HANCOCK METROPOLITAN HOUSING AUTHORITY

AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2004

Auditor of State
Betty Montgomery

Board of Commissioners
Hancock Metropolitan Housing Authority
604 Lima Avenue
Findlay, Ohio 45840

We have reviewed the Independent Auditor's Report of the Hancock Metropolitan Housing Authority, Hancock County, prepared by James G. Zupka, CPA, Inc. for the audit period January 1, 2004 through December 31, 2004. 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 Hancock Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

September 29, 2005

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HANCOCK METROPOLITAN HOUSING AUTHORITY
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2004

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Board of Trustees
Hancock Metropolitan Housing Authority
Findlay, Ohio

Regional Inspector General for Audit
U.S. Department of Housing and
Urban Development

We have audited the accompanying financial statements of the Hancock Metropolitan Housing Authority, Ohio (the Authority), as of and for the year ended December 31, 2004, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Hancock Metropolitan Housing Authority, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, during the year ended December 31, 2004, the Authority implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for States and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2005 on our consideration of the Hancock Metropolitan Housing Authority, Ohio's internal control over financial reporting and on our reports of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. 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.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

James G. Zupka, CPA, Inc.
Certified Public Accountants

June 13,2005

The Hancock Metropolitan Housing Authority's (the "Authority") management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (it's ability to address the next and subsequent fiscal year challenges), and (d) identify individual fund issues or concerns.

This Management's Discussion and Analysis is new, and will now be presented at the front of each year's financial statements.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

- During 2004, the Authority's net assets increased by $15,421 (or 6.6 percent). Since the Authority engages only in business-type activities, the increase is all in the category of business-type net assets. Net assets were $248,611 and $233,190 for fiscal years 2004 and 2003, respectively.

- The revenue increased by $581,234 (or 26.2 percent) during 2004, and was $2,800,577 and $2,219,343 for 2004 and 2003, respectively.

- The total expenses of the Authority increased by $622,608 (or 28.8 percent) during 2004. Expenses were $2,785,156 and $2,162,548 for 2004 and 2003, respectively.

The primary focus of the Authority's financial statements (summarized fund-type information) has been discarded. The new and clearly preferable focus is on both the Authority - as a whole (Authority-wide) and the major individual funds. Both perspectives (authority-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the Authority's accountability.

AUTHORITY-WIDE FINANCIAL STATEMENTS

The Authority-wide financial statements (see pages 9-11) are designed to be corporate-like in that all business type activities are consolidated into columns, which add to a total for the entire Authority.

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

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

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

Restricted Net Assets
This component of net assets consists of restricted assets, when constraints are placed on the assets by creditors (such as debt covenants), grantors, contributors, laws, regulations, contracts, and grant agreements.

Unrestricted Net Assets
Consists of net assets that do not meet the definition of "Net Assets Invested in Capital Assets, Net of Related Debt", or "Restricted Net Assets".

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Assets (similar to an income Statement). This statement includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, and maintenance, and depreciation, and non-operating revenue and expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Assets is the "Change of Net Assets", which is similar to net income or loss.

Finally, the Statement of Cash Flows (see page 11) is included which discloses net cash provided by or used for operating activities, non-capital financing activities and from capital and related financing activities.

FUND FINANCIAL STATEMENTS

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds. Enterprise funds utilize the full accrual basis of accounting. The enterprise method of accounting is similar to accounting utilized by the private sector accounting.

Many of the funds maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

THE AUTHORITY'S FUNDS

Business Type Funds

The Housing Choice Voucher Program
Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30 percent of adjusted household income.

Other Non-Major Funds
In addition to the major funds above, the Authority also maintains the following non-major funds. Non-major funds are defined as funds that have assets, liabilities, revenues, or expenses of at least 5 percent or more of the 30 percent of the Authority's total assets, liabilities, revenues or expenses.

State/Local activities represent non-HUD resources developed from a variety of activities.

AUTHORITY-WIDE STATEMENT

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets compared to prior year. The Authority in engaged only in business-type activities.

