OHIO AUDITOR OF STATE
KEITH FABER

JEFFERSON METROPOLITAN HOUSING AUTHORITY
JEFFERSON COUNTY
DECEMBER 31, 2020

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OHIO AUDITOR OF STATE
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INDEPENDENT AUDITOR'S REPORT

Jefferson Metropolitan Housing Authority
Jefferson County
815 North Sixth Street
Steubenville, Ohio 43952

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Jefferson Metropolitan Housing Authority, Jefferson County, Ohio (the Authority), as of and for the year ended December 31, 2020, 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 such 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 audit opinions.

Opinion

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of December 31, 2020, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 11 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. We did not modify our opinion regarding this matter.

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 and other post-employment benefit liabilities and pension and other post-employment benefit 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 Schedules present additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards 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 derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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, this information 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 March 16, 2022, 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.

Keith Faber
Auditor of State
Columbus, Ohio

March 16, 2022

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The Jefferson Metropolitan Housing Authority ("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 activities, (c) identify changes in the Authority's financial position and (d) identify individual 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 current known facts, please read it in conjunction with the Authority's financial statements.

Financial Highlights

- The Authority's net position increased by $2,112,140 (13.97 %) due to results from operation. Net position was $17,227,321 on December 31, 2020 and $15,115,181 at December 31, 2019.

- Total revenues of the Authority increased by $1,873,310 (19.71%) in 2020. Revenues were $9,504,663 in 2019 and $11,377,973 in 2020. The reason for the increase in revenue is due to a additional grant money received from HUD during the year.

- Total expenses of the Authority decreased by $143,590 (1.53%) in 2020. Total expenses were $9,265,833 in 2020 and $9,409,423 in 2019.

The primary focus of the Authority's financial statements is on both the Authority as a whole (Authority-wide) and the individual programs. Both perspectives (Authority-wide and individual programs) allow the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the Authority's accountability.

Authority-Wide Financial Statements

The Authority-wide financial statements are designed to be corporate-like in that all activities are consolidated into columns, which add to a total for the entire Authority.

These statements include a *Statement of Net Position*, which is like 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 and deferred outflows of resources, minus liabilities and deferred inflows of resources, equal "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net 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:

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

Restricted Net Position: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantor, 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". This account resembles the old operating reserves account.

The Authority-wide financial statements also include a *Statement of Revenues, Expenses and Changes in Net Position* (like an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as Capital 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", which is similar to Net Income or Loss.

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

Fund Financial Statements

The Authority consists of exclusively Enterprise Funds. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

Accounting balances for many of the programs maintained by the Authority are segregated as required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

The Authority's Programs

Conventional Public Housing - Under the Conventional Public Housing Program, the Authority rents units it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with The U.S. Department of Housing and Urban Development (HUD). HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30 percent of household income. The Conventional Public Housing Program also includes the Capital Funds Program, which is the primary funding source for physical and management improvements to the Authority's properties.

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

Section 8 New Construction - Gaylord Towers - under the Section 8 New Construction Program, the Authority rents units that it owns to elderly households. The program is operated to allow the Authority to provide the housing at a rent based on 30 percent of household income.

Section 8 Moderate Rehabilitation - Single Room Only - The Authority administers Section 8 rental assistance programs where The U.S. Department of Housing and Urban Development (HUD) enters into an annual contribution contract with a private owner. The owner rents housing to eligible low-income individuals who typically pay rent of 30 percent of adjusted gross income. The remaining portion of the rent for the unit is paid to the owner by HUD through the Housing Assistance Payment (HAP) contract. The Authority acts as the middleman between HUD and the Private Owner and ascertains that the owner is operating the program in compliance with HUD requirements. The Authority earns an administration fee for these services rendered.

Capital Fund Program - The capital fund program provides funds annually, via a formula, to Public Housing Agencies for capital and management activities, including modernization and development housing.

COVID Cares-Act Funding – In March 2020, the United States and the State of Ohio declared a state of emergency due to the COVID-19 pandemic. HUD provided COVID-Cares administrative funds to the Authority's Public Housing, and Housing Choice Voucher Program to help the Authority prepare for, prevent, and respond to the coronavirus, which helped the Authority maintain normal operations during the period.

