313 Second St.
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1907 Grand Central Ave.
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104 South Sugar St.
St. Clairsville, OH 43950
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1310 Market Street, Suite 300
Wheeling, WV 26003
304.232.1358

Perry & Associates
Certified Public Accountants, A.C.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWERENCE COUNTY
Single Audit
For the Year Ended September 30, 2016

Dave Yost · Auditor of State

Board of Commissioners
Ironton Metropolitan Housing Authority
720 Washington Street
Ironton, Ohio 45638

We have reviewed the *Independent Auditor's Report* of the Ironton Metropolitan Housing Authority, Lawrence County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period October 1, 2015 through September 30, 2016. 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 Ironton Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Dave Yost

Dave Yost
Auditor of State

May 5, 2017

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IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
FOR THE YEAR ENDED SEPTEMBER 30, 2016

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INDEPENDENT AUDITOR'S REPORT

March 24, 2017

Ironton Metropolitan Housing Authority
Lawrence County
720 Washington Street
Ironton, Ohio 45638

To the Director and Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of **Ironton Metropolitan Housing Authority**, Lawrence County, Ohio (the Authority), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Authority's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ironton Metropolitan Housing Authority, Lawrence County as of September 30, 2016, and the changes in its financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and schedules of net pension liabilities and pension contributions, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Authority's basic financial statements taken as a whole.

The supplemental Financial Data Schedule presented on pages 33 through 35 are presented for additional analysis as required by the U.S. Department of Housing and Urban Development and are not required parts of the basic financial statements.

The Schedule of Federal Award Expenditures presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The schedules are management's responsibility and derived from and relate to the underlying accounting and other records used to prepare the basic financial statements. We subjected these schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2017, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

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MANAGEMENT'S DISCUSSION AND ANALYSIS
Unaudited

It is a privilege to present for you the financial picture of Ironton Metropolitan Housing Authority. The Ironton 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 (its ability to address the next and subsequent year's challenges), and (d) identify the single enterprise fund issues or concerns.

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 will begin on page 11.

FINANCIAL HIGHLIGHTS

- Total revenues increased by $265,935 (or 14.41%) during 2016, and were $2,110,952 and $1,845,017 for 2016 and 2015, respectively.
- Total expenses decreased by $4,562 (or 0.22%). Total expenses were $2,113,201 and $2,117,763 for 2016 and 2015, respectively.

USING THIS ANNUAL REPORT

The following is a summary of the presentation of the Authority's financial statements:

MD&A ~ Management Discussion and Analysis ~
Basic Financial Statements ~ Statement of Net Position ~ ~ Statement of Revenues, Expenses, and Changes in Net Position ~ ~ Statement of Cash Flows ~ ~ Notes to the Basic Financial Statements ~

The focus is on the Authority as a single enterprise fund. This format allows the user to address relevant questions, broadens a basis for comparison (year to year or Authority to Authority) and enhances the Authority's accountability.

BASIC FINANCIAL STATEMENTS

The basic financial statements, beginning on page 11, are designed to be corporate-like in that all business type programs are consolidated into one single enterprise fund for the Authority.

These statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equals "Net Position." 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 Position (the "Unrestricted Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position is reported in three broad categories (as applicable):

Net Investment in Capital Assets: This component of Net Position consists of all Net Capital Assets (net of accumulated depreciation).

Restricted Net Position: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: Consists of Net Position that do not meet the definition of "Net Investment in Capital Assets," or "Restricted Net Position."

The basic financial statements also include a Statement of Revenues, Expenses, and Changes in Net Position (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, 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 Net Position is the "Change in Net Position."

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

The Authority's programs that are consolidated into a single enterprise fund are as follows:

Public Housing Program – The public housing program is designed to provide low-cost housing within Lawrence County. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Capital Fund Program (CFP) – Substantially all additions to land, structures, and equipment are accomplished through modernization programs (included in the financial statements under the public housing program). Modernization funds replace or materially upgrade deteriorated portions of existing Authority property.

Housing Assistance Payments Program-Section 8 – The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating family.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

The following table reflects the condensed Statement of Net Position compared to the prior year.

TABLE 1

	2016	2015	Variance
Current Assets	$ 2,360,608	$ 2,207,298	$ 153,310
Noncurrent Assets	4,901,768	5,085,842	(184,074)
TOTAL ASSETS	7,262,376	7,293,140	(30,764)
Deferred Outflows of Resources - Pensions	87,805	28,996	58,809
Current and Other Liabilities	131,348	135,303	(3,955)
Long-term liabilities	397,905	370,107	27,798
TOTAL LIABILITIES	529,253	505,410	23,843
Deferred Inflows of Resources - Pensions	9,604	3,153	6,451
Net Position:			
Net Investment in Capital Assets	4,901,768	5,085,842	(184,074)
Restricted	0	4,692	(4,692)
Unrestricted	1,909,556	1,723,039	186,517
TOTAL NET POSITION	$ 6,811,324	$ 6,813,573	$ (2,249)

STATEMENT OF NET POSITION

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

The net pension liability equals the Authority's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2 Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Authority is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the Authority's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows. The Authority is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

Current and other assets increased by $153,310 primarily due to an increase in cash from revenues exceeding expenses on a cash basis. The increase in operating grants provided the majority of the increase in cash. Capital assets, net decreased $184,074 due to depreciation expense which exceeded construction activity in 2016.