Table 1 - Statement of Net Assets

	2004	2003
Current and Other Assets	$ 507,702	$ 553,304
Capital Assets	3,419	4,761
Total Assets	511,121	558,065
Current Liabilities	188,830	251,966
Non-Current Liabilities	73,680	72,909
Total Liabilities	262,510	324,875
Net Assets:		
Invested in Capital Assets, Net of Related Debt	3,419	4,761
Unrestricted	245,192	228,429
Total Net Assets	$ 248,611	$ 233,190

For more detailed information see page 9 for Statement of Net Assets

Major Factors Affecting the Statement of Net Assets

Current assets (primarily cash and investments) were decreased by $42,087 in fiscal year 2004 and liabilities decreased by $135,050. The continued lease-up balanced against the requisitioned HUD funds to stay within the allowable 5 percent of HUD funds on hand. Thus, cash and liabilities decreased for 2004.

Table 2 - Changes of Unrestrictive Net Assets

Unrestricted Net Assets December 31, 2003		$ 228,429
Results of Operations	$ 15,421	
Adjustments:		
Depreciation (1)	2,236	
Adjusted Results from Operations		17,657
Capital Expenditures		(894)
Unrestricted Net Assets December 31, 2004		$ 245,192

(1) Depreciation is treated as an expense and reduces the results of operations but does not have an impact an impact on unrestricted net assets.

While the result of operations is a significant measure of the Authority's activities, the analysis of the changes in unrestricted net assets provides a clearer change in financial well-being.

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in business-type activities.

Table 3 - Statement of Revenues, Expenses and Changes in Net Assets

	2004	2003
Revenues:		
HUD PHA Operating Grants	$ 2,765,877	$2,188,307
Other Revenues	7,554	4,351
Other Government Grants	25,000	25,000
Investment Income	2,146	1,685
Total Revenues	2,800,577	2,219,343
Expenses:		
Administrative	320,426	299,412
Maintenance	9,917	3,089
General	3,077	2,306
Housing Assistance Payments	2,449,500	1,854,842
Depreciation	2,236	2,899
Total Expenses	2,785,156	2,162,548
Net Increase/(Decrease)	$ 15,421	$ 56,795

Major Factors Affecting the Statement of Revenue, Expenses and Changes in Net Assets

HUD PHA Grants increased due to the changes in HUD funding beginning in January, 2004. As instructed by HUD the Authority took what measures they could increasing minimum rents to decrease their average HAP payments. The Authority's leasing units months increased by 2,081 with a total of 8,430 (90.1 percent leasing rate) in 2004 and 6,349 (79.5 percent) in 2003.

Annual increases and staffing changes during the fiscal year 2004 contributed to the increase of $26,654 in the Administrative Expense category.

Most other expenses increased moderately due to inflation. Depreciation decreased because assets became fully depreciated during the fiscal year 2004.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2004, the Authority had $3,419 invested in capital assets as reflected in the following schedule, which represents a net decrease (addition, deductions, and depreciation).

Table 4 - Capital Assets at Year-End (Net of Depreciation)

	Business-Type Activities	
	2004	2003
Equipment - Administrative	$ 15,448	$ 14,554
Accumulated Depreciation	(12,029)	(9,793)
Total	$ 3,419	$ 4,761

The following reconciliation summarizes the change in capital assets.

Table 5 - Change in Capital Assets

Beginning Balance	$ 4,761
Additions	894
Dispositions	0
Depreciation	(2,236)
Ending Balance	$ 3,419

The Authority did not have any outstanding debt at December 31, 2004 and 2003.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recession and employment trends, which affect resident incomes and therefore the amount of housing assistance
- Inflationary pressure on utility rates, supplies, and other costs.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Linda Trapp, Executive Director, the Hancock Metropolitan Housing Authority, at 419-424-7279. Specific requests may be submitted to the Authority at 604 Lima Avenue, Findlay, Ohio 45840.