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AUTHORITY-WIDE STATEMENT

The following is a condensed **Statement of Net Position** compared to the prior year-end. Jefferson Metropolitan Housing Authority is engaged only in business-type activities.

Table 1 - Condensed Statement of Net Position Compared to Prior Year

	2020	2019
Current and Other Assets	$ 8,020,873	$ 6,496,033
Noncurrent Assets	16,127,085	15,937,250
Total Assets	24,147,958	22,433,283
Deferred Outflows of Resources	536,826	635,071
Total Assets and Deferred Outflows of Resources	$ 24,684,784	$ 23,068,354
Current Liabilities	$ 1,045,700	$ 1,010,002
Non-current Liabilities	5,905,266	6,614,884
Total Liabilities	6,950,966	7,624,886
Deferred Inflows of Resources	506,497	328,287
Net Position:		
Net Investment in Capital Assets	12,645,805	12,016,144
Restricted Net Position	100,705	62,926
Unrestricted Net Position	4,480,811	3,036,111
Total Net Position	17,227,321	15,115,181
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 24,684,784	$ 23,068,354

For more detail information see Statement of Net Position presented elsewhere in this report.

Major Factors Affecting the Statement of Net Position

During 2020 current assets and other assets increased by $1,524,840. The current and other assets, primarily cash and investments, increased due to results from operation. Current liabilities increased by $35,698. This was mostly due to invoices that were outstanding at the end of the year.

Long Term Liabilities decreased by $709,618. The decrease was due to the change in net pension and OPEB liabilities and retirement of debt.

During 2020 Net Investment in Capital Assets increased by $629,661 primarily due to net of depreciation and current year purchases. Unrestricted Net Position increased by $1,444,700 and Restricted Net Position increased by $37,779. These changes are due to the result of current year activities.

The following is the **Statement of Revenues, Expenses and Changes in Net Position.** Jefferson Metropolitan Housing Authority is engaged only in business-type activities.

Table 2 - Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2020	2019
Revenues		
Total Tenant Revenues	$ 1,283,455	$ 1,170,916
Operating Subsidies	8,324,249	7,476,749
Capital Grants	1,339,564	613,569
Investment Income	1,141	1,792
Other Revenues	429,564	241,637
Total Revenues	**11,377,973**	**9,504,663**
Expenses		
Administrative	1,344,560	1,197,368
Tenant Services	19,721	-
Utilities	1,245,558	1,204,779
Maintenance	1,838,261	2,038,584
Protection Services	95,780	175,588
General, Insurance and Interest Expenses	457,721	386,413
Housing Assistance Payments	2,969,676	3,069,778
Depreciation	1,294,556	1,336,913
Total Expenses	**9,265,833**	**9,409,423**
Net Increases (Decreases)	2,112,140	95,240
Beginning Net Position	15,115,181	15,019,941
Ending Net Position	**$ 17,227,321**	**$ 15,115,181**

For more detailed information see Combined Statement of Revenues, Expenses and Changes in Net Position presented elsewhere in this report.

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

Total revenues increased by $1,873,310 (19.71 percent) in 2020. This increase is mainly due to HUD Grant Revenue received for the year.

Total expenses decreased $143,590 (1.53 percent) in 2020; the main reason of the decreases was maintenance expenses. The following table shows the change in net position of the Authority for the year ended December 31, 2020:

Table 3 - Changes of Unrestricted Net Position

	Unrestricted
Beginning Balance - December 31, 2019	$ 3,036,111
Results of Operation	2,074,361
Adjustments:	
Current Year Depreciation Expense (1)	1,294,556
Capital Expenditure (2)	(1,484,391)
Retirement of Debt	(439,826)
Ending Balance - December 31, 2020	$ 4,480,811

Capital Assets

As of year-end, the Authority had $16,127,085 invested in a variety of capital assets as reflected in the following schedule, which represents a net increase (addition, deductions, and depreciation) of $189,835 or 1.19 percent from the end of prior year. The following is a condensed **Statement of Changes in Capital Assets** comparing the balance in capital assets at the year-end versus at the end of the prior year.