Long term liabilities increased $27,798 primarily due to an increase in net pension liability which is due to changes in actuarial calculations which was partially offset by a decrease in compensated absences from a retirement payout of leave balances.

TABLE 2
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The following schedule compares the revenues and expenses for the current

	2016	2015	Variance
Revenues			
Tenant Revenue	$ 829,939	$ 814,478	$ 15,461
Government Operating Grants	856,455	596,801	259,654
Capital Grants	319,748	330,934	(11,186)
Investment Income/Other Revenues	104,810	102,804	2,006
TOTAL REVENUE	2,110,952	1,845,017	265,935
Expenses			
Administrative	159,072	188,064	(28,992)
Tenant Services	2,459	2,807	(348)
Utilities	327,532	379,841	(52,309)
Ordinary Maintenance and Operation	658,107	637,699	20,408
General Expenses	139,239	84,966	54,273
Housing Assistance Payment	290,136	290,482	(346)
Depreciation Expense	536,656	533,904	2,752
TOTAL EXPENSES	2,113,201	2,117,763	(4,562)
NET INCREASE (DECREASE)	(2,249)	(272,746)	270,497
Net Position, Beginning of Year	6,813,573	7,086,319	(272,746)
Net Position, End of Year	$ 6,811,324	$ 6,813,573	$ (2,249)

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

Government operating grants increased by $259,654 from 2015 to 2016, due to increased government subsidy of rents. Tenant revenue increased $15,461 due to slightly higher occupancy. Administrative expenses decreased $28,992 due to reduced staffing and conservative budgeting for administration. Utilities expense decreased $52,309 from 2015 to 2016 due to less usage. Ordinary maintenance and operation expenses increased $20,408 from 2015 to 2016 due to more maintenance being required during 2016. General expenses increased $54,273 due to increased insurance premiums, and increase in payments in lieu of taxes and other general increases. Capital grants decreased by $11,186 from 2015 to 2016 due to a slight decline in ongoing construction during 2016. Other than these changes the Authority operated consistently between the years.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

As of year-end, the Authority had $4,901,768 invested in a variety of capital assets (net of accumulated depreciation) as reflected in the following schedule, which represents a net decrease (addition, deductions and depreciation) of $184,074 from the end of last year.

TABLE 3
CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION)

	2016	2015
Construction in Progress	$ 716,553	$ 387,482
Land and Land Rights	500,242	500,242
Buildings and Improvements	14,435,883	14,435,883
Equipment	463,936	447,921
Accumulated Depreciation	(11,214,846)	(10,685,686)
TOTAL	$ 4,901,768	$ 5,085,842

The following reconciliation summarizes the change in Capital Assets.

TABLE 4
CHANGE IN CAPITAL ASSETS

BEGINNING BALANCE	$ 5,085,842
Additions (Net)	352,582
Depreciation	(536,656)
ENDING BALANCE	$ 4,901,768

This year's major additions are:

Capital improvements (CFP) still in progress at the Authority's Public Housing complexes	$ 329,071
TOTAL ADDITIONS	$ 329,071

See note 5 to the basic financial statements for more information regarding the Authority's capital assets.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

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

IN CONCLUSION

Ironton Metropolitan Housing Authority takes great pride in its financial management and is pleased to report on the consistent and sound financial condition of the Authority.

FINANCIAL CONTACT

If you have any questions regarding this report, you may contact Jim Johnson, Executive Director of the Ironton Metropolitan Housing Authority at 740-532-8658.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE- ENTERPRISE FUND
AS OF SEPTEMBER 30, 2016

	ENTERPRISE
Assets	
Current Assets:	
Cash and Cash Equivalents - Unrestricted	$ 2,210,299
Accounts Receivable:	
Tenants - Dwelling Rents, net of allowance for doubtful accounts	119,003
Accrued Interest Receivable	284
Prepaid Expenses and Other Assets	31,022
Total Current Assets	2,360,608
Noncurrent Assets:	
Capital Assets:	
Nondepreciable Capital Assets	1,216,795
Depreciable Capital Assets, Net of Accumulated Depreciation	3,684,973
Total Capital Assets	4,901,768
Total Noncurrent Assets	4,901,768
Total Assets	7,262,376
Deferred Outflows of Resources - Pensions	87,805
Total Assets and Deferred Outflows of Resources	$ 7,350,181
Liabilities	
Current Liabilities:	
Accrued Wages/Payroll Taxes Payable	$ 8,219
Compensated Absences, Current Portion	4,514
Tenant Security Deposits	58,911
Intergovernmental Payable	44,466
Other Current Liabilities	15,238
Total Current Liabilities	131,348
Long Term Liabilities:	
Net Pension Liability	247,174
Compensated Absences	150,731
Total Long Term Liabilities	397,905
Total Liabilities	529,253
Deferred Inflows of Resources - Pensions	9,604
Total Liabilities and Deferred Inflows of Resources	538,857
Net Position:	
Net Investment In Capital Assets	4,901,768
Unrestricted	1,909,556
Total Net Position	6,811,324
Total Deferred Inflows of Resources, Liabilities and Net Position	$ 7,350,181