HANCOCK METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2004

Assets	
Current Assets:	
Cash and Cash Equivalents	$ 413,884
Receivables, Net	32,358
Prepaid Expenses and Other Assets	976
Total Current Assets	447,218
Non-Current Assets:	
Restricted Cash and Cash Equivalents	60,463
Capital Assets:	
Building and Equipment	15,448
Less Accumulated Depreciation	(12,029)
Capital Assets, Net	3,419
Other Non-Current Assets	21
Total Non-Current Assets	63,903
TOTAL ASSETS	$ 511,121
Liabilities	
Current Liabilities:	
Accounts Payable	21,031
Accrued Liabilities	8,924
Intergovernmental Payables	158,875
Total Current Liabilities	188,830
Non-Current Liabilities:	
Accrued Compensated Absences Non-Current	26,205
Non-Current Liabilities - Other	47,475
Total Non-Current Liabilities	73,680
TOTAL LIABILITIES	262,510
Net Assets	
Invested in Capital Assets, Net of Related Debt	3,419
Unrestricted Net Assets	245,192
TOTAL NET ASSETS	$ 248,611

See accompanying notes to the basic financial statements.

HANCOCK METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

Operating Revenues	
Government Operating Grants	$ 2,790,877
Other Revenue	7,554
Total Operating Revenues	2,798,431
Operating Expenses	
Administrative	316,901
Utilities	3,525
Maintenance	9,917
General	3,077
Housing Assistance Payment	2,449,500
Total Operating Expenses Before Depreciation	2,782,920
Depreciation	2,236
Total Operating Expenses	2,785,156
Operating Income	13,275
Non-Operating Revenues (Expenses)	
Interest and Investment Revenue	2,146
Total Non-Operating Revenues (Expenses)	2,146
Income Before Contributions and Transfers	15,421
Change in Net Assets	15,421
Total Net Assets - Beginning of Year	233,190
Net Assets - End of Year	$ 248,611

See accompanying notes to the basic financial statements.

HANCOCK METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2004

Cash Flows from Operating Activities	
Cash Received from HUD	$ 2,735,893
Cash Received from Other	2,403
Cash Received for FSS Program	1,369
Cash Payments for Housing Assistance	(2,449,500)
Cash Payments fro Operating Expenses	(337,920)
Net Cash Provided by Operating Activities	(47,755)
Cash Flows from Investing Activities	
Interest Received	2,146
Purchase of Capital Assets	(894)
Net Cash Provided by Investing Activities	1,252
Net (Decrease) in Cash and Cash Equivalents	(46,503)
Cash and Cash Equivalents, Beginning	460,387
Cash and Cash Equivalents, Ending	$ 413,884
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$ 13,275
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	2,236
Increase (Decrease) in:	
Accounts Receivable	(5,151)
FSS Deposits	(607)
(Increase) Decrease in:	
Accounts Payable	4,713
FSS Program Liability	1,976
Intergovernmental Payables	(54,984)
Accrued Liabilities	(9,213)
Net Cash Provided by Operating Activities	$ (47,755)

See accompanying notes to the basic financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

Organization

The Hancock Metropolitan Housing Authority (HMHA) is a political subdivision of the State of Ohio, located in Findlay, Ohio, created under Section 3735.27 of the Ohio Revised Code, to engage in the acquisition, development, leasing and administration of low-rent housing program. An Annual Contributions Contract was signed by the HMHA and 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, via the Section 8 Housing Choice Voucher Program. Based on the criteria established by Governmental Accounting Standards Board (GASB) codification 2100, there are no component units to be included with the reporting entity.

Basis of Accounting

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles, as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. 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. The Authority has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

Machinery, Furnishings, and Equipment

Machinery, furnishings, and equipment are recorded at cost, over the useful life using the straight-line method. Total depreciation expense for the 2004 calendar year was $2,236.

Accounting and Reporting for Nonexchange Transactions

The Authority adopted GASB Statement No. 33. *Accounting and Financial Reporting for Nonexchange Transactions* and GASB Statement No. 36, *Recipient for Certain Shared Nonexchange Revenues*, effective for the year ended December 31, 2001.