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Table 4 - Condensed Statement of Changes in Capital Assets at Year End
(Net of Depreciation)

	2020	2019
Land	$ 2,697,982	$ 2,697,982
Buildings	46,909,069	45,563,863
Dwelling Equipment	1,284,412	1,257,701
Administration Equipment	924,460	857,675
Construction in Progress	1,240,968	1,195,280
Accumulated Depreciation	(36,929,806)	(35,635,251)
Total	$ 16,127,085	$ 15,937,250

The following reconciliation summarizes the change in Capital Assets.

Table 5 - Capital Assets at Year-End

Beginning Balance - December 31, 2019	$ 15,937,250
Current year Additions	1,484,391
Current year Depreciation Expense	(1,294,556)
Ending Balance - December 31, 2020	$ 16,127,085

The current year additions represented various capital improvements such as: water heaters, sewer line replacement, security camera recorder and electric door operator.

Debt Outstanding

As of year-end, the Authority had debt of $3,481,280 for the Energy Performance Contract. This is a decrease of $439,826 from prior year.

Table 6 - Condensed Statement of Changes in Debt Outstanding

Beginning Balance - December 31, 2019	$ 3,921,106
Current Year New Debt Issued	
Current Year Debt Retired	(439,826)
Ending Balance - December 31, 2020	$ 3,481,280

Economic Factors

Significant economic factors affecting the Authority are as follows:

1. Federal funding provided by Congress to the Department of Housing and Urban Development

2. Local labor and demand, which can affect salary and wage rates.

3. Local inflationary, recessionary and employment trends, which can affect resident incomes, and therefore the amount of rental income

4. Inflationary pressure on utility rates, supplies and other costs.

5. Property condition.

6. Unknown financial and operational impacts as well as impacts to federal programs because of the COVID-19 pandemic

Recommended

1) Keep Expenses to a minimum.

2) Do not acquire any more debt.

3) Follow HUD recommendations for Security to extent possible financially, without incurring outlays.

4) Financial issues should become paramount to Authority.

Financial Contact

Questions concerning this report or requests for additional information should be directed to Melody McClurg, Executive Director of Jefferson Metropolitan Housing Authority, at (740) 282-0994.

JEFFERSON METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
December 31, 2020

ASSETS	
Current assets	
Cash and Cash Equivalents	$6,947,226
Restricted Cash and Cash equivalents	303,340
Receivables, Net	162,082
Inventories, Net	80,469
Prepaid Expenses and Other Assets	527,756
Total Current Assets	**8,020,873**
Noncurrent Assets	
Capital Assets	
Non-depreciable Capital Assets	3,938,950
Depreciable Capital Assets, Net	12,188,135
Total Noncurrent Assets	***16,127,085***
Total Assets	***$24,147,958***
Deferred Outflows of Resources	
Pension	332,475
OPEB	204,351
Total Deferred Outflows of Resources	536,826
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	**$24,684,784**
LIABILITIES	
Current Liabilities	
Accounts payable	$172,311
Accrued Compensated Absences	35,703
Accrued Liabilities	102,044
Tenant Security Deposits	141,149
Notes Payable	477,830
Accrued Interest Payable	57,157
Intergovernmental Payable	37,746
Unearned Revenue	21,760
Total Current Liabilities	***$1,045,700***

See accompanying notes to the basic financial statements.

JEFFERSON METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
December 31, 2020

Noncurrent Liabilities	
Accrued Compensated Absences - Net of Current Portion	$95,823
Notes Payable - Net of Current Portion	3,012,835
Net Pension Liabilty	1,483,218
Net OPEB Liability	1,001,275
Other Noncurrent Liabilities	312,115
Total Noncurrent Liabilities	***5,905,266***
TOTAL LIABILITIES	**$6,950,966**
Deferred Inflow of Resources	
Pension	$334,312
OPEB	172,185
Total Deferred Inflow of Resources	***$506,497***
NET POSITION	
Net Investment in Capital Assets	$12,645,805
Restricted Net Position	100,705
Unrestricted Net Position	4,480,811
Total Net Position	**$17,227,321**
TOTAL LIABLITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	**$24,684,784**

See accompanying notes to the basic financial statements.

