

Jefferson Metropolitan Housing Authority

General Purpose Financial Statements

For the Year Ended December 31, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

Board of Commissioners
Jefferson Metropolitan Housing Authority

We have reviewed the Independent Auditor's Report of the Jefferson Metropolitan Housing Authority, Jefferson County, prepared by Salvatore Consiglio, CPA, Inc. for the audit period January 1, 2001 through December 31, 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 Jefferson Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

September 3, 2002

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JEFFERSON METROPOLITAN HOUSING AUTHORITY
 AUDIT REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2001

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8025 Corporate Circle, Suite 4
North Royalton, Ohio 44133
Phone: (440) 886-0482
Fax: (440) 886-0585

SALVATORE CONSIGLIO, CPA, INC. E-mail: sconsiglio@aol.com

Independent Auditors' Report

Board of Directors
Jefferson Metropolitan Housing Authority

Regional Inspector General of Audit
Department of Housing and Urban
Development

I have audited the accompanying general purpose financial statements of Jefferson Metropolitan Housing Authority, Ohio, as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the Jefferson Metropolitan Housing Authority, Ohio, Management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Jefferson Metropolitan Housing Authority, Ohio, as of December 31, 2001, and the results of its operations and the cash flows of its proprietary fund for the year then ended in conformity with accounting principles generally accepted in the United State of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated May 3, 2002, on my consideration of Jefferson Metropolitan Housing Authority, Ohio's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the result of our audit.

My Audit was performed for the purpose of forming and opinion on the general purpose financial statements taken as a whole. The schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Jefferson Metropolitan Housing Authority, Ohio. The accompanying Schedule of Expenditures of Federal Awards 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 general purpose financial statements. The combining financial data schedule ("FDS") is presented for purposes additional analysis as required by the Department of Housing and Urban Development and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respect in relation to the basic financial statements taken as a whole.



Salvatore Consiglio, CPA, Inc.

May 3, 2002

Jefferson Metropolitan Housing Authority
 Combined Balance Sheet
 Proprietary Fund Type – Enterprise Fund
 December 31, 2001

ASSETS

Cash and Cash Equivalents	\$777,334
Restricted Cash – Tenant Security Deposit & FSS Escrow	151,518
Accounts Receivables – Net of Allowance	157,752
Investment	4,779,555
Due From Other Funds	26,649
Inventory – Net of Allowance	63,490
Deferred Charges and Other Assets	27,153
Fixed Assets - Net of Accumulated Depreciation	<u>15,123,376</u>
 TOTAL ASSETS	 <u>\$21,106,827</u>

LIABILITIES AND EQUITY

CURRENT LIABILITIES:

Accounts Payable	\$85,987
Due to Other Funds	26,649
Intergovernmental Payables	522
Accrued Expenses/Expenditures	9,423
Accrued Wages and Payroll Taxes	357,849
Tenant Security Deposits & FSS Escrow Balance	151,518
Deferred Credits and Other Liabilities	<u>207,421</u>
 Total Current Liabilities	 <u>839,369</u>

NONCURRENT LIABILITIES

Other Long-term Liabilities	<u>1,610,000</u>
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Total Noncurrent Liabilities	<u>1,610,000</u>
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TOTAL LIABILITIES	<u>2,449,369</u>
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EQUITY:

Total Contributed Capital	12,118,020
Retained Earnings	<u>6,539,438</u>

TOTAL EQUITY	<u>18,657,458</u>
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TOTAL LIABILITIES AND EQUITY	<u>\$21,106,827</u>
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The accompanying notes to the general purpose financial statements are an integral part of these statements.

Jefferson Metropolitan Housing Authority
 Combined Statement of Revenue, Expenses and Change in Retained Earnings
 Proprietary Fund Type
 Enterprise Fund
 For the Year Ended December 31, 2001

<u>REVENUE</u>	
Tenant Rental Revenue	\$1,114,272
Grant Revenue	6,482,343
Investment Income	274,048
Other Income	<u>340,540</u>
TOTAL REVENUE	<u>8,211,203</u>
<u>EXPENSES</u>	
Administrative Expenses	2,063,574
Tenant Services	440
Utilities Expenses	610,541
Ordinary Maintenance and Operation	1,370,050
Protective Services	137,134
General Expenses	167,942
Housing Assistance Expenses	2,334,721
Interest Expenses	117,256
Depreciation Expense	<u>1,018,420</u>
TOTAL EXPENSES	<u>7,820,078</u>
EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES	391,125
Beginning Retained Earnings	17,063,886
Prior Period Adjustments (Note 8)	<u>1,202,447</u>
ENDING RETAINED EARNINGS	<u><u>\$18,657,458</u></u>

The accompanying notes to the general purpose financial statements are an integral part of these statements.