Cash and Cash Equivalents

For purposes of the statement of cash flows and for presentation of the balance sheet, cash and cash equivalents consist principally of checking and savings accounts.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates

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

Prepaid Items
Payments made to vendors for services that will benefit periods beyond December 31, 2004, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Compensated Absences
Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation are attributable to services already rendered and its probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination method. The liability is based on an estimate of the amount of accumulated sick leave that will probably be paid as termination benefits.

The current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid.

Financial Statement Format and Content
The format and content of the financial statements included in this report conforms to the format and content submitted to the U.S. Department of Housing and Urban Development, via the Real Estate Assessment Center.

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

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.

Change in Accounting Policies
Effective January 1, 2004, the Authority adopted the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* as amended by GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*, and Statement No. 38, *Certain Financial Statement Disclosure.*

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

Change in Accounting Policies (Continued)
GASB Statement No. 34 establishes financial reporting standards for all state and local governments and related entities. GASB Statement No. 34 primarily relates to presentation and disclosure requirements. The impact of this accounting change was related to the format of the financial statements, presentation of net assets, the inclusion of Management's Discussion and Analysis, additional disclosures for capital assets, and the preparation of the statements of cash flows on the direct method.

GASB Statement No. 37 clarifies certain provisions of Statement No. 37, including the required content of the MD&A, the classification of program revenues, and the criteria for determining major funds. GASB Statement No. 38 modifies, establishes, and rescinds certain financial statement note disclosures. There was no impact on prior year net assets.

NOTE 2: **DEPOSITS 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.

Investments consist of certificates of deposit and repurchase agreements maturing in seven days or less. Both investments are readily converted into cash but are separated from cash to indicate the intent of management to invest these funds on a long term basis. We have combined cash and investments for purposes of information about deposits held by the Authority.

Governmental Accounting Standards Board Statement No. 3 has established custodial credit risk categories for deposits and investments as follows:

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

Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.

NOTE 2: **DEPOSITS AND INVESTMENTS** (Continued)

Deposits (Continued)

Category 3 Uncollateralized as defined by the GASB (securities pledged with the pledging financial institution's trust department or agent, but not in the Authority's name).

Investments

Category 1 Insured or registered or securities held by the Authority or its agent in the Authority's name.

Category 2 Uninsured and unregistered with securities held by the counterparty's trust department or agent in the Authority's name.

Category 3 Uninsured and unregistered with securities held by the counterparty or by its trust department or agent but not in the Authority's name.

Deposits - At year end, the carrying amount of the Authority's deposits was $474,247 and the bank balance was $501,762, the difference representing outstanding checks and other in-transit items. Included in those amounts is restricted cash held in a savings account for Family Self-Sufficiency Program participants. Of the bank balance, $100,000 was covered by Federal depository insurance. The remainder was secured by pooled collateral to secure public fund deposits.

A reconciliation of cash and investments as shown on the combined balance sheet follows:

GASB Statement No. 9	
Cash and Cash Equivalents	$ 474,247
Investments	0
Total	$ 474,247
GASB Statement No. 3	
Carrying amounts of deposits	$ 474,247
Carrying amount of investments	0
Total	$ 474,247

Cash on Hand

The Authority had $100 in undeposited cash on hand which is included on the balance sheet of the Authority as part of "Cash and Cash Equivalents".

NOTE 3: **CAPITAL ASSETS**

A summary of capital assets at December 31, 2004 by class is as follows:

	01/01/04 Balance	Additions	Deletions	12/31/04 Balance
Furniture and Equipment	$ 14,554	$ 894	0	15,448
Total	14,554	894	0	15,448
Accumulated Depreciation	(9,793)	(2,236)	0	(12,029)
Capital Assets, Net	$ 4,761	$ (1,342)	$ 0	$ 3,419

NOTE 4: **INSURANCE COVERAGE**

The Authority maintains comprehensive insurance coverage with private carriers for general liability, health, and building contents. Limits of coverage provided are as follows:

General Liability	$2,000,000
Directors and Officers' Liability	$2,000,000
Non-Owned Auto Liability	$2,000,000
Building Contents	$ 13,500

There were no significant changes in commercial coverage in 2004. Settled claims have not exceeded insurance coverage during the past 3 years.

