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1907 Grand Central Ave.
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104 South Sugar St.
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1310 Market Street, Suite 300
Wheeling, WV 26003
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PERRY & Associates
Certified Public Accountants, A.C.

MEIGS METROPOLITAN HOUSING AUTHORITY
MEIGS COUNTY
Regular Audit
For the Year Ended September 30, 2017

Dave Yost • Auditor of State

Board of Commissioners
Meigs Metropolitan Housing Authority
441 General Hartinger Parkway
Middleport, Ohio 45760

We have reviewed the *Independent Auditor's Report* of the Meigs Metropolitan Housing Authority, Meigs County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period October 1, 2016 through September 30, 2017. 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 Meigs Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Dave Yost
Auditor of State

March 28, 2018

88 East Broad Street, Fifth Floor, Columbus, Ohio 43215-3506
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MEIGS METROPOLITAN HOUSING AUTHORITY
MEIGS COUNTY
FOR THE YEAR ENDED SEPTEMBER 30, 2017

TABLE OF CONTENTS

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INDEPENDENT AUDITOR'S REPORT

February 23, 2018

Meigs Metropolitan Housing Authority
Meigs County
441 General Hartinger Parkway
Middleport, Ohio 45760

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of **Meigs Metropolitan Housing Authority**, Meigs County, Ohio (the Authority), as of and for the year ended September 30, 2017, 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 Meigs Metropolitan Housing Authority, Meigs County, as of September 30, 2017, 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, 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 Financial Data Schedule is presented on pages 27 and 28 and is presented for additional analysis as required by the U.S. Department of Housing and Urban Development and is not a required part of the basic financial statements.

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected the schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the 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, the schedule is 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 February 23, 2018 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

MEIGS METROPOLITAN HOUSING AUTHORITY
MEIGS COUNTY
FOR THE YEAR ENDED SEPTEMBER 30, 2017
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

It is a privilege to present for you the financial picture of Meigs Metropolitan Housing Authority. The Meigs 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 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 begin on page 8.

FINANCIAL HIGHLIGHTS

- Total revenues decreased by $30,274 (or 6%) during 2017, and were $447,448 and $477,722 for 2017 and 2016, respectively.

- Total operating expenses increased by $44,355 (or 9%) during 2017, and were $538,976 and $494,621 for 2017 and 2016, 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
Required Supplementary Information Schedule of Proportionate Share of Net Pension Liability Schedule of Contributions

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 8, 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 plus deferred outflows of resources equals liabilities plus deferred inflows of resources and "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 capital assets (net of accumulated depreciation), 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 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 does 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 investment income.

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 and investment activities.

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

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.

MR/DD – This program is used to account for revenues and expenses related to the board of mental health or mental retardation.

Family Self Sufficiency (FSS) Program – This program is designed to help participants achieve economic independence and self-sufficiency.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
The following table reflects the condensed Statement of Net Position compared to the prior year.

TABLE 1
STATEMENT OF NET POSITION

	2017	2016	Variance
Current and Other Assets	$ 35,417	$ 111,013	$ (75,596)
Capital Assets	2,470	110,437	(107,967)
Total Assets	37,887	221,450	(183,563)
Deferred Outflows of Resources	42,636	26,849	15,787
Current and Other Liabilities	17,184	22,110	(4,926)
Long-Term Liabilities	106,186	70,233	35,953
Total Liabilities	123,370	92,343	31,027
Deferred Inflow of Resources	600	1,275	(675)
Net Position:			
Net Investment in Capital Assets	2,470	110,437	(107,967)
Restricted	26,985	40,694	(13,709)
Unrestricted	(72,902)	3,550	(76,452)
Total Net Position	$ (43,447)	$ 154,681	$ (198,128)

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION
Capital assets decreased due to the sale of land and buildings as shown in Table 4. Cash decreased by $76,596 primarily due to increased operating expenses during 2017. Net restricted position decreased due to an decrease in cash balance of HUD monies to be used for Family Self Sufficiency Program.