Jefferson Metropolitan Housing Authority
 Combined Statement of Cash Flows
 Proprietary Fund Type
 Enterprise Fund
 For the Year Ended December 31, 2001

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Operating Income/(Loss)	\$391,125
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities	
- Depreciation	1,018,420
- (Increases) Decreases in Accounts Receivable	156,563
- (Increases) Decreases in Prepaid Expenses	55,470
- Increases (Decreases) Accounts Payable	(581,339)
- Prior Period Adjustment Affecting Cash (Note 8)	874
	874

Total Adjustments	649,988
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NET CASH PROVIDED BY OPERATING ACTIVITIES	1,041,113
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CASH FLOWS FROM INVESTING ACTIVITIES:

Change in Investment Account	(156,319)
Purchase of Fixed Assets	(1,116,332)
Change in Material Inventory	(63,490)
	(63,490)

NET CASH USED IN INVESTING ACTIVITIES	(1,336,141)
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CASH FLOWS FROM FINANCING ACTIVITIES:

Retirement of Debt	(180,000)
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NET CASH USED IN FINANCING ACTIVITIES	(180,000)
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(475,028)
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CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	1,123,543
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BEGINNING CASH BALANCE FROM GAYLOR TOWERS	128,819
	128,819

CASH AND CASH EQUIVALENTS - END OF YEAR	\$777,334
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The accompanying notes to the general purpose financial statements are an integral part of these statements.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

The financial statements of the Jefferson 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.

Reporting Entity

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

The accompanying general purpose financial statements comply with the provision of 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.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Fund Accounting

The Authority uses the proprietary fund to report on its financial position and the results of its operations for the HUD 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.

Proprietary Fund Types

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

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

Measurement Focus/Basis of Accounting

The proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Investments

The provisions of the HUD Regulations restrict investments. Investments are valued at market value. Interest income earned in fiscal year ending December 31, 2001 totaled \$274,048.

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.

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.

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 absence 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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

that is outside the control of the employer and employee. (2) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

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

Budgetary Accounting

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

Estimates

The preparation of financial statements in conformity with 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.

Receivable – Net of Allowance

Bad debts are provided on the allowance method based on management's evaluation of the collectability of outstanding tenants receivables at the end of the year. The allowance for uncollectable receivables was \$18,122 at December 31, 2001.

Inventory

Inventory is stated at cost. The allowance for obsolete inventory was \$-0- at December 31, 2001.

NOTE 2: CASH AND INVESTMENTS

Deposits – The PHA deposits are categorized to give an indication of the level of risk assumed by the PHA at fiscal year end. The categories are described as follows:

Category 1 – Insured or collateralized with securities held by the PHA or by its agent in the PHA's name.

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

NOTE 2: CASH AND INVESTMENTS (Continued)

Category 2 – Collateralized with securities held by the pledging financial institution’s trust department or agent in the PHA’s name.

Category 3 – Uncollateralized.

Deposits, categorized by level of risk, are:

<u>DESCRIPTION</u>	<u>BANK BALANCE</u>	<u>CATEGORY</u>			<u>CARRYING AMOUNT</u>
		<u>1</u>	<u>2</u>	<u>3</u>	
Cash and Cash					
Equivalents	\$ 967,406	\$ 967,406	\$ -0-	\$ -0-	\$ 777,334
Restricted Cash	151,518	151,518	-0-	-0-	151,518
Investments	4,779,555	4,779,555	-0-	-0-	4,779,555
Total Deposits	\$5,898,479	\$5,898,479	\$ -0-	\$ -0-	\$5,708,407

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.

The PHA investments are categorized to give an indication of the level of risk assumed by the PHA at fiscal year end. The categories are described as follows:

Category 1 – Insured, registered, or securities held by the PHA or its agent in the PHA’s name.

Category 2 – Uninsured and unregistered, with securities held by the counterparty’s trust department or agent in the PHA’s name.

Category 3 – Uninsured and unregistered, with securities held by the counterparty, or its trust department or agent but not in the PHA’s name.