JEFFERSON METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020

OPERATING REVENUES	
Tenant Revenue	$1,283,455
Government Operating Grants	8,324,249
Other Revenue	429,564
Total Operating Revenues	**10,037,268**
OPERATING EXPENSES	
Administrative	1,344,560
Tenant Services	19,721
Utilities	1,245,558
Maintenance	1,838,261
Protection Services	95,780
General and Insurance	361,936
Housing Assistance Payment	2,969,676
Total Operating Expenses Before Depreciation	**7,875,492**
Income (Loss) Before Depreciation	**2,161,776**
Depreciation	1,294,556
Operating Income (Loss)	**867,220**
NON-OPERATING REVENUES (EXPENSES)	
Interest and Investment Revenue	1,141
Interest Expense	(95,785)
Capital Grant Revenue	1,339,564
Total Non-Operating Revenues (Expenses)	***1,244,920***
Change in Net Position	2,112,140
Total Net Position - Beginning of Year	15,115,181
Total Net Position - End of Year	**$17,227,321**

See accompanying notes to the basic financial statements.

JEFFERSON METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating grants received	$8,305,852
Tenant revenue received	1,272,043
Other revenue received	430,473
General and administrative expenses paid	(4,917,960)
Housing assistance payments	(2,969,676)
Net Cash Provided (Used) by Operating Activities	**2,120,732**
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned	1,141
Net Cash Provided (Used) by Investing Activities	**1,141**
CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES	
Capital Grant Funds Received	1,339,564
Capital Assets Purchased	(1,484,390)
Debt Principal Payments	(439,826)
Interest Payments	(95,785)
Net Cash Provided (Used) by Capital and Related Activities	**(680,437)**
Net Increase (Decrease) in Cash	1,441,436
Cash and Cash Equivalents - Beginning of Year	5,809,130
Cash and cash equivalents - End of year	**$7,250,566**

See accompanying notes to the basic financial statements.

JEFFERSON METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Net Operating Income (Loss)	$867,220
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities	
- Depreciation	1,294,556
- (Increases) Decreases in Accounts Receivable	(65,222)
- (Increases) Decreases in Prepaid Assets	(20,183)
- (Increases) Decreases in Inventory	2,001
- (Increases) Decreases in Deferred Outflows	98,245
- Increases (Decreases) in Accounts Payable	(25,054)
- Increases (Decreases) in Accrued Liabilities	45,225
- Increases (Decreases) in Tenant Security Deposits	(4,612)
- Increases (Decreases) in Pension Liability	(399,157)
- Increases (Decreases) in OPEB Liability	135,054
- Increases (Decreases) in Accrued Compensated Absences	19,035
- Increases (Decreases) in Deferred Inflows	178,210
- Increases (Decreases) in Accrued Interest Payable	(7,222)
- Increases (Decreases) in Noncurrent Liabilities - Other	2,636
Net Cash Provided (Used) by Operating Activities	**$2,120,732**

See accompanying notes to the basic financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

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

Reporting Entity

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

The accompanying Financial Statements comply with the provision of Governmental Accounting Standards Board (GASB) Statement 61, the Financial Reporting Entity, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

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

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

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

Basis of Presentation

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Authority's basic financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows.

The Authority uses a single enterprise fund to maintain its financial records on an accrual basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Enterprise fund reporting focuses on the determination of the change in net position, financial position, and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods and services.

Fund Accounting

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

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

Proprietary Fund Types

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

> *Enterprise Fund* - This fund is used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services

to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Description of Programs

The Authority uses a single enterprise fund to maintain its financial records on the accrual basis. The following are the various programs which are included in the enterprise fund:

A. ***Public Housing Program***

The Public Housing Program is designed to provide low-cost housing within Jefferson County. Under this program, HUD provides funding via an annual contribution 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***

The Capital Fund Program provides funds annually, via a formula, to Public Housing Agencies for capital and management activities, including modernization and development housing.

