
932	Electricity	0	0	0	0	0	0
933	Gas	0	0	0	0	0	0
934	Fuel	0	0	0	0	0	0
941	Ordinary Maintenance and Operations-Labor	0	0	0	0	0	0
942	Ordinary Maintenance and Operations-Materials	0	0	0	472	123	18
943	Ordinary Maintenance and Operations-Contract Costs	0	3,162	0	1,204	315	47
945	Employee Benefit Contributions - Ordinary Maintenance	0	0	0	0	0	0
952	Protective Services	0	0	0	0	0	0
961	Insurance Premiums	0	0	0	0	0	0
962	Other General Expenses	0	0	0	867	227	34
964	Bad Debts - Tenant Rents	0	0	0	0	0	0
967	Interest Expense	0	0	0	0	0	0
968	Severance Expense	0	0	0	0	0	0
969	<b>Total Operating Expenses</b>	<u>107,410</u>	<u>54,223</u>	<u>25,295</u>	<u>586,239</u>	<u>153,316</u>	<u>22,865</u>
970	Excess Operating Revenues Over Expenses	0	1,067,770	152,131	4,134,679	666,356	112,649
	<b>OTHER EXPENSES</b>						
971	Extraordinary Maintenance	0	0	0	3,608	943	141
972	Casualty Losses-NonCapitalized	0	0	0	0	0	0
973	Housing Assistance Payments	0	0	0	4,160,627	731,238	124,222
974	Depreciation Expense	0	0	0	0	6,085	0
975	Gain/Loss on Asset Disposal	0	0	0	0	2,003	0
900	<b>Total Expenses</b>	<u>107,410</u>	<u>54,223</u>	<u>25,295</u>	<u>4,750,474</u>	<u>893,585</u>	<u>147,228</u>
1010	Total Other Financing Sources (Uses)	0	0	0	0	0	0
1000	Excess (Deficiency) of Operating Revenues Over (Under) Expenses	0	1,067,770	152,131	(29,556)	(73,913)	(11,714)
1101	Capital Outlays-Enterprise Fund	0	0	0	0	0	0
1102	Debt Principal Payments	0	0	0	0	0	0
1103	Beginning Equity	0	31,222	0	125,190	475,614	17,254
1104	Prior Period Adjustment	0	0	0	0	0	0
	<b>ENDING EQUITY</b>	<u>\$ 0</u>	<u>\$ 1,098,992</u>	<u>\$ 152,131</u>	<u>\$ 95,634</u>	<u>\$ 401,701</u>	<u>\$ 5,540</u>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001  
 (CONTINUED)

FDS Line Item No.	Account Description	14.856 Section 8 Moderate Rehab OH002 MR0001	Business Activities	Totals (Memorandum Only) Primary Government	Component Unit Lowellville	Totals (Memorandum Only) Reporting Entity
<b>REVENUE</b>						
703	Net Tenant Rental Revenue	\$ 0	\$ 0	\$ 1,360,976	\$ 109,356	\$ 1,470,332
704	Tenant Revenue - Other	0	0	5,415	0	5,415
705	<b>Total Tenant Revenue</b>	<u>0</u>	<u>0</u>	<u>1,366,391</u>	<u>109,356</u>	<u>1,475,747</u>
706	HUD PHA Grants	152,798	0	21,577,806	127,140	21,704,946
711	Investment Income - Unrestricted	957	0	151,577	60,542	212,119
714	Fraud Recovery	0	0	2,401	0	2,401
715	Other Revenue	0	0	345,308	1,552	346,860
700	<b>Total Revenue</b>	<u>153,755</u>	<u>0</u>	<u>23,443,483</u>	<u>298,590</u>	<u>23,742,073</u>
<b>EXPENSES</b>						
911	Administrative Salaries	9,745	0	1,877,864	10,573	1,888,437
912	Auditing Fees	169	0	35,254	605	35,859
914	Compensated Absences	416	0	19,603	1,715	21,318
915	Employee Benefit Contributions - Administrative	4,410	0	549,561	4,113	553,674
916	Other Operating - Administrative	5,015	280	1,058,472	1,221	1,059,693
922	Relocation Costs	0	0	17,892	0	17,892
924	Tenant Services - Other	0	0	783,088	0	783,088
931	Water	0	0	372,247	14,361	386,608
932	Electricity	0	0	417,241	29,750	446,991
933	Gas	0	0	298,403	3,019	301,422
934	Fuel	0	0	137,143	0	137,143
941	Ordinary Maintenance and Operations-Labor	0	0	1,325,553	37,928	1,363,481
942	Ordinary Maintenance and Operations-Materials	16	0	272,838	7,408	280,246
943	Ordinary Maintenance and Operations-Contract Costs	41	100	515,687	33,279	548,966
945	Employee Benefit Contributions - Ordinary Maintenance	0	0	504,213	14,756	518,969
952	Protective Services	0	0	8,001	0	8,001
961	Insurance Premiums	0	0	174,112	0	174,112
962	Other General Expenses	29	0	80,663	1,927	82,590
964	Bad Debts - Tenant Rents	0	0	46,599	0	46,599
967	Interest Expense	0	0	74,077	44,532	118,609
968	Severance Expense	0	0	16,037	0	16,037
969	<b>Total Operating Expenses</b>	<u>19,841</u>	<u>380</u>	<u>8,584,548</u>	<u>205,187</u>	<u>8,789,735</u>
970	Excess Operating Revenues Over Expenses	133,914	(380)	14,858,935	93,403	14,952,338
<b>OTHER EXPENSES</b>						
971	Extraordinary Maintenance	122	0	4,814	0	4,814
972	Casualty Losses-NonCapitalized	0	0	2,715	0	2,715
973	Housing Assistance Payments	125,379	0	5,141,466	0	5,141,466
974	Depreciation Expense	0	0	3,601,053	30,867	3,631,920
975	Gain/Loss on Asset Disposal	0	0	2,003	0	2,003
900	<b>Total Expenses</b>	<u>145,342</u>	<u>380</u>	<u>17,336,599</u>	<u>236,054</u>	<u>17,572,653</u>
1010	Total Other Financing Sources (Uses)	0	0	0	0	0
1000	Excess (Deficiency) of Operating Revenues Over (Under) Expenses	8,413	(380)	6,106,884	62,536	6,169,420
1101	Capital Outlays-Enterprise Fund	0	0	0	0	0
1102	Debt Principal Payments	0	0	0	0	0
1103	Beginning Equity	4,326	17,974	47,372,591	1,218,725	48,591,316
1104	Prior Period Adjustment	0	0	(3,023,185)	0	(3,023,185)
	<b>ENDING EQUITY</b>	<u>\$ 12,739</u>	<u>\$ 17,594</u>	<u>\$ 50,456,290</u>	<u>\$ 1,281,261</u>	<u>\$ 51,737,551</u>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 ADDITIONAL FDS SCHEDULE INFORMATION  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001