The PHA’s nonnegotiable certificates of deposit are classified as investments on the balance sheet but are considered as deposits for GASB 3 purposes. Therefore, the categories described above do not apply.

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

NOTE 4: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending December 31, 2001 the Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

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

NOTE 5: FIXED ASSETS

The following is a summary:

Land	\$ 2,541,310
Buildings	30,157,348
Furniture, Machinery and Equipment	2,599,833
Construction in Progress	<u>1,020,249</u>
 Total Fixed Assets	 36,318,740
Accumulated Depreciation	<u>(21,195,364)</u>
 Net Fixed Assets	 <u><u>\$15,123,376</u></u>

The following is a summary of changes:

	Balance	Adjust.	Balance	Balance	Balance
	<u>12/31/00</u>	<u>Beg. Bal.</u>	<u>Additions</u>	<u>Deletion</u>	<u>12/31/01</u>
Land	\$2,471,310	\$ 70,000	\$ -0-	\$ -0-	\$ 2,541,310
Buildings	28,185,229	1,972,119	-0-	-0-	30,157,348
Furnt, Mach. and Equip.	2,487,307	21,183	96,083	(4,740)	2,599,833
Construction in Progress	<u>-0-</u>	<u>-0-</u>	<u>1,020,249</u>	<u>-0-</u>	<u>1,020,249</u>
Total Fixed Assets	<u><u>\$33,143,846</u></u>	<u><u>\$2,063,302</u></u>	<u><u>\$1,116,332</u></u>	<u><u>(\$ 4,740)</u></u>	<u><u>\$36,318,740</u></u>

The depreciation expense for the year ended December 31, 2001 was \$1,018,420.

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

**NOTE 6: DEFINED BENEFIT PENSION PLANS -PUBLIC EMPLOYEES
RETIREMENT SYSTEM**

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

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. For calendar year 2000, PERS instituted a temporary employer rate rollback for state and local governments. The 2000 employer pension contribution rate for the Authority was 6.54 percent of cover payroll, reduced from 9.35 percent. In 2001 the required rate is back to 9.35 percent. Contributions are authorized by State statute. The contribution rates are determined actuarially. The Authority's required contributions to PERS for the years ended December 31, 2001, 2000 and 1999 were \$212,798, \$131,115, and \$174,900, respectively. The full amount has been contributed for 2000 and 1999. Ninety-one percent has been contributed for 2001, with the remainder being reported as a liability with the enterprise fund.

**NOTE 7: POSTEMPLOYMENT BENEFITS PUBLIC EMPLOYEES
RETIREMENT SYSTEM**

The Public Retirement System of Ohio (PERS) provides post-retirement health care coverage 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 available. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post-retirement health care based on authority granted by State statute. The 2000 employer contribution rate was 10.84 percent of covered payroll; 4.30 percent was the portion that was used to fund health care for 2000. For 1999, the contribution rate was 13.55 percent of covered payroll; 4.2 percent was the portion that was used to fund health care.

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

**NOTE 7: POSTEMPLOYMENT BENEFITS PUBLIC EMPLOYEES
RETIREMENT SYSTEM** (Continued)

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on PERS's latest actuarial review performed as of December 31, 1999, include a rate of return on investments of 7.75 percent, an annual increase in active employee total payroll of 4.75 percent compounded annually for inflation (assuming no change in the number of active employees) and an additional increase in total payroll of between .54 percent and 5.1 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.75 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

The number of active contributing participants was 401,339. The Authority's actual contributions for 2000-2001, which were used to fund OPEB, were \$65,960. The actual contribution and the required contribution amounts are the same. PERS's net assets available for payments of benefits at December 31, 1999, (the latest information available) were \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability were \$12,473.6 million and \$1,668.1 million, respectively.

For 2000, PERS elected to return to an actuarially pre-funded type of disclosure because it is a better presentation of PERS's actual funding methodology. Since 1997, disclosures had been based on a pay-as-you-go funding basis.