C. ***Housing Choice Voucher Program***

The Housing Choice Voucher Program was authorized by Section 8 of the National Housing Act and provides housing assistance payments to private, not-for-profit, or public landlords to subsidize rentals for low-income persons.

D. ***New Construction***

Gaylord Tower is an apartment building owned by the Authority. The units are rented to elderly households. The building is operated under a Housing Assistance Payment (HAP) contract with HUD, and HUD provides subsidy to allow the Authority to provide the housing at a rent based on 30 percent of household income.

E. ***Section 8 Moderate Rehabilitation Program***

The Authority administers Section 8 rental assistance programs where HUD enters into annual contribution contracts with a private owner. The owner rents housing to eligible low-income families who typically pay rent of 30 percent of adjusted gross income. The remaining portion of the rent for the unit is paid to the owner by HUD through the HAP contract. The Authority acts as the middleman between HUD and the private owner and ascertains that the owner is operating the program in compliance with HUD requirements. The Authority earns an administration fee for these services rendered.

F. ***Business Activity***
Washington Square - Washington Square is an apartment building owned by the Authority. The apartments are rented to moderate income individuals for a set low income rent.

Investments
The provisions of the HUD Regulations restrict investments. Investments are valued at market value. Interest income earned in the year ended December 31, 2020, was $1,141.

Capital Assets
Capital assets are stated at cost. The capitalization policy of the Authority is to depreciate all non-expendable personal property having a useful life of more than one year and purchase price of $2,000 or more per unit. Depreciation is calculated using the straight-line method over the estimated useful lives:

Buildings	40 years
Building Improvements	15 years
Furniture, Equipment and Machinery	3-7 years

Expenses for repairs and maintenance are charged directly to expense as they are incurred. Expenses determine to represent additions or betterments are capitalized.

Operating Revenues and Expenses
Operating revenues and expenses are those revenues that are generated directly from the primary activities of the proprietary fund and expenses incurred for the day to day operations. For the Authority, operating revenues are tenant rent charges, operating subsidy from HUD and other miscellaneous revenue.

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

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

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

termination policy of the Authority for years of service are included in the calculation of the compensated absences accrual amount.

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

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

Net Position

Net position represents the difference between assets and liabilities. 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 recorded as restricted when there are limitations imposed on their use by internal or external restrictions.

Budgetary Accounting

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

Estimates

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the Authority, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 5 and 6.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources are reported on the statement of net position for pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 5 and 6.

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

NOTE 2: **DEPOSITS AND INVESTMENTS**

Deposits
State statutes classify monies held by the Authority into three categories:

A. Active deposits are public deposits necessary to meet demands on the treasury. Such monies must be maintained either as cash in the Authority's treasury, in commercial accounts payable or withdrawal on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

B. Inactive deposits are public deposits that the Authority has identified as not required for use within the current two periods of designation of depositories. Inactive deposits must either be evidenced by certificate of deposits maturing not later than the end of the current period of designation of the depositories, or by savings or deposit accounts including, but not limited to passbook accounts.

C. Interim deposits are deposits of interim monies. Interim monies are those monies not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificate of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including, but not limited to passbook accounts.

Protection of the Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by collateral held by Authority, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

At fiscal year-end December 31, 2020, the carrying amount of the Authority's deposits totaled $7,250,566 (including $100 petty cash) and its bank balance was $7,576,907. Based on the criteria described in GASB Statement No. 40, *Deposit and*

Investment Risk Disclosure, as of December 31, 2020, $7,076,918 was exposed to custodial risk as discussed below, while $500,000 was covered by the Federal Depository Insurance Corporation.

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the 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.

Investments

In accordance with the Ohio Revised Code and HUD investment policy, the Authority is permitted to invest in certificates of deposit, savings accounts, money market accounts, certain highly rated commercial paper, obligations of certain political subdivision of Ohio and the United States government and its agencies, and repurchase agreements with any eligible depository or any eligible dealers. Public depositories must give security for all public funds on deposits. Repurchase agreements must be secured by the specific qualifying securities upon which the repurchase agreements are based.