FDS Line Item No.	Account Description	14.850 Low Rent Public Housing	Development	Capital Fund	Public & Indian Housing Drug Elimination Program	Multifamily Housing Service Coordinators	14.852 Comprehensive Grant Program
1113	Annual Contributions						
	Commitment (per ACC)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1114	Prorata Maximum Annual Contributions Applicable	0	0	0	0	0	0
1115	Contingency Reserve, ACC Program Reserve	0	0	0	0	0	0
1116	Total Annual Contributions	0	0	0	0	0	0
1120	Unit Months Available	17,261	0	0	0	0	0
1121	Number of Unit Months Leased	15,183	0	0	0	0	0

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 ADDITIONAL FDS SCHEDULE INFORMATION  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001  
 (CONTINUED)

FDS Line Item <u>No.</u>	<u>Account Description</u>	Economic Development & Supportive Services Program	<u>Hope 1</u>	<u>Local Grants</u>	14.855 Section 8 Rental Voucher Program	14.857 Section 8 Rental Certificate Program	14.182 N/C S/R Section 8 Programs
1113	Annual Contributions						
	Commitment (per ACC)	\$ 0	\$ 0	\$ 0	\$ 4,676,631	\$ 1,055,867	\$ 0
1114	Prorata Maximum Annual Contributions Applicable	0	0	0	0	0	0
1115	Contingency Reserve, ACC Program Reserve	0	0	0	1,340,929	3,918,022	1,687,725
1116	Total Annual Contributions	0	0	0	6,017,560	4,973,889	1,687,725
1120	Unit Months Available	0	0	0	15,677	2,755	492
1121	Number of Unit Months Leased	0	0	0	13,149	2,311	482

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 ADDITIONAL FDS SCHEDULE INFORMATION  
 FDS SCHEDULE SUBMITTED TO HUD  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2001  
 (CONTINUED)

FDS Line Item No.	Account Description	14.856 Section 8 Moderate Rehab		Totals (Memorandum Only)		Component Unit Lowellville	Totals (Memorandum Only)	
		OH002 MR0001	Business Activities	Primary Government			Reporting Entity	
1113	Annual Contributions							
	Commitment (per ACC)	\$ 182,800	\$ 0	\$ 5,915,298	\$ 0	\$ 5,915,298		
1114	Prorata Maximum Annual Contributions Applicable	0	0	0	0	0	0	0
1115	Contingency Reserve, ACC Program Reserve	129,473	0	7,076,149	0	7,076,149		
1116	Total Annual Contributions	312,273	0	12,991,447	0	12,991,447		
1120	Unit Months Available	720	0	36,905	528	37,433		
1121	Number of Unit Months Leased	702	0	31,827	519	32,346		