NOTE 8: PRIOR PERIOD ADJUSTMENTS

The following prior year adjustments were necessary to properly state the beginning equity balance:

- HUD adjustment to financial statements for administration fee earned (adjustment affecting cash balance):
 - Public Housing Program \$1,602
 - Section 8 Rental Voucher Program 465
 - Section 8 Rental Certificate Program 82
 - Section 8 New Construction Program (1,275)

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

NOTE 8: PRIOR PERIOD ADJUSTMENTS (Continued)

- Close out of Comprehensive Grant and transfer equity to Public Housing	
- Public Housing Program	342,698
- Comprehensive Improvement Assistance Program	(342,698)
- Adjustment to properly state the value of Fixed Assets - Building	
- Public Housing Program	(1,237,327)
- Adjustments to report Gaylor Tower in current year financial statements as required by GASB 14	
- Business Activities	2,438,900
	<u>2,438,900</u>
TOTAL PRIOR YEAR ADJUSTMENT	<u>\$1,202,447</u>

NOTE 9: CHANGES IN ACCOUNTING PRINCIPLES

Jefferson Metropolitan Housing Authority has implemented 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. 33 establishes accounting and financial reporting standards about when (in which fiscal year) to report the result of nonexchange transactions. GASB Statement No. 36 supercedes paragraph 28 of GASB Statement No. 33. GASB Statement No. 36 eliminates the timing difference for shared revenues by requiring recipients governments to account for the sharing of revenues in the same manner as provider governments to account for the sharing of revenue in the same manner as provider governments. The implementation of GASB Statement No. 33 and GASB Statement No. 36 had no effect on fund balance as it was previously reported.

NOTE 10: SCHEDULE OF EXPENDITURE OF FEDERAL AWARD

The accompanying schedule of expenditure of federal award is a summary of the activity of the Authority's federal programs. This schedule has been prepared on the accrual basis of accounting.

Jefferson Metropolitan Housing Authority
 Combined Balance Sheet
 FDS Schedule Submitted To REAC
 Proprietary Fund Type – Enterprise Fund
 December 31, 2001

FDS Line Item No.	Account Description	Business Activity Gaylor Tower	Low Rent Public Housing	Drug Elimination Program	New Construction Program	Section 8 Voucher Program	Section 8 Certificate Program	Comp Grant Program	EC and Support Program	Capital Fund	State / Local	TOTAL
ASSETS:												
CURRENT ASSETS:												
Cash:												
111	Cash – unrestricted	\$645	\$527,209	\$0	\$28,909	\$135,229	\$85,342	\$0	\$0	\$0	\$0	\$777,334
113	Cash – other restricted	0	102,348	0	0	49,170	0	0	0	0	0	151,518
100	Total cash	645	629,557	0	28,909	184,399	85,342	0	0	0	0	928,852
Accounts and notes receivables:												
122	Accounts receivable – HUD other projects	0	44,651	0	7,082	80,525	0	0	0	0	0	132,258
125	Accounts receivable – miscellaneous	0	75	0	0	0	0	0	0	0	0	75
126	Accounts receivable – tenant dwelling rent	2,291	34,724	0	0	0	0	0	0	0	0	37,015
126.1	Allowance for doubtful accounts	-1,122	-17,000	0	0	0	0	0	0	0	0	-18,122
129	Accrued interest receivable	4,175	2,057	0	0	0	294	0	0	0	0	6,526
120	Total receivables, net of allowances for doubtful accounts	5,344	64,507	0	7,082	80,525	294	0	0	0	0	157,752
131	Investments – unrestricted	2,812,961	1,716,594	0	0	0	250,000	0	0	0	0	4,779,555
142	Prepaid expenses and other assets	0	27,153	0	0	0	0	0	0	0	0	27,153
143	Inventory	0	63,490	0	0	0	0	0	0	0	0	63,490
144	Interprogram due from	18,486	5,042	0	343	0	2,673	0	0	0	105	26,649
150	TOTAL CURRENT ASSETS	2,837,436	2,506,343	0	36,334	264,924	338,309	0	0	0	105	5,986,451
NONCURRENT ASSETS:												
Fixed assets:												
161	Land	70,000	2,471,310	0	0	0	0	0	0	0	0	2,541,310
162	Buildings	3,209,447	26,586,878	0	0	0	0	361,023	0	0	0	30,157,348
163	Furniture, equipment & machinery – dwellings	9,399	1,730,859	0	0	0	0	0	0	0	0	1,740,258
164	Furniture, equipment & machinery – administration	20,679	784,515	0	0	9,419	29,469	15,493	0	0	0	859,575
166	Accumulated depreciation	-1,811,017	-19,346,273	0	0	-1,442	-22,016	-14,616	0	0	0	-21,195,364
167	Construction in progress	103,190	0	0	0	0	0	913,532	0	3,527	0	1,020,249
160	Total Fixed Assets – Net Accum. Deprct.	1,601,698	12,227,289	0	0	7,977	7,453	1,275,432	0	3,527	0	15,123,376
180	TOTAL NONCURRENT ASSETS	1,601,698	12,227,289	0	0	7,977	7,453	1,275,432	0	3,527	0	15,123,376
190	TOTAL ASSETS	\$4,439,134	\$14,733,632	\$0	\$36,334	\$272,901	\$345,762	\$1,275,432	\$0	\$3,527	\$105	\$21,106,827