NOTE 5: **PENSION PLAN**

Ohio Public Employees Retirement System
All Authority full-time employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans, as described below:

- The Traditional Pension Plan (TP) - a cost-sharing multiple-employer defined benefit pension plan;

- The Member-Directed Plan (MD) - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings;

NOTE 5: **PENSION PLAN** (Continued)

Ohio Public Employees Retirement System (Continued)

- The Combined Plan (CO) - a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor, and death benefits and annual cost of living adjustments to members of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by State statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6701 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2004, member and employer contribution rates were consistent across all three plans (TP, MD, and CO). Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The employer pension contribution rate for the Authority was 13.55 percent of covered payroll. The Authority's required contributions to OPERS for the years ended December 31, 2004, 2003, and 2002 were $25,516, $23,501, and $18,799, respectively.

NOTE 6: **POST-EMPLOYMENT BENEFITS**

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available with both the Traditional and the Combined Plan; however, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. 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 OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2004 employer contribution rate was 13.55 percent of covered payroll, 4 percent was the portion that was used to fund health care for 2004.

NOTE 6: **POST-EMPLOYMENT BENEFITS** (Continued)

Ohio Public Employees Retirement System (Continued)
Benefits are advance-funded using the entry age normal actuarial cost method of valuation. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.30 percent based on additional annual pay increases. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1 percent to 6 percent for the next 8 years. In subsequent years (9 and beyond) health care costs were assumed to increase at 4 percent (the projected wage inflation rate).

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.

At December 31, 2004, the number of active contributing participants in the Traditional Pension and Combined Plans totaled 369,885. The Authority's annual contributions for 2004 used to fund postemployment benefits were $7,532. The actual contribution and the actuarially required contribution amounts are the same. OPERS' net assets available for payment of benefits at December 31, 2003 (the latest information available) were $10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were $26.9 billion and $16.4 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

NOTE 7: **COMPENSATED ABSENCES** (Continued)

Vacation and sick leave policies are established by the Board of Commissioners based on local and state laws.

All employees earn .0575 hours of sick leave for every hour of service, subject to a maximum of 15 days of sick leave per year. Unused sick leave may accumulate without limit. An employee with at least 10 years of service to the Authority who dies or retires under the provisions of OPERS and who was hired by the Authority prior to March 10, 1994, shall be paid for two-thirds (2/3) of accumulated sick leave to their credit, not to exceed 120 days, as of the date of their separation or death. Those employees hired on or after March 10, 1994, shall be paid for one-fourth (1/4) of accumulated sick leave to their credit, not to exceed 30 days, as of the date of their separation. All full-time and permanent part-time employees earn vacation leave based on length of service. Vacation leave earned as of the employee's anniversary date must be used within 12 months of that date, subject to exceptions outlined in the policy.

At December 31, 2004, based on the vesting method, $26,205 was accrued by the Authority for unused vacation and sick leave. All unused leave is considered non-current.

NOTE 8: **CONSTRUCTION AND OTHER COMMITMENTS**

The Authority had no material operating lease commitments or material capital or construction commitments at December 31, 2004.

NOTE 9: **LITIGATION**

The Authority is party to various legal proceedings. In the opinion of the Authority, the ultimate disposition of these proceedings will not have a material effect on the Authority's financial position. No provision has been made to the financial statements for the effect, if any, of such contingencies.

NOTE 10: **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Hancock Metropolitan Housing Authority and is presented on the accrued basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

HANCOCK METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2004

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Housing Assistance Payments			
Section 8 - Housing Choice Voucher Program	14.871	OH082VO C-5520-V	$ 2,765,877
Total U.S. Department of Housing and Urban Development			2,765,877
TOTAL FEDERAL FINANCIAL ASSISTANCE			$ 2,765,877

This schedule is prepared on the accrual basis of accounting.