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2001

<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Funds Expended</u>
<i><b>From U.S. Department of HUD</b></i>		
<i><b>Direct Programs</b></i>		
<i><u>U.S. Department of HUD</u></i>		
<b><u>PHA Owned Housing:</u></b>		
Public and Indian Housing Operating Subsidy	14.850	\$ 4,712,658
Development	14.850	3,698,178
Subtotal CFDA 14.850		<u>8,410,836</u>
Comprehensive Grants	14.859	4,755,329
Drug Elimination	14.854	585,297
Service Coordinators	14.861	54,074
Economic Development	14.864	107,410
Hope VI	14.866	1,121,993
Capital	14.872	753,132
<b>Total - Public Housing</b>		<u>15,788,071</u>
 <b><u>Section 8 Cluster Programs:</u></b>		
Housing Assistance Payments:		
Tenant Based - Existing	14.857	811,018
- Vouchers	14.855	4,691,508
Subtotal Section 8 Tenant Based Cluster Programs		<u>5,502,526</u>
 <b><u>Section 8 Project Based Programs:</u></b>		
Project Based - Mod Rehabilitation	14.856	152,798
- New Construction	14.182	134,411
Subtotal Section 8 Project Based Programs		<u>287,209</u>
<b>Total Section 8 Cluster and Project Based Programs</b>		<u>5,789,735</u>
<b>Total U.S. Department of HUD</b>		<u>21,577,806</u>
 <b>TOTAL ALL PROGRAMS</b>		 <u><u>\$21,577,806</u></u>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
STATEMENT OF MODERNIZATION/DEVELOPMENT COST-UNCOMPLETED  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2001

Annual Contributions Contract C-862

<u>Project OH</u>	<u>Capital Fund OH12P00250100</u>	<u>Comp Grant OH12P002707</u>	<u>Comp Grant OH12P002708</u>
Funds Approved	\$ 3,964,023	\$ 3,810,347	\$ 4,407,384
Funds Expended	504,027	3,446,657	2,241,783
	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Funds Approved	\$ 3,459,996	\$ 363,690	\$ 2,165,601
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Funds Advanced	\$ 504,027	\$ 3,446,657	\$ 2,241,783
Funds Expended	504,027	3,446,657	2,241,783
	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Funds Advanced	\$ 0	\$ 0	\$ 0
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
 STATEMENT OF MODERNIZATION/DEVELOPMENT COST-COMPLETED  
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2001

Annual Contributions Contract C-862

1. The total amount of modernization costs of the comprehensive grant is shown below:

	<u>CGP Project OH12P002706</u>
Funds Approved	\$ 3,506,685
Funds Expended	3,506,685
	-----
Excess (Deficiency) of Funds Approved	\$ 0
	=====
Funds Advanced	\$ 3,506,685
Funds Expended	3,506,685
	-----
Excess (Deficiency) of Funds Advanced	\$ 0
	=====

2. All modernization work in connection with the comprehensive grant has been completed.
3. The entire actual modernization cost or liabilities incurred by the housing authority have been fully paid.
4. There are no discharged mechanics, laborers, contractors, or material-mens liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work.
5. The time in which such liens could be filed expired.



**JAMES G. ZUPKA, C.P.A., INC.**  
*Certified Public Accountants*  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125

---

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

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

Board of Directors  
Youngstown Metropolitan Housing Authority  
Youngstown, Ohio

Regional Inspector General of Audit  
Department of Housing and Urban  
Development

We have audited the general purpose financial statements of the Youngstown Metropolitan Housing Authority as of and for the year ended June 30, 2001, and have issued our report thereon dated November 29, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

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

This report is intended solely for the information and use of the Board of Directors, management, Auditor of State and Federal Award Agencies and is not intended to be and should not be used by anyone other than these specified parties.

November 29, 2001

---

James G. Zupka  
Certified Public Accountant

**JAMES G. ZUPKA, C.P.A., INC.**  
*Certified Public Accountants*  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125

---

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

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

Board of Directors  
Youngstown Metropolitan Housing Authority  
Youngstown, Ohio

Regional Inspector General of Audit  
Department of Housing and Urban  
Development

**Compliance**

We have audited the compliance of the Youngstown Metropolitan Housing Authority with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133* that are applicable to each of its major federal programs for the year ended June 30, 2001. Youngstown Metropolitan Housing 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 Youngstown Metropolitan Housing Authority's management. Our responsibility is to express an opinion on Youngstown Metropolitan Housing Authority's compliance based on our audit.

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

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

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

We noted other matters involving the internal control and non-compliance over financial reporting that we have reported to the management of the Authority in a separate letter dated November 29, 2001.

This report is intended solely for the information and use of the Board of Directors, management, Auditor of State, and Federal Awarding Agencies and is not intended to be used by anyone other than these specified parties.

November 29, 2001

---

James G. Zupka  
Certified Public Accountant

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
JUNE 30, 2001

1. **SUMMARY OF AUDITOR'S RESULTS**

2001(i)	Type of Financial Statement Opinion	Unqualified
2001(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
2001(ii)	Were there any other reportable control weakness conditions reported at the financial statements level (GAGAS)?	No
2001(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2001(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
2001(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
2001(v)	Type of Major Programs' Compliance Opinion	Unqualified
2001(vi)	Are there any reportable findings under .510?	No
2001(vii)	Major Programs (list):	Public Housing - CFDA #14.850 Hope IV - CFDA #14.866
2001(viii)	Dollar Threshold: Type A\B Programs	Type A: >\$647,334 Type B: > all others
2001(ix)	Low Risk Auditee?	Yes

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
(CONTINUED)  
JUNE 30, 2001

2. **FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

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

**YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY**

**MAHONING 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  
FEBRUARY 21, 2002**