See accompanying notes to the basic financial statements.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE- ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	ENTERPRISE
Operating Revenues	
Tenant Rental Revenues	$ 749,605
Tenant Revenue - Other	80,334
Government Operating Grants	856,455
Other	101,529
Total Operating Revenues	1,787,923
Operating Expenses	
Administrative:	
Administrative	159,072
Tenant Services	2,459
Utilities	327,532
Ordinary Maintenance & Operation	658,107
General Expenses	139,239
Housing Assistance Payments	290,136
Depreciation Expense	536,656
Total Operating Expenses	2,113,201
Operating (Loss)	(325,278)
Non-Operating Revenues:	
Capital Grants	319,748
Investment Income - Unrestricted	3,281
Total Non-Operating Revenues	323,029
Change in Net Position	(2,249)
Net Position, Beginning of Year	6,813,573
Net Position, End of Year	$ 6,811,324

See accompanying notes to the basic financial statements.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE - ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	ENTERPRISE
Cash flows from operating activities:	
Receipts from tenants	$ 818,067
Receipts from operating grants	856,455
Other operating receipts	101,529
Housing assistance payments	(290,136)
Payments for general and administrative expense	(1,322,869)
Net cash provided by operating activities	163,046
Cash flows from capital and related financing activities:	
Construction and acquisitions of capital assets	(345,086)
Capital grants	319,748
Net cash flow used for capital and related financing activities	(25,338)
Cash flows from investing activities:	
Interest received on investments	3,349
Net cash provided by investing activities	3,349
Net increase in cash and cash equivalents	141,057
Cash and cash equivalents at beginning of year	2,069,242
Cash and cash equivalents at end of year	$ 2,210,299
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Operating Loss	$ (325,278)
Adjustments to reconcile net (loss) to net cash used for operating activities	
Depreciation Expense	536,656
Non-cash Expense for Pension	15,957
(Increase)Decrease In:	
Accounts Receivable	(11,872)
Prepaid Expenses and Other Assets	(449)
Increase(Decrease) In:	
Accrued Wages/Payroll Taxes Payable	(7,080)
Compensated Absences	(53,959)
Tenant Security Deposits	(1,765)
Intergovernmental Payable	10,836
Net Cash Provided by Operating Activities	$ 163,046

See accompanying notes to the basic financial statements.

1. DESCRIPTION OF THE HOUSING AUTHORITY AND REPORTING ENTITY

The Ironton Metropolitan Housing Authority (the Authority) is a political subdivision of the State of Ohio, created under Section 3735.27 of the Ohio Revised Code.

The Ironton Metropolitan Housing Authority was established for the purpose of engaging the development, acquisition, and administrative activities of the low-income housing program and other programs with similar objectives. The United States Department of Housing and Urban Development (HUD) has direct responsibility for administering the low-income housing program under the United States Housing Act of 1937, as amended. HUD is authorized to enter into contracts with local housing authorities to make grants to assist the local housing authorities in financing the acquisition, construction, and/or leasing of housing units and to make annual contributions (subsidies) to the local housing authorities for the purpose of maintaining the low-rent character of the local housing program.

DESCRIPTION OF PROGRAMS:

A. *PUBLIC HOUSING PROGRAM*
The public housing program is designed to provide low-cost housing within Lawrence County. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

B. *CAPITAL FUND PROGRAM (CFP)*
The Capital Fund Program also is the primary funding source for physical and management improvements to the Authority's properties. CFP funding is based on a formula allocation that takes into consideration the size and age of the Authority's housing stock.

C. *HOUSING ASSISTANCE PAYMENTS PROGRAM - SECTION 8*
The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating family.

REPORTING ENTITY

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the Authority are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the Authority. For the Authority, this includes general operations, public housing, Section 8, and modernization programs. Component units are legally separate organizations for which the Authority is financially accountable.