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

The following schedule compares the revenues and expenses for the current and previous fiscal years.

	2017	2016	Variance
Revenues			
Tenant Rental Revenues	$ 10,523	$ 20,456	$ (9,933)
HUD PHA Grants/Operating Grants	409,014	451,409	(42,395)
MRDD Revenues	-	1,000	(1,000)
Investment Income/Other Revenues	27,911	4,857	23,054
Total Revenue	447,448	477,722	(30,274)
Expenses			
Administrative	123,094	97,010	26,084
Ordinary Maintenance & Operations	4,427	18,252	(13,825)
General Expenses	41,777	16,560	25,217
Housing Assistance Payment	368,312	353,502	14,810
Loss on Disposal of Assets	106,600	-	106,600
Depreciation Expense	1,366	9,297	(7,931)
Total Expenses	645,576	494,621	150,955
Net Increase/(Decrease)	(198,128)	(16,899)	(181,229)
Net Position, Beginning of Year	154,681	171,580	(16,899)
Net Position, End of Year	$ (43,447)	$ 154,681	$ (198,128)

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

Government operating grants decreased by $42,395 from fiscal year 2016 to 2017, due to decreased government subsidy of rents. Housing Assistance Payments increased during 2017 due to the Authority taking on new clients during 2017. The Authority sold all land and real estate for a loss during 2017. Other than these changes the Authority operated consistently between the years.

CAPITAL ASSETS

As of year-end, the Authority had $2,470 invested in a variety of capital assets (net of accumulated depreciation) as reflected in the following table, which represents a net decrease (depreciation and sale of assets) of $107,967 from the end of last year.

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

	2017	2016
Land	$ -	$ 24,690
Buildings	-	218,005
Furniture, Equipment & Machinery - Administration	8,760	8,760
Accumulated Depreciation	(6,290)	(141,018)
Total	$ 2,470	$ 110,437

CAPITAL ASSETS (Continued)

The following reconciliation summarizes the change in Capital Assets.

TABLE 4
CHANGE IN CAPITAL ASSETS

Beginning Balance	$ 110,437
Capital Asset Disposals	(242,695)
Depreciation	134,728
Ending Balance	$ 2,470

See Note 6 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; and
- Market rates for rental housing

IN CONCLUSION

Meigs 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 Brenda Leslie, Executive Director of the Meigs Metropolitan Housing Authority at 740-992-2733.

MEIGS METROPOLITAN HOUSING AUTHORITY
MEIGS COUNTY
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2017

Assets	
Current Assets:	
Cash and Cash Equivalents- Unrestricted	$ 7,241
Cash and Cash Equivalents- Restricted	26,985
Total Cash and Cash Equivalents	34,226
Prepaid Expenses and Other Assets	1,191
Total Current Assets	35,417
Noncurrent Assets:	
Capital Assets:	
Depreciable Capital Assets, Net of Accumulated Depreciation	2,470
Total Capital Assets	2,470
Total Noncurrent Assets	2,470
Total Assets	37,887
Deferred Outflows of Resources - Pension	42,636
Total Assets and Deferred Outflows of Resources	$ 80,523
Liabilities	
Current Liabilities:	
Accrued Wages/Payroll Taxes Payable	$ 2,095
Undistributed Credits - Family Self-Sufficiency	15,089
Total Current Liabilities	17,184
Long-Term Liabilities:	
Net Pension Liability	100,825
Compensated Absences	5,361
Total Long-Term Liabilities	106,186
Total Liabilities	123,370
Deferred Inflows of Resources - Pension	600
Total Liabilities and Deferred Inflows of Resources	123,970
Net Position	
Investment in Capital Assets	2,470
Restricted	26,985
Unrestricted (Deficit)	(72,902)
Total Net Position	(43,447)
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 80,523

See accompanying notes to the basic financial statements

MEIGS METROPOLITAN HOUSING AUTHORITY
MEIGS COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
AS OF SEPTEMBER 30, 2017