HANCOCK METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
BALANCE SHEET BY PROGRAM
DECEMBER 31, 2004

Line Item No.	Account Description	Housing Choice Vouchers	State/Local	Total
ASSETS				
111	Cash - Unrestricted	$364,228	$49,656	$413,884
113	Cash - Other Restricted	$60,463	$0	$60,463
100	Total Cash	$424,691	$49,656	$474,347
125	Accounts Receivable - Miscellaneous	$1,157	$0	$1,157
126.2	Allowance for Doubtful Accounts - Other	$0	$0	$0
127	Notes, Loans, & Mortgages Receivable - Current	$0	$31,201	$31,201
120	accounts	$1,157	$31,201	$32,358
142	Prepaid Expenses and Other Assets	$976	$0	$976
150	Total Current Assets	$426,824	$80,857	$507,681
164	Furniture, Equipment & Machinery - Administration	$15,448	$0	$15,448
166	Accumulated Depreciation	($12,029)	$0	($12,029)
160	Total Fixed Assets, Net of Accumulated Depreciation	$3,419	$0	$3,419
174	Other Assets	$21	$0	$21
180	Total Non-Current Assets	$3,440	$0	$3,440
190	Total Assets	$430,264	$80,857	$511,121
LIABILITIES				
312	Accounts Payable <= 90 Days	$21,031	$0	$21,031
321	Accrued Wage/Payroll Taxes Payable	$8,924	$0	$8,924
331	Accounts Payable - HUD PHA Programs	$158,875	$0	$158,875
310	Total Current Liabilities	$188,830	$0	$188,830
354	Accrued Compensated Absences - Non Current	$26,205	$0	$26,205
353	Noncurrent Liabilities - Other	$47,475	$0	$47,475
350	Total Noncurrent Liabilities	$73,680	$0	$73,680
300	Total Liabilities	$262,510	$0	$262,510
EQUITY				
508	Total Contributed Capital	$0	$0	$0
508.1	Invested in Capital Assets, Net of Related Debt	$3,419	$0	$3,419
511	Total Reserved Fund Balance	$0	$0	$0
511.1	Restricted Net Assets	$0	$0	$0
512.1	Unrestricted Net Assets	$164,335	$80,857	$245,192
513	Total Equity/Net Assets	$167,754	$80,857	$248,611
600	Total Liabilities and Equity/Net Assets	$430,264	$80,857	$511,121

HANCOCK METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN EQUITY BY PROGRAM
DECEMBER 31, 2004

Line Item No.	Account Description	Housing Choice Vouchers	State/Local	Total
REVENUES				
705	Total Tenant Revenue	$0	$0	$0
706	HUD PHA Operating Grants	$2,765,877	$0	$2,765,877
708	Other Government Grants	$25,000	$0	$25,000
711	Investment Income - Unrestricted	$2,146	$0	$2,146
715	Other Revenue	$7,554	$0	$7,554
700	Total Revenue	$2,800,577	$0	$2,800,577
EXPENSES				
911	Administrative Salaries	$185,782	$0	$185,782
912	Auditing Fees	$10,426	$0	$10,426
915	Employee Benefit Contributions - Administrative	$65,952	$0	$65,952
916	Other Operating - Administrative	$54,741	$0	$54,741
938	Other Utilities Expense	$3,525	$0	$3,525
942	Ordinary Maintenance and Operations - Materials and Other	$9,917	$0	$9,917
961	Insurance Premiums	$2,684	$0	$2,684
966	Bad Debt - Other	$393	$0	$393
969	Total Operating Expenses	$333,420	$0	$333,420
970	Excess Operating Revenue over Operating Expenses	$2,467,157	$0	$2,467,157
973	Housing Assistance Payments	$2,449,500	$0	$2,449,500
974	Depreciation Expense	$2,236	$0	$2,236
900	Total Expenses	$2,785,156	$0	$2,785,156
1010	Total Other Financing Sources (Uses)	$0	$0	$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	$15,421	$0	$15,421