The Authority is financially accountable for an organization if the Authority appoints a voting majority of the organization's governing board and (1) the Authority is able to significantly influence the programs or services performed or provided by the organization or (2) the Authority is legally entitled to or can otherwise access the organization's resources; (3) the Authority is legally obligated or has assumed responsibility to finance the deficits of, or provide fiscal support to, the organization; (4) the Authority is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Authority in that the Authority approves the budget, the levying of taxes or issuance of debt. The Authority did not have any component units or other related organizations in 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Ironton Metropolitan Housing Authority have been prepared in conformity with accounting principles generally accepted in the United States of America as applies to governmental units. The Governmental Accounting Standards Board 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.

A. BASIS OF PRESENTATION - FUND ACCOUNTING

The Authority uses funds to report on its financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special restrictions or limitations. For financial statement presentation purposes, the various programs of the Authority are grouped into the following fund type:

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

Enterprise Fund - The enterprise fund is used to account for operations 1) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services of the general public on a continuing basis be financed or recovered primarily through user charges; or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type income statements represent increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

C. BASIS OF ACCOUNTING

Proprietary fund types use accrual basis of accounting for reporting purposes. Revenues are recognized when they are earned and measurable and expenses are recorded at the time liabilities are incurred, if measurable.

D. BUDGETARY DATA

The Authority is not required to follow the budgetary requirements of the Ohio Revised Code. However, the Authority does maintain a budget for management purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of funds deposited in checking accounts. Cash equivalents are stated at cost, which approximates market value.

The Authority has investments in the form of certificates of deposits. Except for nonparticipating investment contracts, investments are reported at fair value which is based upon quoted market prices. Nonparticipating investment contracts such as certificates of deposit are reported at cost.

For purposes of the Statement of Cash Flows and for presentation on the Statement of Net Position, investments of the Authority with an original maturity of six months or less at the time they are purchased by the Authority are considered to be cash equivalents. Investments with an initial maturity of more than six months are reported as investments.

F. CAPITAL ASSETS

The capital asset values initially were determined by assigning original acquisition costs when such information was available. In cases where information supporting original costs was not available, estimated historical costs were developed. Donated capital assets are capitalized at estimated fair market value on the date donated. The Authority uses a capitalization threshold of $200.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements which extend the useful life or increase the capacity or operating efficiency of the asset are capitalized at cost.

Enterprise Fund Capital Assets: Capital assets reflected in the enterprise fund are stated at historical cost (or estimated historical cost) and are updated for the cost of additions and retirements during the year. Depreciation has been provided on a straight-line basis over the following estimated useful lives:

Description	Estimated Lives
Buildings	20-40 years
Building Improvements	20 years
Equipment, Furniture and Fixtures	5-10 years
Other Equipment and Machinery	3-10 years

Capital assets acquired from resources externally restricted for capital acquisition (e.g. capital grants) are recorded as revenue in the benefiting proprietary fund. Depreciation on these assets is recorded as an expense.

G. PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond September 30, 2016, are recorded as prepaid items by using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. TAX LIABILITY

The Authority is by law exempt from all federal, state, and local taxes and assessments. The Authority has elected to pay a Payment in Lieu of Taxes (PILOT) based principally on a percentage of tenant dwelling income received from HUD-assisted programs.

I. COMPENSATED ABSENCES

In 1999, the Authority implemented the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is 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 vesting method.

The liability includes the employees who are currently eligible to receive termination benefits and by those employees for whom it is probable will become eligible to receive payment in the future. The amount is based on accumulated sick leave and employees’ wage rates at year-end. In proprietary funds, compensated absences are expensed when earned. The entire amount of compensated absences is reported as a fund liability.

J. INTERGOVERNMENTAL REVENUES

Grants, entitlements or shared revenues received for enterprise fund operating purposes are recognized in the accounting period in which they are earned and become measurable. Such resources restricted for the construction of capital assets are recorded as revenue.

K. USE OF ESTIMATES

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

L. NET POSITION

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Unrestricted net position represents the remaining portion of net position. The Authority reports restricted net position when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

M. MONIES HELD FOR MATURED BONDS AND INTEREST

The Authority received $15,238 during a prior period from a bank who was the fiscal agent for matured bonds and coupons from old debt issues. The Authority has recorded such monies as a liability as of September 30, 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditures/expenses) until then. The Authority recorded a deferred outflow of resources for pensions. The deferred outflows of resources related to the pension are explained in Note 6. The Authority also reports a deferred inflow of resources which represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenues) until that time. For the Authority this was for pensions. (See Note 6)

O. PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

3. DEPOSITS AND INVESTMENTS

Cash on Hand

At year end, the Authority had $300 in un-deposited cash on hand which is included on the financial statements of the Authority as part of “cash - unrestricted.”

Deposits

At year end, the carrying amount of the Authority’s deposits was $2,209,999, and the bank balance was $2,260,017. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of September 30, 2016, $250,000 of the Authority’s bank balance was covered by Federal Depository Insurance and the remaining balance was uninsured and collateralized with securities held by the pledging financial institution’s trust department in the Authority’s name.