Operating Revenues	
Tenant Rental Revenue	$ 10,523
HUD PHA Operating Grants	409,014
Other Revenue	27,390
Total Operating Revenues	446,927
Operating Expenses	
Administrative	123,094
Ordinary Maintenance & Operation	4,427
General Expense	41,777
Housing Assistance Payments	368,312
Depreciation Expense	1,366
Total Operating Expenses	538,976
Operating Income (Loss)	(92,049)
Non-Operating Revenues (Expenses)	
Investment Income - Restricted	456
Investment Income - Unrestricted	65
Loss on Disposal of Asset	(106,600)
Total Non-Operating Revenues (Expenses)	(106,079)
Change in Net Position	(198,128)
Net Position, Beginning of Year	154,681
Net Position, End of Year	$ (43,447)

See accompanying notes to the basic financial statements

MEIGS METROPOLITAN HOUSING AUTHORITY
MEIGS COUNTY
STATEMENT OF CASH FLOWS
AS OF SEPTEMBER 30, 2017

Cash Flows From Operating Activities:	
Receipts From Tenants	$ 10,523
Receipts From Operating Grants	409,014
Other Operating Receipts	27,390
Housing Assistance Payments	(368,312)
Payments for Employees and Services	(153,698)
Net Cash Provided by Operating Activities	(75,083)
Cash Flows From Investing Activities:	
Interest Received on Investments	521
Proceeds from Sale of Capital Assets	1
Net Cash Provided by Investing Activities	522
Net Increase in Cash and Cash Equivalents	(74,561)
Cash and Cash Equivalents at Beginning of Year	108,787
Cash and Cash Equivalents at End of Year	$ 34,226
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Operating Income	$ (92,049)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
Depreciation Expense	1,366
Loss on Disposal of Assets	
(Increase) Decrease In:	
Prepaid Expenses and Other Assets	1,035
Deferred Outflows of Resources	(15,787)
Increase (Decrease) In:	
Accrued Pension and OPEB Liabilities	34,831
Accrued Wages/Payroll Taxes Payable	(662)
Compensated Absences	1,122
Deferred Inflows of Resources	(675)
Other Current Liabilities	(766)
Accounts Payable	(3,498)
Net Cash Provided by Operating Activities	$ (75,083)

See accompanying notes to the basic financial statements

1. DESCRIPTION OF THE HOUSING AUTHORITY AND REPORTING ENTITY

The Meigs Metropolitan Housing Authority (the Authority) is a political subdivision of the State of Ohio, created under Section 3735.01 of the Ohio Revised Code.

The Meigs 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. 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.

B. MR/DD

This program is used to account for revenues and expenses related to the board of mental health or mental retardation.

C. *Family Self Sufficiency (FSS) Program*

This program is designed to help participants achieve economic independence and self-sufficiency.

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 and Section 8. 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 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Meigs 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 here.

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 other financing sources) and decreases (e.g. expenditures and other financing uses) 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.

Unrestricted cash and cash equivalents represents the funds that are used for the general operations and the administrative portion of Section 8 program. Restricted cash and cash equivalents represent funds deposited for participants in the Family Self Sufficiency (FSS) Program, which is designed to help participants achieve economic independence and self-sufficiency and the portion of Section 8 designed to aid low-income families with rent.

For purposes of the Statement of Cash Flows and for presentation on the Statement of Net Position, cash and cash equivalents include all highly liquid debt instruments with an original maturity of three months or less at the time they are purchased.

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 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 and Improvements	27.5 years
Office Equipment	5 years

G. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. OPERATING REVENUES and EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the Authority, these revenues are tenant revenues, operating grants from HUD, and other miscellaneous revenue.

Operating expenses are those expenses that are expended directly for the primary activity of the proprietary fund. For the Authority, these expenses are primarily administrative, benefits, maintenance and operations, depreciation, and housing assistance payments.