Jefferson Metropolitan Housing Authority
 Combined Balance Sheet
 FDS Schedule Submitted To REAC
 Proprietary Fund Type – Enterprise Fund
 December 31, 2001

FDS Line Item No.	Account Description	Business Activity Gaylor Tower	Low Rent Public Housing	Drug Elimination Program	New Construction Program	Section 8 Voucher Program	Section 8 Certificate Program	Comp Grant Program	EC and Support Program	Capital Fund	State / Local	TOTAL
LIABILITIES AND EQUITY:												
LIABILITIES												
CURRENT LIABILITIES												
311	Bank Overdraft	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,657	\$1,657
312	Accounts payable < 90 days	24,132	60,198	0	0	0	0	0	0	0	0	84,330
321	Accrued wages and payroll taxes payable	8,943	70,137	0	738	7,278	0	0	0	0	82	87,178
322	Accrued compensated absences	47,799	159,743	0	5,262	57,320	0	0	0	0	547	270,671
325	Accrued Interest Payable	9,423	0	0	0	0	0	0	0	0	0	9,423
331	Accounts payable - HUD PHA program	0	56	0	466	0	0	0	0	0	0	522
341	Tenant security deposit	17,667	84,681	0	0	49,170	0	0	0	0	0	151,518
342	Deferred revenue	0	81	0	0	0	0	0	0	0	0	81
343	Current Portion of Long-Term Debt	180,000	0	0	0	0	0	0	0	0	0	180,000
345	Other current liabilities	706	941	0	0	0	0	0	0	0	0	1,647
346	Accrued Liability Other	0	25,693	0	0	0	0	0	0	0	0	25,693
347	Interprogram due to	1,282	21,607	0	0	3,760	0	0	0	0	0	26,649
310	TOTAL CURRENT LIABILITIES	289,952	423,137	0	6,466	117,528	0	0	0	0	2,286	839,369
NONCURRENT LIABILITIES												
351	Long-Term Debt, Net of Current Portion	1,610,000	0	0	0	0	0	0	0	0	0	1,610,000
350	TOTAL NONCURRENT LIABILITIES	1,610,000	0	0	0	0	0	0	0	0	0	1,610,000
300	TOTAL LIABILITIES	1,899,952	423,137	0	6,466	117,528	0	0	0	0	2,286	2,449,369
EQUITY:												
504	Net HUD PHA contributions	0	12,118,020	0	0	0	0	0	0	0	0	12,118,020
507	Other contributions	0	0	0	0	0	0	0	0	0	0	0
508	Total contributed capital	0	12,118,020	0	0	0	0	0	0	0	0	12,118,020
512	Undesignated fund balance/retained earnings	2,539,182	2,192,475	0	29,868	155,373	345,762	1,275,432	0	3,527	-2,181	6,539,438
513	TOTAL EQUITY	2,539,182	14,310,495	0	29,868	153,373	345,762	1,275,432	0	3,527	-2,181	18,657,458
600	TOTAL LIABILITIES AND EQUITY	\$4,439,134	\$14,733,632	\$0	\$36,334	\$272,901	\$345,762	\$1,275,432	\$0	\$3,527	\$105	\$21,106,827

Jefferson Metropolitan Housing Authority
Combining Statement of Revenue, Expenses and Change In Retained Earnings
FDS Schedule Submitted to REAC
Proprietary Fund Type – Enterprise Fund
For The Year Ended December 31, 2001