Custodial credit risk is the risk that, in the event of bank failure, the Authority’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the ORC, is held in financial institution pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve bank in the name of the Authority.

4. RECEIVABLES

Receivables at September 30, 2016, consisted of accounts receivable from tenants for rent and materials, miscellaneous receivables which includes late charges and utilities owed to the Authority by the tenants and accrued interest receivable.

5. CAPITAL ASSETS

A summary of changes in the Authority's capital assets for the year ended September 30, 2016 follows:

	Balance - 09/30/15	Additions	Deletions	Balance - 09/30/16
Capital Assets Not Being Depreciated:				
Land and Land Rights	$ 500,242	$ -	$ -	$ 500,242
Construction in Progress	387,482	329,071	-	716,553
Total Capital Assets Not Being Depreciated	887,724	329,071	-	1,216,795
Capital Assets Being Depreciated:				
Buildings and Improvements	14,435,883	-	-	14,435,883
Equipment	447,921	23,511	(7,496)	463,936
Total Capital Assets Being Depreciated	14,883,804	23,511	(7,496)	14,899,819
Accumulated Depreciation:				
Buildings and Improvements	(10,273,985)	(526,600)	-	(10,800,585)
Equipment	(411,701)	(10,056)	7,496	(414,261)
Total Accumulated Depreciation	(10,685,686)	(536,656)	7,496	(11,214,846)
Net Capital Assets Being Depreciated	4,198,118	(513,145)	-	3,684,973
Net Capital Assets	$ 5,085,842	$ (184,074)	$ -	$ 4,901,768

6. DEFINED BENEFIT PENSION PLAN

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the Authority's proportionate share of the pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of the pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the Authority's obligation for this liability to annually required payments. The Authority cannot control benefit terms or the manner in which pensions are financed; however, the Authority does receive the benefit of employees' services in exchange for compensation including pension.

6. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - Authority employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting https://www.opers.org/financial/reports.shtml, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS' CAFR referenced above for additional information):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

6. DEFINED BENEFIT PENSION PLAN (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local	Public Safety	Law Enforcement
2016 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2016 Actual Contribution Rates			
Employer:			
Pension	12.0 %	16.1 %	16.1 %
Post-employment Health Care Benefits	2.0	2.0	2.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

* This rate is determined by OPERS' Board and has no maximum rate established by ORC.
** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution to OPERS was $17,650 in fiscal year 2016.

6. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability reported as of September 30, 2015 was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	OPERS
Proportionate Share of the Net Pension Liability	$247,174
Proportion of the Net Pension Liability - Current Measurement Date	0.001427%
Proportion of the Net Pension Liability - Prior Measurement Date	0.001488%
Change in Proportionate Share	-0.000061%
Pension Expense	$32,503

At September 30, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	**OPERS**
Differences between expected and actual economic experience	$0
Differences between projected and actual investment earnings	72,654
Authority contributions subsequent to the measurement date	15,151
Total	$87,805

Deferred Inflows of Resources	**OPERS**
Differences between expected and actual economic experience	$4,776
Changes in proportion	4,828
Total	$9,604

6. DEFINED BENEFIT PENSION PLAN (Continued)

$15,151 reported as deferred outflows of resources related to pension resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

		OPERS
Fiscal Year Ending September 30:		
	2017	$13,664
	2018	14,825
	2019	18,121
	2020	16,440
Total		$63,050

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation at 3.75%
COLA or Ad Hoc COLA	Pre 1/7/2013 Retirees: 3 percent, simple
	Post 1/7/2013 Retirees: 3.00 % Simple through 2018, then 2.80% Simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used, set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

6. DEFINED BENEFIT PENSION PLAN (Continued)

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the 401(b) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4 percent for 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table on the following page displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

Actuarial Assumptions - OPERS

Asset Class	Target Allocation for 2015	Weighted Average Long Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other Investments	18.00	4.59
Total	100.00 %	5.27 %

Discount Rate The discount rate used to measure the total pension liability was 8.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Authority's proportionate share of the net pension liability	$393,809	$247,174	$123,493

7. POSTEMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

A. The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

   OPERS maintained two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which funded multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

   The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

   Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

B. Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

   Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

   At the beginning of 2016, OPERS maintained three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust (401(h) Trust) and the 115 Health Care Trust (115 Trust), worked together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both the Traditional Pension and Combined plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) Trust that provides funding for a Retiree Medical Account (RMA) for Member-Directed Plan members. The employer contribution as a percentage of covered payroll deposited to the RMAs for 2016 was 4.0 percent.

7. POSTEMPLOYMENT BENEFITS (Continued)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

In March 2016, OPERS received two favorable rulings from the IRS allowing OPERS to consolidate all health care assets into the 115 Trust. Transition to the new health care trust structure occurred during 2016. OPERS Combining Statements of Changes in Fiduciary Net Position for the year ended December 31, 2016, will reflect a partial year of activity in the 401(h) Trust and VEBA Trust prior to the termination of these trusts as of end of business day June 30, 2016, and the assets and liabilities, or net position, of these trusts being consolidated into the 115 Trust on July 1, 2016.