I. 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.

J. 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 Authority's Ohio Public Employee Retirement System (OPERS), and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by OPERS. 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.

K. NET POSITION

Net position represents the difference between all other elements of the statement of net position. 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. Net position is reported as restricted when constraints placed on its use are externally imposed, including HUD, creditors, grantors, contributions, or laws and regulators of other governments. Unrestricted net position represents the portion of net position not classified as net investment in capital assets or restricted.

The amount reported as restricted Net Position at fiscal year end represents the amounts restricted by HUD for future Housing Assistance Payments and amounts from Administration Fee which may be recaptured by HUD. When an expense is incurred for purposes which both restricted and unrestricted Net Position is available, the Authority first applies restricted Net Position.

L. DEFERRED OUTFLOWS

A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. DEFERRED INFLOWS

A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period.

3. CASH AND CASH EQUIVALENTS

Deposits

At fiscal year end, the carrying amount of the Authority's deposits was $34,226, and the bank balance was $37,161. The entire bank balance was covered by federal deposit insurance.

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. RESTRICTED CASH

The restricted cash of $26,985 on the financial statements represent the following:

Excess Cash Balance of HUD Funds to be Used for Housing Assistance Payments	$	11,895
FSS Escrow Funds		15,090
Total Restricted Cash	$	26,985

5. LONG-TERM LIABILITIES

Changes in long-term obligations of the Authority during the year ended September 30, 2017 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated Absences	$ 4,239	$ 1,513	$ (391)	$ 5,361	$ -
Net Pension Liability	65,994	34,831	-	100,825	-
Total	$ 70,233	$ 36,344	$ (391)	$ 106,186	$ -

6. CAPITAL ASSETS

A summary of changes in the Authority's capital assets for the year ended September 30, 2017, follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets not Being Depreciated:				
Land and Land Rights	$ 24,690	$ -	$ (24,690)	$ -
Total Capital Assets not Being Depreciated	24,690	-	(24,690)	-
Capital Assets Being Depreciated:				
Buildings and Improvements	218,005	-	(218,005)	-
Office Equipment	8,760	-	-	8,760
Total Capital Assets Being Depreciated:	226,765	-	(218,005)	8,760
Less: Accumulated Depreciation:				
Building	(136,094)	-	136,094	-
Equipment	(4,924)	(1,366)	-	(6,290)
Total Accumulated Depreciation	(141,018)	(1,366)	136,094	(6,290)
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	85,747	(1,366)	(81,911)	2,470
Total Capital Assets Net	$ 110,437	$ (1,366)	$ (106,601)	$ 2,470

7. DEFINED BENEFIT PENSION PLAN

Net Pension Asset and Liability

The net pension asset and liability reported on the statement of net position represents an assets and a liability, respectively, 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 asset and liability represents the Authority's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension asset and 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.

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

GASB 68 assumes the asset and liability is solely the asset and obligation, respectively, 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 excess funded or unfunded benefits is presented as a long-term net pension asset or liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

Plan Description

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 (e.g. Authority employees) 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):

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	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 and Service Requirements:**	**Age and Service Requirements:**
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula:	**Formula:**	**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	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the firt 35 years and 2.5% for service years in excess of 35

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:

	Through 12/31/2016 State and Local	Beginning 1/1/2017 State and Local
Statutory Maximum Contribution Rates		
Employer	14.0%	14.0%
Employee	10.0%	10.0%
Actual Contribution Rates		
Employer:		
Pension	12.0%	13.0%
Post-employment Health Care Benefits	2.0%	1.0%
Total Employer	14.0%	14.0%
Employee	10.0%	10.0%

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contributions for the years ended September 30, 2017, 2016, and 2015 were $7,641, $6,712, $5,718, respectively. 92% has been contributed for 2017 and 100% for 2016 and 2015.