1102	Debt Principal Payments - Enterprise Funds	$0	$0	$0
1103	Beginning Equity	$152,333	$80,857	$233,190
1113	Maximum Annual Contributions Commitment (Per ACC)	$3,013,533	$0	$3,013,533
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	$0	$0	$0
1115	Contingency Reserve, ACC Program Reserve	$554,447	$0	$554,447
1116	Total Annual Contributions Available	$3,567,980	$0	$3,567,980
1120	Unit Months Available	9,360	0	9,360
1121	Number of Unit Months Leased	8,430	0	8,430

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

To the Board of Directors
Hancock Metropolitan Housing Authority
Findlay, Ohio

Regional Inspector General for Audit
Department of Housing and Urban Development

We have audited the basic financial statements of the Hancock Metropolitan Housing Authority (the Authority) as of and for the year ended December 31, 2004, and have issued our report thereon dated June 13, 2005. The Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as of January 1, 2004. This results in a change to the Authority's method of accounting for certain nonexchange revenues and a change in the format and content of the basic financial statements. 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 of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion 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 that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material affect 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings and Questioned Costs as Items 2004-1 and 2004-2..

We also noted certain additional matters that we reported to the management of the Hancock Metropolitan Housing Authority in separate letter dated June 13, 2005.

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

James G. Zupka, CPA, Inc.
Certified Public Accountants

June 13, 2005

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

Board of Trustees
Hancock Metropolitan Housing Authority
Findlay, Ohio

Regional Inspector General of Audit
Department of Housing and Urban Development

Compliance

We have audited the compliance of the Hancock Metropolitan Housing Authority (the Authority) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended December 31, 2004. The Authority's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grant agreements applicable to each of its major Federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with 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 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 Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

As described in Finding 2004-1 in the accompanying Schedule of Findings and Questioned Costs, the Authority did not comply with requirements regarding Reasonable Rent that are applicable to its Section 8 Housing Choice Voucher Program. Compliance with such requirements is necessary, in our opinion, for the Authority to comply with requirements applicable to that program.

As described in Finding 2004-2 in the accompanying Schedule of Findings and Questioned Costs, the Authority did not comply with requirements regarding Reexamining Family Income and Composition that are applicable to its Section 8 Housing Choice Voucher Program. Compliance with such requirements is necessary, in our opinion, for the Authority to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended December 31, 2004.

Internal Control Over Compliance

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

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

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

James G. Zupka CPA, Inc.
Certified Public Accountants

June 13, 2005

HANCOCK METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2004

1. SUMMARY OF AUDITOR'S RESULTS

2004(i)	Type of Financial Statement Opinion	Unqualified
2004(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
2004(ii)	Were there any other reportable control weakness conditions reported at the financial statements level (GAGAS)?	No
2004(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2004(iv)	Were there any material internal control weakness conditions reported for major Federal programs?	No
2004(iv)	Were there any other reportable internal control weakness conditions reported for major Federal programs?	No
2004(v)	Type of Major Programs' Compliance Opinion	Unqualified
2004(vi)	Are there any reportable findings under .510?	No
2004(vii)	Major Programs (list):	Housing Choice Voucher Program CFDA# 14.871
2004(viii)	Dollar Threshold: Type A\B Programs	Type A: >$300,000 Type B: >all others
2004(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

2004-1 - Reasonable Rent

Condition

With regard to the administration of the Section 8 Housing Choice Voucher Program, the Authority does not determine that the rent to owner is reasonable.

Criteria

The March 2004 U.S. Office of Management and Budget Circular *A-133 Compliance Supplement* for the Section 8 Housing Choice Voucher Program identified the following compliance requirements:

> The PHA's administrative plan must state the method used by the PHA to determine that the rent to owner is reasonable in comparison to rent for other comparable unassisted units. The PHA determination must consider unit attributes such as the location, quality, size, unit type, and age of unit, and any amenities, housing services, maintenance, and utilities provided by the owner.
>
> The PHA must determine that the rent to owner is reasonable at the time of the initial leasing. Also, the PHA must determine reasonable rent during the term of the contact: (a) before any increase in the rent to owner; and (b) at the HAP contract anniversary, if there is a five percent decrease in the published Fair Market Rent in effect 60 days before the HAP contract anniversary. The PHA must maintain records to document the basis for the determination that rent to owner is a reasonable rent.