The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contributions that were used to fund post-employment benefits for 2016, 2015, and 2014, were $2,942, $3,666, and $3,505, respectively.

8. OTHER EMPLOYEE BENEFITS

Compensated Absences: Vacation leave is earned at rates which vary depending upon length of service and standard work week. Current policy credits vacation on the employee’s anniversary date. Vacation time can be carried over for one year, but must be taken in the year following the year earned. Employees are paid for earned, unused vacation leave at the time of termination.

Sick leave is earned at a rate of 4.60 hours per pay period (2 weeks). Employees who retire are paid for their earned, unused sick leave hours up to a maximum of 30 days, or the full balance may be transferred to another governmental agency. Such payment shall be based on the employee’s rate of pay at the time of retirement. At September 30, 2016 the current amount of unpaid compensated absences was $4,514 and the noncurrent amount was $150,731.

The changes in the Authority’s long-term liabilities during 2016 were as follows:

	Balance at 9/30/2015	Increase	Decrease	Balance at 9/30/2016	Amount Due In One Year
Compensated Absences	$211,330	$11,212	$67,297	$155,245	$4,514
Net Pension Liability	179,469	67,705	-	247,174	-
Total Long-Term Liabilities	$390,799	$78,917	$67,297	$402,419	$4,514

9. ECONOMIC DEPENDENCY

The Authority is economically dependent on receiving operating subsidies from the U.S. Department of Housing and Urban Development (HUD).

10. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority participates in the State Housing Authorities Risk Pool (SHARP), a public entity risk plan that operates as a common risk management and insurance program for housing authorities. The Authority pays insurance premiums directly to SHARP. Premiums are paid monthly. The Authority also pays unemployment claims to the State of Ohio as incurred.

The Authority continues to carry commercial insurance for other risks of loss. There has been no significant reduction in insurance coverage from coverage in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

11. CONTINGENCIES

A. Grants

The Authority received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Authority at September 30, 2016.

B. Litigation

The Authority management is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the Authority.

12. NEW ACCOUNTING PRINCIPLES

For the fiscal year ended September 30, 2016, the Authority has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application, GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments and GASB Statement No. 79, Certain External Investment Pools and Pool Participants.

GASB Statement No. 72 clarifies the definition of fair value for financial reporting purposes, establishes general principles for measuring fair value, provides additional fair value application guidance, and enhances disclosures about fair value measurements. The implementation of GASB Statement No. 72 did not have an effect on the financial statements of the Authority.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also clarifies the application of certain provisions of GASB Statements 67 and 68. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the Authority.

12. NEW ACCOUNTING PRINCIPLES (Continued)

GASB Statement No. 76 reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the Authority.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of GASB Statement No. 79 did not have an effect on the financial statements of the Authority.

Required Supplementary Information

Ironton Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System
Last Three Years (1)

	2015	2014	2013
Total plan pension liability	$ 91,534,580,978	$ 89,017,348,266	$ 86,407,229,435
Plan net position	74,213,320,352	76,956,230,642	74,618,532,269
Net pension liability	17,321,260,626	12,061,117,624	11,788,697,166
Authority's proportion of the net pension liability	0.001427%	0.001488%	0.001488%
Authority's proportionate share of the net pension liability	$ 247,174	$ 179,469	$ 175,416
Authority's covered-employee payroll	$ 177,572	$ 189,758	$ 217,842
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	139.20%	94.60%	80.50%
Plan fiduciary net position as a percentage of the total pension liability	81.10%	86.50%	86.40%

(1) Information prior to 2013 is not available.
Amounts presented as of the Authority's measurment
date which is the prior fiscal year.

Ironton Metropolitan Housing Authority
Required Supplementary Information
Schedule of Authority Contributions
Ohio Public Employees Retirement System
Last Ten Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2006
Contractually required contribution	$ 17,650	$ 21,988	$ 22,771	$ 26,141	$ 34,578	$ 36,482	$ 31,689	$ 29,054	$ 33,647	$ 35,789
Contributions in relation to the contractually required contribution	(17,650)	(21,988)	(22,771)	(26,141)	(34,578)	(36,482)	(31,689)	(29,054)	(33,647)	(35,789)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered-employee payroll	$ 147,080	$ 183,233	$ 189,758	$ 217,842	$ 345,780	$ 364,820	$ 362,160	$ 374,890	$ 480,671	$ 374,754
Contributions as a percentage of covered employee payroll	12.00%	12.00%	12.00%	12.00%	10.00%	10.00%	8.75%	7.75%	7.00%	9.55%

Supplementary Information

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
FINANCIAL DATA SCHEDULE
AS OF SEPTEMBER 30, 2016