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

The net pension asset and liability was measured as of December 31, 2016, 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 asset and liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	Traditional Pension Plan
Proportionate Share of the Net Pension Liability	$ 100,825
Proportion of the Net Pension Liability	0.000444%
Pension Expense	$ 24,249

At September 30, 2017, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional Pension Plan
Deferred Outflows of Resources	
Net difference between projected and actual earnings on pension plan investments	$ 15,015
Changes in assumptions	15,992
Differences between expected and actual experience	137
Changes in proportion and differences between government contributions and proportionate share of contributions	5,614
District contributions subsequent to the measurement date	5,878
Total Deferred Outflows of Resources	$ 42,636
Deferred Inflows of Resources	
Differences between expected and actual experience	$ 600
Total Deferred Inflows of Resources	$ 600

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

$5,878 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal year Ending June 30:	**Traditional Pension Plan**
2018	$ 15,389
2019	15,653
2020	5,557
2021	(441)
Total	$ 36,158

Actuarial Assumptions - OPERS

OPERS' total pension asset and liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, 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 and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2016, are presented below:

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Key Methods and Assumptions Used in Valution of Total Pension Liability		
Actuarial Information	Traditional Pension Plan	Combined Pension Plan
Valuation Date	December 31, 2016	December 31, 2016
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Indiviual entry age	Indiviual entry age
Actuarial Assumptions:		
Investment Rate of Return	7.50%	7.50%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	3.25% to 10.75% (Includes wage inflation of 3.25%)	3.25% to 10.75% (Includes wage inflation of 3.25%)
Cost-of-Living Adjustments	Pre - 1/7/2013 Retirees: 3.00% Simple Post - 1/7/2013 Retirees: 3/00% Simple through 2018, then 2.15% Simple	Pre - 1/7/2013 Retirees: 3.00% Simple Post - 1/7/2013 Retirees: 3/00% Simple through 2018, then 2.15% Simple

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled morality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both health and disabled retiree mortality tables are determined by applying the PM-2015 mortality improvement scale to the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

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.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 health Care Trust portfolio on July 1, 2016. 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 annual money-weighted rate of return expressing investment performance, net of investments expense and adjusted for the changing amounts actually invested, the Defined Benefit portfolio is 8.30 percent for 2016.

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00%	2.75%
Domestic Equities	20.70%	6.34%
Real Estate	10.00%	4.75%
Private Equity	10.00%	8.97%
International Equities	18.30%	7.95%
Other Investments	18.00%	4.92%
Total	100.00%	5.66%

Discount Rate The discount rate used to measure the total pension liability was 7.5%, post experience study results, for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. 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 as actuarially determined. 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 The following table presents the Authority's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

Emoloyer's Net Pension Liability	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
Traditional Pension Plan	$ 154,032	$ 100,825	$ 56,486

8. POST EMPLOYMENT BENEFITS

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – 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.

8. POST EMPLOYMENT BENEFITS (CONTINUED)

OPERS maintains two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits in 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 post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting https://www.opers.org/investments/cafr.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy –The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through 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 covered payroll of active members. In 2015, state and local employers contributed at a rate of 14.0 percent of covered payroll. This is the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contribution allocated to health care for members in both the Traditional and Combined Plans was 2.0 percent for 2016 and 1.0 percent for 2017.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Authority’s contributions allocated to fund post-employment health care benefits for the years ended September 30, 2017, 2016, and 2015, were $746, $1,119, and $953, respectively, which were equal to the required contributions for, 2016 and 2015 and 92% for 2017.

9. COMPENSATED ABSENCES

Sick leave and vacation policies are established by the Housing Authority Board of Directors. All permanent employees earn 4.6 hours sick leave for each 80 hours of service, 3.1 hours vacation time for each 80 hours of service for employees with 1—7 years of service; and 4.6 hours vacation time for each 80 hours worked for employees with 8—14 years of service. The Executive Director receives 6.2 hours vacation time for every 80 hours of service. Unused sick leave may be accumulated up to 240 hours and is paid to employees at the time of retirement. All permanent employees earn vacation hours based on length of service. Unused vacation leave will be paid to the employees at the time of separation. As of September 30, 2017, $5,361 of sick leave and vacation was accrued.