FDS Line Item No.	Account Description	Business Activity Gaylor Tower	Low Rent Public Housing	Drug Elimination Program	New Construction Program	Section 8 Voucher Program	Section 8 Certificate Program	Comp Grant Program	EC and Support Program	Capital Fund	State / Local	TOTAL
REVENUE:												
703	Net tenant rental revenue	\$227,970	\$876,037	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,104,007
704	Tenant revenue - other	0	10,265	0	0	0	0	0	0	0	0	10,265
706	HUD PHA operating grants	0	1,612,402	221,711	395,405	2,118,178	111,924	115,311	27,974	434,501	0	5,037,406
706.1	Capital Grant	0	0	0	0	0	0	913,532	0	3,527	0	917,059
708	Other Governmental Grants	487,795	0	0	0	0	0	0	0	0	40,083	527,878
711	Investment income - unrestricted	147,361	103,760	0	1,494	12,464	8,969	0	0	0	0	274,048
714	Fraud recovery	0	0	0	0	170	50	0	0	0	0	220
715	Other revenue	20,444	317,876	0	0	0	0	0	0	0	0	338,320
716	Gain/loss on sale of fixed assets	0	2,000	0	0	0	0	0	0	0	0	2,000
700	TOTAL REVENUE	883,570	2,922,340	221,711	396,899	2,130,812	120,943	1,028,843	27,974	438,028	40,083	8,211,203
EXPENSES:												
Administrative:												
911	Administrative salaries	141,001	507,392	0	17,041	159,581	8,399	0	0	0	2,018	835,432
912	Auditing fees	2,300	6,626	0	353	1,767	88	0	0	0	0	11,134
914	Compensated absences	7,858	48,764	0	2,487	28,500	0	0	0	0	182	87,791
915	Employee benefit contributions- administrative	56,400	106,972	0	6,816	63,832	3,360	0	0	0	807	238,187
916	Other operating- administrative	26,236	144,868	84,577	6,000	48,312	2,281	115,311	27,974	434,501	970	891,030
924	Tenant Services - Other	0	440	0	0	0	0	0	0	0	0	440
Utilities:												
931	Water	10,507	79,503	0	0	0	0	0	0	0	0	90,010
932	Electricity	51,233	157,732	0	0	0	0	0	0	0	0	208,965
933	Gas	7,763	204,772	0	0	0	0	0	0	0	0	212,535
938	Other utilities	11,648	87,383	0	0	0	0	0	0	0	0	99,031
Ordinary maintenance & operation:												
941	Ordinary maintenance and operations - labor	88,256	430,940	0	0	0	0	0	0	0	0	519,196
942	Ordinary maintenance and operations - materials and other	47,468	181,186	0	0	1,326	874	0	0	0	0	230,854
943	Ordinary maintenance and operations - contract costs	65,692	397,525	0	0	652	30	0	0	0	0	463,899
945	Employee Benefit Contribution – Ordinary Maintenance	35,303	91,124	0	0	0	0	0	0	0	0	126,427
952	Protective services - other contract costs	0	0	137,134	0	0	0	0	0	0	0	137,134

Jefferson Metropolitan Housing Authority
Combining Statement of Revenue, Expenses and Change In Retained Earnings
FDS Schedule Submitted to REAC
Proprietary Fund Type – Enterprise Fund
For The Year Ended December 31, 2001

FDS Line Item No.	Account Description	Business Activity Gaylor Tower	Low Rent Public Housing	Drug Elimination Program	New Construction Program	Section 8 Voucher Program	Section 8 Certificate Program	Comp Grant Program	EC and Support Program	Capital Fund	State / Local	TOTAL
	General expenses:											
961	Insurance premiums	\$13,039	\$93,541	\$0	\$1,701	\$3,968	\$567	0	0	0	567	113,383
962	Other general expenses	1,731	0	0	0	0	0	0	0	0	0	1,731
963	Payments in lieu of taxes	14,682	25,693	0	0	0	0	0	0	0	0	40,375
964	Bad Debt – Tenant Rent	1,082	11,371	0	0	0	0	0	0	0	0	12,453
967	Interest Expense	117,115	0	0	0	0	0	0	0	0	141	117,256
969	TOTAL OPERATING EXPENSES	699,314	2,575,832	221,711	34,398	307,938	15,599	115,311	27,974	434,501	4,685	4,437,263
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	184,256	346,508	0	362,501	1,822,874	105,344	913,532	0	3,527	35,398	3,773,940
971	Extraordinary maintenance	0	29,674	0	0	0	0	0	0	0	0	29,674
973	Housing assistance payments	0	0	0	368,565	1,830,054	99,690	0	0	0	36,412	2,334,721
974	Depreciation expense	83,974	927,379	0	0	1,442	5,625	0	0	0	0	1,018,420
900	TOTAL EXPENSES	783,288	3,532,885	221,711	402,963	2,139,434	120,914	115,311	27,974	434,501	41,097	7,820,078
1000	EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) EXPENSES	100,282	-610,545	0	-6,064	-8,622	29	913,532	0	3,527	-1,014	391,125
1101	Capital outlay enterprise fund	0	0	0	0	0	0	0	0	0	0	0
1103	Beginning equity	0	15,814,067	0	37,207	163,530	345,651	704,598	0	0	-1,167	17,063,886
1104	Prior period adjustments and equity transfers	2,438,900	-893,027	0	-1,275	465	82	-342,698	0	0	0	1,202,447
	ENDING RETAINED EARNINGS	\$2,539,182	\$14,310,495	\$0	\$29,868	\$155,373	\$345,762	\$1,275,432	\$0	\$3,527	\$-2,181	\$18,657,458