	Section 8 Voucher	Public Housing	Capital Fund	TOTAL ENTERPRISE
Assets				
Current Assets:				
Cash and Cash Equivalents - Unrestricted	$ 276,039	$ 1,934,260	$ -	$ 2,210,299
Accounts Receivable:				
Tenants - Dwelling Rents, net of allowance for doubtful accounts	-	119,003	-	119,003
Accrued interest receivable	26	258	-	284
Prepaid Expenses and Other Assets	1,813	29,209	-	31,022
Total Current Assets	277,878	2,082,730	-	2,360,608
Noncurrent Assets:				
Capital Assets:				
Land	-	500,242	-	500,242
Building	-	14,435,883	-	14,435,883
Furniture, Equipment & Machinery - Dwellings	-	197,979	-	197,979
Furniture, Equipment & Machinery - Administration	1,560	264,397	-	265,957
Construction in Progress	-	-	716,553	716,553
Accumulated Depreciation	(1,560)	(11,213,286)	-	(11,214,846)
Capital Assets, Net of Accumulated Depreciation	-	4,185,215	716,553	4,901,768
Total Noncurrent Assets	-	4,185,215	716,553	4,901,768
Total Assets	277,878	6,267,945	716,553	7,262,376
Deferred Outflows of Resources - Pensions	-	87,805	-	87,805
Total Assets and Deferred Outflows of Resources	277,878	6,355,750	716,553	7,350,181
Liabilities				
Current Liabilities:				
Accrued Wages/Payroll Taxes Payable	298	7,921	-	8,219
Compensated Absences, Current Portion	316	4,198	-	4,514
Tenant Security Deposits	-	58,911	-	58,911
Other Current Liabilities	-	15,238	-	15,238
Intergovernmental Payable	-	44,466	-	44,466
Total Current Liabilities	614	130,734	-	131,348
Long Term Liabilities:				
Net Pension Liabilities	-	247,174	-	247,174
Compensated Absences	10,551	140,180	-	150,731
Total Long Term Liabilities	10,551	387,354	-	397,905
Total Liabilities	11,165	518,088	-	529,253
Deferred Inflows of Resources - Pensions	-	9,604	-	9,604
Total Liabilities and Deferred Inflows of Resources	11,165	527,692	-	538,857
Net Position:				
Net Investment In Capital Assets	-	4,185,215	716,553	4,901,768
Restricted	-	-	-	-
Unrestricted	266,713	1,642,843	-	1,909,556
Total Net Position	266,713	5,828,058	716,553	6,811,324
Total Deferred Inflows of Resources, Liabilities and Net Position	$ 277,878	$ 6,355,750	$ 716,553	$ 7,350,181

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Section 8 Voucher	Public Housing	Capital Fund	TOTAL ENTERPRISE
Operating Revenues				
Tenant Rental Revenues	-	749,605	-	749,605
Tenant Revenue - Other	-	80,334	-	80,334
HUD PHA Grants/OperatingGrants	221,838	634,617	-	856,455
Other Revenue	101,529	-	-	101,529
Total Operating Revenues	323,367	1,464,556	-	1,787,923
Operating Expenses				
Administrative:				
Administrative Salaries	9,043	42,905	-	51,948
Auditing and Accounting Fees	1,036	9,328	-	10,364
Employee Benefit Contributions	11,895	60,427	-	72,322
Other Operating	2,423	22,015	-	24,438
Total Administrative	24,397	134,675	-	159,072
Tenant Services:				
Tenant Services- Other	-	2,459	-	2,459
Total Tenant Services	-	2,459	-	2,459
Utilities:				
Water	-	115,580	-	115,580
Electricity	228	188,145	-	188,373
Gas	-	23,579	-	23,579
Total Utilities	228	327,304	-	327,532
Ordinary Maintenance & Operation:				
Labor	-	36,207	-	36,207
Materials and Other	-	46,792	-	46,792
Contract Costs	12,511	511,603	-	524,114
Employee Benefit Contributions	-	50,994	-	50,994
Total Ordinary Maintenance & Operation	12,511	645,596	-	658,107
General Expenses:				
Insurance Premiums	-	46,979	-	46,979
Payments in Lieu of Taxes	-	44,466	-	44,466
Other	-	47,794	-	47,794
Total General Expenses	-	139,239	-	139,239
Housing Assistance Payments	290,136	-	-	290,136
Depreciation Expense	-	536,656	-	536,656
			-	
Total Operating Expenses	327,272	1,785,929	-	2,113,201
Operating Income/(Loss)	(3,905)	(321,373)	-	(325,278)
Other Non-Operating Revenues:				
Capital Grants	-	-	319,748	319,748
Investment Income - Unrestricted	194	3,087	-	3,281
Equity Transfers	-	(9,323)	9,323	-
Total Non-Operating Revenues	194	(6,236)	329,071	323,029
Net Increase (Decrease) in Net Position	(3,711)	(327,609)	329,071	(2,249)
Net Position, Beginning of the Year	270,424	6,155,667	387,482	6,813,573
Net Position, End of Year	266,713	5,828,058	716,553	6,811,324