10. ECONOMIC DEPENDENCY

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

11. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets. The Authority owns 6 single family dwellings that are covered by State Farm Insurance, Auto-Owners Insurance, and Ohio Fair Plan coverage. These dwelling coverages include fire, personal liability, and other special form perils with deductibles between $250 and $1,000. There have been no insurance settlements that have exceeded insurance coverage in any of the past three years.

The Authority pays the State Workers' Compensation System a premium based on a rate per $100 of salaries. This rate is calculated based on accident history and administrative costs. There was no reduction in coverage from 2016 to 2017.

12. CONTINGENCIES

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 are 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, 2017.

Required Supplementary Information

MEIGS METROPOLITAN HOUSING AUTHORITY
MEIGS COUNTY
FOR THE YEAR ENDED SEPTEMBER 30, 2017
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability
Ohio Public Employee Retirement System
Last Three Fiscal Years*

	2016	2015	2014	2013
Authority's proportion of the net pension liability (asset) (percentage)	0.000444%	0.000381%	0.000372%	0.000372%
Authority's proportionate share of the net pension liability (asset)	$ 100,825	$ 65,994	$ 44,867	$ 43,854
Authority's covered payroll	$ 55,936	$ 37,650	$ 45,600	$ 49,359
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	180.25%	175.28%	98.39%	96.17%
Plan fiduciary net position as a percentage of the total pension liability (Traditional Plan)	77.25%	81.08%	86.45%	86.45%

Information prior to fiscal year 2013 is not available.

*The amounts presented were determined as of OPERS fiscal year ended December 31.

MEIGS METROPOLITAN HOUSING AUTHORITY
MEIGS COUNTY
FOR THE YEAR ENDED SEPTEMBER 30, 2017
Required Supplementary Information
Schedule of the Authority's Contributions
Ohio Public Employees Retirement System
Last 10 Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	$ 7,189	$ 6,712	$ 5,718	$ 5,455	$ 5,939	$ 5,428	$ 5,393	$ 4,782	$ 4,421	$ 4,215
Contributions in relation to contractually required contribution	(7,189)	(6,712)	(5,718)	(5,455)	(5,939)	(5,428)	(5,393)	(4,782)	(4,421)	(4,215)
Contribution deficit (surplus)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered payroll	$ 59,908	$ 55,936	$ 47,650	$ 44,550	$ 49,359	$ 54,280	$ 55,277	$ 54,441	$ 57,076	$ 58,434
Contributions as a percentage of covered payroll	12.00%	12.00%	12.00%	12.24%	12.03%	10.00%	9.76%	8.78%	7.75%	7.21%

Calculated contribution rates above sometimes differ from published OPERS rates due to rate changes during the Authority's fiscal year (OPERS rates are effective based on a calendar year).