Jefferson Metropolitan Housing Authority
Combining Statement of Revenue, Expenses and Change In Retained Earnings
FDS Schedule Submitted to REAC
Proprietary Fund Type – Enterprise Fund
For The Year Ended December 31, 2001

FDS Line Item No.	Account Description	Business Activity Gaylor Tower	Low Rent Public Housing	Drug Elimination Program	New Construction Program	Section 8 Voucher Program	Section 8 Certificate Program	Comp Grant Program	EC and Support Program	Capital Fund	State / Local	TOTAL
MEMO ACCOUNT INFORMATION:												
1112	Depreciation "add back"	83,974	927,379	0	0	1,442	5,625	0	0	0	0	1,018,420
1113	Maximum annual contributions commitment (per ACC)	0	0	0	456,168	2,647,368	111,924	0	0	0	0	3,215,460
1114	Prorata maximum annual contributions applicable to a Period of less than Twelve Months	0	0	0	0	4,207	0	0	0	0	0	4,207
1115	Contingency reserve, ACC program reserve	0	0	0	587,152	221,225	0	0	0	0	0	808,377
1116	Total annual contributions available	0	0	0	1,043,320	2,872,800	111,924	0	0	0	0	4,028,044
1120	Unit months available	1,200	9,372	0	1,104	9,516	300	0	0	0	180	21,672
1121	Number of unit months leased	1,175	8,648	0	1,023	6,914	300	0	0	0	137	18,197

Jefferson Metropolitan Housing Authority
PHA's Statement and Certification of Actual Modernization Cost
December 31, 2001

Comprehensive Grant Program Number OH12P01470798

1. The Actual Modernization Costs are as follows:

Operation	\$ 126,957
Management Improvement	176,201
Administration	40,000
Fees and Costs	100,296
Site Improvement	85,955
Dwelling Structures	682,767
Dwelling Equipment	<u>57,395</u>
 TOTAL EXPENSES	 <u>\$1,269,571</u>
 TOTAL RECEIPTS	 <u>\$1,269,571</u>

2. All costs have been paid and there are no outstanding obligations.
3. The actual modernization cost certification was signed and filed on December 26, 2001.
4. The final costs on the certification agree to the Authority's records.

Jefferson Metropolitan Housing Authority
PHA's Statement and Certification of Actual Drug Elimination Costs
December 31, 2001

Drug Elimination Program Number OH12DEP0140199

1. The Program Costs are as follows:

Funds Approved	\$173,313
Funds Expended	<u>173,313</u>
Excess (Deficiency) of Funds Approved	<u><u>\$ -0-</u></u>
Funds Advanced	\$173,313
Funds Expended	<u>173,313</u>
Excess (Deficiency) of Funds Advanced	<u><u>\$ -0-</u></u>

2. All costs have been paid and there are no outstanding obligations.
3. The Final Financial Status Report was signed and filed on November 30, 2001.
4. The final costs on the certification agree to the Authority's records.

Jefferson Metropolitan Housing Authority
PHA's Statement and Certification of Actual Elderly Service Coordinator Grant Costs
December 31, 2001

EDSS Elderly Service Coordinator Grant Number OH12PS99023

5. The Program Costs are as follows:

Funds Approved	\$30,000
Funds Expended	<u>30,000</u>
Excess (Deficiency) of Funds Approved	<u><u>\$ -0-</u></u>
Funds Advanced	\$30,000
Funds Expended	<u>30,000</u>
Excess (Deficiency) of Funds Advanced	<u><u>\$ -0-</u></u>

6. All costs have been paid and there are no outstanding obligations.
7. The Final Financial Status Report was signed and filed on January 2, 2002.
8. The final costs on the certification agree to the Authority's records.