Cause

The Authority's administrative plan does not address the requirement of Reasonable Rent.

Effect

The Authority is in noncompliance with this requirement

Recommendation

We recommend the Authority revise its Administrative Plan for the Section 8 Housing Choice Voucher Program so that it states the method to be used by the Authority to determine that rent to owner is reasonable in comparison to rent for other comparable unassisted units, as required. The Authority should then implement the procedures set forth by the revision to the Administrative Plan to ensure that rent to owner is reasonable.

3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS** (Continued)

2004-1 - Reasonable Rent (Continued)

Corrective Action Plan
The previous method of rent reasonableness was found to be inadequate so the following corrective action plan has been taken, including implementation of a structured rent reasonableness procedures.

An Authority employee attended the June 15, 2005 Rent Reasonableness Seminar sponsored by OHAC. The training was provided by Dennis Morgan of NAHRO. This seminar provided training in rent reasonableness overview, program requirements, comparability, rent control, owner certification of rents charged to other units, documenting the rent reasonableness decision, developing and maintaining the database of unassisted units, staffing the rent reasonableness function, quality control and semap. Groups were formed to work through various aspects of rent reasonableness situations, whereupon the instructor compared the group resolutions as a learning tool.

The seminar materials were then reproduced and three key Authority staff were trained in the recommended rent reasonableness procedures. A point system was found to be too complicated and the staff opted for a system using comparables. A database has been set up and is in use. The Authority will be steadily adding to the database as we obtain appropriate data from local landlords, websites, landlord associations, newspapers, and management companies.

Further, we note that the Authority will be seeking to update its Administrative Plan, but in the meantime is submitting an amendment to the Authority's Board at their next meeting.

3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS** (Continued)

Item 2004-2 - Reexamine Family Income and Composition

Condition
In 2 cases, the Authority was unable to document that they complied with the requirement to reexamine family income and composition for tenant families. In total, 30 tenant files were selected for review to test compliance with various requirements related to providing rental assistance to families under the Section 8 Housing Choice Voucher Program. The Authority was not able to provide tenant family files for 2 of the 30 cases selected for review.

Criteria
The March 2004 U.S. Office of Management and Budget *Circular A-133 Compliance Supplement* for the Section 8 Housing Choice Voucher Program identifies the following compliance requirements:

The PHA must:

- as a condition of admission or continued occupancy, require the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility.
- for both family income examinations and reexaminations, obtain and document in the family file third party verification of: (1) reported family annual income; (2) the value of assets; (3) expenses related to deductions from annual income; and (4) other factors that affect the determination of adjusted income or income-based rent.
- determine income eligibility and calculate the tenant's rent payment using the documentation from third party verification in accordance with 24 CFR Part 5, Subpart F.
- reexamine family income and composition at least once every 12 months and adjust the tenant rent and housing assistance payment as necessary, using the documentation from third party verification.

Cause
Management override of controls.

Effect
The Authority is in noncompliance with this requirement of 2 of 30 tenant family files selected for review.

Recommendation
We recommend that management not override controls in place to ensure that tenant families are reexamined at least once every 12 months, as is required.

3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS** (Continued)

Corrective Action Plan
It is noted that two files were missed. The corrective action plan the Authority will implement is as follows:

- all client files will become the responsibility of the Section 8 Department so all tenant families will be reexamined at least every 12 months, as is required.
- the Authority will research the possibility of purchasing voucher software that would automatically prepare the recertification lists, client recertification letters, landlord letters, follow-up letters, etc. However, cost is certainly an issue this year. At present we are using the HUD FRS freeware which does not provide for letter preparation and follow-up notices. Such software would substantially decrease clerical work and improve productivity.
- the subject files have been made current and turned over to the appropriate persons.

2002 -1 repeated as 2003-1 - Overpayment Due to HUD

Current Status
No longer applicable due to new methods employed by HUD to determine amounts to be advanced to Public Housing Authorities.

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HANCOCK METROPOLITAN HOUSING AUTHORITY

HANCOCK 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
OCTOBER 13, 2005