MEGIS METROPOLITAN HOUSING AUTHORITY

MEIGS COUNTY

FINANCIAL DATA SCHEDULE

FOR THE YEAR ENED SEPTEMBER 30, 2017

	14.871 Housing Choice Vouchers	1 Business Activities	Total
111 Cash - Unrestricted	$7,241	$0	$7,241
113 Cash - Other Restricted	$26,985	$0	$26,985
100 Total Cash	$34,226	$0	$34,226
142 Prepaid Expenses and Other Assets	$1,191	$0	$1,191
150 Total Current Assets	$35,417	$0	$35,417
164 Furniture, Equipment & Machinery - Administration	$8,760	$0	$8,760
166 Accumulated Depreciation	-$6,290	$0	-$6,290
160 Total Capital Assets, Net of Accumulated Depreciation	$2,470	$0	$2,470
180 Total Non-Current Assets	$2,470	$0	$2,470
200 Deferred Outflow of Resources	$42,636	$0	$42,636
290 Total Assets and Deferred Outflow of Resources	$80,523	$0	$80,523
321 Accrued Wage/Payroll Taxes Payable	$2,095	$0	$2,095
345 Other Current Liabilities	$15,089	$0	$15,089
310 Total Current Liabilities	$17,184	$0	$17,184
354 Accrued Compensated Absences - Non Current	$5,361	$0	$5,361
357 Accrued Pension and OPEB Liabilities	$100,825	$0	$100,825
350 Total Non-Current Liabilities	$106,186	$0	$106,186
300 Total Liabilities	$123,370	$0	$123,370
400 Deferred Inflow of Resources	$600	$0	$600
508.4 Net Investment in Capital Assets	$2,470	$0	$2,470
511.4 Restricted Net Position	$26,985	$0	$26,985
512.4 Unrestricted Net Position	($72,902)	$0	($72,902)
513 Total Equity - Net Assets / Position	($43,447)	$0	($43,447)
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$80,523	$0	$80,523

MEIGS METROPOLITAN HOUSING AUTHORITY

MEIGS COUNTY

FINANCIAL DATA SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30,2017

	14.871 Housing Choice Vouchers	1 Business Activities	Total
70300 Net Tenant Rental Revenue	$0	$10,523	$10,523
70500 Total Tenant Revenue	$0	$10,523	$10,523
70600 HUD PHA Operating Grants	$409,014	$0	$409,014
71100 Investment Income - Unrestricted	$0	$65	$65
71400 Fraud Recovery	$5,202	$0	$5,202
71500 Other Revenue	$19,430	$2,758	$22,188
71600 Gain or Loss on Sale of Capital Assets	$0	-$106,600	-$106,600
72000 Investment Income - Restricted	$456	$0	$456
70000 Total Revenue	$434,102	-$93,254	$340,848
91100 Administrative Salaries	$61,034	$3,820	$64,854
91200 Auditing Fees	$8,185	$0	$8,185
91500 Employee Benefit contributions - Administrative	$28,642	$0	$28,642
91600 Office Expenses	$20,510	$0	$20,510
91900 Other	$802	$101	$903
91000 Total Operating - Administrative	$119,173	$3,921	$123,094
94100 Ordinary Maintenance and Operations - Labor	$0	$1,944	$1,944
94200 Ordinary Maintenance and Operations - Materials and Other	$2,351	$132	$2,483
94000 Total Maintenance	$2,351	$2,076	$4,427
96110 Property Insurance	$0	$5,040	$5,040
96100 Total insurance Premiums	$0	$5,040	$5,040
96200 Other General Expenses	$5,729	$31,008	$36,737
96000 Total Other General Expenses	$5,729	$31,008	$36,737
96900 Total Operating Expenses	$127,253	$42,045	$169,298
97000 Excess of Operating Revenue over Operating Expenses	$306,849	-$135,299	$171,550
97300 Housing Assistance Payments	$368,312	$0	$368,312
97400 Depreciation Expense	$1,366	$0	$1,366
90000 Total Expenses	$496,931	$42,045	$538,976
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-$62,829	-$135,299	-$198,128
11030 Beginning Equity	$28,729	$125,952	$154,681
11170 Administrative Fee Equity	-$74,231	$0	-$74,231
11180 Housing Assistance Payments Equity	$30,784	$0	$30,784
11190 Unit Months Available	1500	0	1500
11210 Number of Unit Months Leased	1392	0	1392

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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*

February 23, 2018

Meigs Metropolitan Housing Authority
Meigs County
441 General Hartinger Parkway
Middleport, Ohio 45760

To the 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 **Meigs Metropolitan Housing Authority,** Meigs County, Ohio, (the Authority) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated February 23, 2018.

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 opinion 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. 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.

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.

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

Dave Yost · Auditor of State

MEIGS COUNTY METROPOLITAN HOUSING AUTHORITY

MEIGS COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
APRIL 10, 2018

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