Jefferson Metropolitan Housing Authority
Schedule of Expenditure of Federal Award
For the Year Ended December 31, 2001

FEDERAL GRANTOR / PASS THROUGH GRANTOR PROGRAM TITLES	CFDA NUMBER	EXPENDITURES
U.S. Department of Housing and Urban Development Direct Program		
Low Rent Public Housing	14.850a	\$ 1,612,402
Public Housing – Comprehensive Grant Program	14.859	1,028,843
Drug Elimination Program	14.854	221,711
Economic Development and Supportive Services	14.864	27,974
Section 8 Tenant Based Cluster:		
Section 8 Rental Voucher Program	14.855	2,118,178
Section 8 Rental Certificate Program	14.857	<u>111,924</u>
Total Section 8 Tenant Based Cluster		<u>2,230,102</u>
Section 8 Project Based Cluster:		
New Construction Program	14.182	<u>395,405</u>
Total Section 8 Project Based Cluster		<u>395,405</u>
Public Housing Capital Fund Program	14.872	<u>438,028</u>
Total Expenditure of Federal Award		<u><u>\$5,954,465</u></u>

8025 Corporate Circle, Suite 4
North Royalton, Ohio 44133
Phone: (440) 886-0482
Fax: (440) 886-0585

SALVATORE CONSIGLIO, CPA, INC. E-mail: sconsiglio@aol.com

**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
Jefferson Metropolitan Housing Authority

Regional Inspector General of Audit
Department of Housing and Urban
Development

I have audited the general purpose financial statements of the Jefferson Metropolitan Housing Authority, Ohio, as of and for the year ended December 31, 2001, and have issued my report thereon dated May 3, 2002. I conducted my audit in accordance with auditing standards generally accepted in the United State 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 Jefferson Metropolitan Housing Authority, Ohio's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Jefferson Metropolitan Housing Authority, Ohio's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal component does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation the

financial statements being auditing may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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



Salvatore Consiglio, CPA, Inc.

May 3, 2002

8025 Corporate Circle, Suite 4
North Royalton, Ohio 44133
Phone: (440) 886-0482
Fax: (440) 886-0585

SALVATORE CONSIGLIO, CPA, INC. E-mail: sconsiglio@aol.com

**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
Jefferson Metropolitan Housing Authority

Regional Inspector General of Audit
Department of Housing and Urban
Development

Compliance

I have audited the compliance of the Jefferson Metropolitan Housing Authority, Ohio, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2001. Jefferson Metropolitan Housing Authority, Ohio major federal programs are identified in the Summary of Auditor's result 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 Jefferson Metropolitan Housing Authority, Ohio's management. My responsibility is to express an opinion on Jefferson Metropolitan Housing Authority, Ohio's compliance based on my audit.

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

In my opinion, Jefferson Metropolitan Housing Authority, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2001.

Internal Control Over Compliance

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

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

This report is intended for the information of the Board of Directors, management, and federal awarding agencies and is not intended to be and should not be used by anyone other than those specified parties.



Salvatore Consiglio, CPA, Inc.

May 3, 2002

Jefferson Metropolitan Housing Authority
 Schedule of Findings and Questioned Costs
 OMB Circular A-133 § .505
 December 31, 2001

1. SUMMARY OF AUDITOR'S RESULTS
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Type of Financial Statement Opinion	Unqualified
Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
Were there any material internal control weakness conditions reported for major federal programs?	No
Were there any other reportable internal control weakness conditions reported for major federal programs?	No
Type of Major Programs' Compliance Opinion	Unqualified
Are there any reportable findings under § .510?	No
Major Programs (list):	CFDA #14.850; 14.856; 14.855 and 14.857; 14.859; and 14.872
Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All Others
Low Risk Auditee?	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
--

There are no Findings or questioned costs for the year ended December 31, 2001.

3. FINDINGS REALTED TO FEDERAL AWARDS
--

There are no Findings or questioned costs for the year ended December 31, 2001.

Jefferson Metropolitan Housing Authority
Schedule of Prior Audit Findings
December 31, 2001

The audit report for the fiscal year ending December 31, 2000 contained not audit finding.



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

JEFFERSON METROPOLITAN HOUSING AUTHORITY

JEFFERSON 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
SEPTEMBER 17, 2002**