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Section 8 Voucher	Public Housing	Capital Fund	TOTAL ENTERPRISE
Cash flows from operating activities:				
Receipts from tenants	$ -	$ 818,067	$ -	$ 818,067
Receipts from operating grants	221,838	634,617	-	856,455
Other operating receipts	101,529	-	-	101,529
Housing assistance payments	(290,136)	-	-	(290,136)
Payments for general and administrative expense	(41,421)	(1,281,448)	-	(1,322,869)
Net cash provided by (used for) operating activities	(8,190)	171,236	-	163,046
Cash flows from capital and related financing activities:				
Construction and acquisitions of capital assets	-	(16,015)	(329,071)	(345,086)
Equity transfer (to) from capital fund		(9,323)	9,323	-
Capital grants	-	-	319,748	319,748
Net cash flow used for capital and related financing activities	-	(25,338)	-	(25,338)
Cash flows from investing activities:				
Interest received on investments	222	3,127	-	3,349
Net cash provided by investing activities	222	3,127	-	3,349
Net increase (decrease) in cash and cash equivalents	(7,968)	149,025	-	141,057
Cash and cash equivalents at beginning of year	284,007	1,785,235	-	2,069,242
Cash and cash equivalents at end of year	$ 276,039	$ 1,934,260	$ -	$ 2,210,299
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Operating Income (Loss)	$ (3,905)	$ (321,373)	$ -	$ (325,278)
Adjustments to reconcile net gain/(loss) to net cash provided by (used for) operating activities				
Depreciation Expense	-	536,656	-	536,656
Non-cash Effect of Pension Expense	-	15,957	-	15,957
(Increase)Decrease In:				
Accounts Receivable	-	(11,872)	-	(11,872)
Prepaid Expenses and Other Assets	202	(651)	-	(449)
Increase (Decrease) In:				
Accrued Wages/Payroll Taxes Payable	(710)	(6,370)	-	(7,080)
Compensated Absences	(3,777)	(50,182)	-	(53,959)
Tenant Security Deposits	-	(1,765)	-	(1,765)
Intergovernmental Payable	-	10,836	-	10,836
Net Cash Provided By (Used For) Operating Activities	$ (8,190)	$ 171,236	$ -	$ 163,046

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

FEDERAL GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL EXPENDITURES
DIRECT FROM U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:		
Low Rent Public Housing	14.850	$ 634,617
Section 8 Housing Choice Vouchers	14.871	221,838
Public Housing Capital Fund	14.872	319,748
TOTAL FEDERAL AWARDS EXPENDITURES		$ 1,176,203

See accompanying notes to the Schedule of Federal Awards Expenditures.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY

NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 – Significant Accounting Policies

The accompanying Schedule of Federal Award Expenditures (the Schedule) includes the federal award activity of Ironton Metropolitan Housing Authority, Lawrence County, Ohio (the Authority) under programs of the federal government for the year ended June 30, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Authority has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

March 24, 2017

Ironton Metropolitan Housing Authority
Lawrence County
720 Washington Street
Ironton, Ohio 45638

To the Director and Board of Commissioners:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of **Ironton Metropolitan Housing Authority,** (the Authority) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated March 24, 2017.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Authority's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Authority's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Authority's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standard*s.

We did note certain matters not requiring inclusion in this report that we reported to the Authority's management in a separate letter dated March 24, 2017.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Perry & Associates CPA's A.C.

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Marietta, Ohio

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

March 24, 2017

Ironton Metropolitan Housing Authority
Lawrence County
720 Washington Street
Ironton, Ohio 45638

To the Director and Board of Commissioners:

Report on Compliance for Each Major Federal Program

We have audited the **Ironton Metropolitan Housing Authority's**, (the Authority) compliance with the applicable requirements described in in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could directly and materially affect each of the Ironton Metropolitan Housing Authority's major federal programs for the year ended September 30, 2016. The Summary of Audit Results in the accompanying schedule of audit findings identifies the Authority's major federal programs.

Management's Responsibility

The Authority's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the Authority's compliance for each of the Authority's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' Government Auditing Standards; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on each of the Authority's major programs. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Ironton Metropolitan Housing Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended September 30, 2016.

Report on Internal Control Over Compliance

The Authority's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Authority's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
FOR THE YEAR ENDED SEPTEMBER 30, 2016

SCHEDULE OF AUDIT FINDINGS
2 CFR § 200.515

1. SUMMARY OF AUDIT RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Section 8 Housing Choice Vouchers, CFDA # 14.871 Public Housing Capital Fund CFDA # 14.872
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

IRONTON METROPOLITAN HOUSING AUTHORITY

LAWRENCE 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
MAY 18, 2017