The Authority is prohibited from investing in any financial instruments, contracts, or obligations whose value or return is based or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a derivative). The Authority is also prohibited from investing in reverse purchase agreements.

Interest Rate Risk - The Authority does not have a formal investment policy that limits investments as a means of managing its exposure to fair value losses arising from increasing interest rates. However, it is the Authority’s practice to limit its investments to three years or less.

Credit Risk - HUD requires specific collateral on individual accounts in excess of amounts insured by the Federal Deposit Insurance Corporation. The Authority’s depository agreement specifically required compliance with HUD requirements.

Concentration of Credit Risk - The Authority places no limit on the amount that may be invested with any one issuer. However, it is the Authority’s practice to do business with more than one depository.

The Authority had no investments December 31, 2020.

NOTE 3: **RESTRICTED CASH**

The restricted cash balance as of December 31, 2020 of $303,340 represents cash on hand for the following:

- FSS Escrow Funds Held for Tenants	$ 18,025
- Unexpended CARES Act funds	43,461
- Housing Assistance funds on Hand	100,705
- Tenant Security Deposits	141,149
Total Restricted Cash	$ 303,340

NOTE 4: **CAPITAL ASSETS**

A summary of capital assets at December 31, 2020 by class is as follows:

	Balance 12/31/2019	Adjustment	Additions	Deletions	Balance 12/31/2020
Capital Assets Not Being Depreciated:					
Land	$2,697,982	$0	$0	$0	$2,697,982
Construction in Progress	1,195,280	(1,531)	93,524	(46,305)	1,240,968
Total Capital Assets Not Being Depreciated	**3,893,262**	**(1,531)**	**93,524**	**(46,305)**	**3,938,950**
Capital Assets Being Depreciated:					
Buildings	45,563,863	1,531	1,343,675	0	46,909,069
Furnt, Mach. and Equip:					
- Dwelling	1,257,701	0	26,711	0	1,284,412
- Administration	857,675	0	66,785	0	924,460
Total Capital Assets Being Depreciated	**47,679,239**	**1,531**	**1,437,171**	**0**	**49,117,941**
Accumulated Depreciation:					
Buildings	(33,744,603)	0	(1,221,595)	0	(34,966,198)
Furnt, Mach. and Equip.					
- Dwelling	(1,076,780)	0	(50,649)	0	(1,127,429)
- Administration	(813,868)	0	(22,311)	0	(836,179)
Total Accumulated Depreciation	**(35,635,251)**	**0**	**(1,294,555)**	**0**	**(36,929,806)**
Total Capital Assets Being Depreciated, Net	**12,043,988**	**1,531**	**142,616**	**0**	**12,188,135**
Total Capital Assets, Net	**$15,937,250**	**$0**	**$236,140**	**($46,305)**	**$16,127,085**

NOTE 5: **DEFINED BENEFIT PENSION PLANS**

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transaction—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 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 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.

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. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in accrued liabilities on the accrual basis of accounting.

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 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 www.opers.org/financial/reports.html by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (800) 222-PERS.

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 reference above for additional information):

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 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 form the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service form the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service form the first 30 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 members' 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. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

When a traditional plan 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.

A death benefit of $500 - $2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

The OPERS Board of Trustees approved a proposal at its October 2019 meeting to create a new tier of membership in the OPERS traditional pension plan. OPERS currently splits its non-retired membership into Group A, B or C depending on age and service criteria. Retirement Group D would consist of OPERS contributing members hired in 2022 and beyond. Group D will have its own eligibility standards, benefit structure and unique member features designed to meet the changing needs of Ohio public workers. It also will help OPERS address expected investment market volatility and adjust to the lack of available funding for health care.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

	State and Local
2020 Statutory Maximum Contribution Rates:	
Employer	14.0%
Employee	10.0%
2020 Actual Contribution Rates:	
Employer:	
Pension	14.0%
Post-employment Health Care Benefits	0.0%
Total Employer	14.0%

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution for pension was $151,745 for year ending December 31, 2020. Of this amount $20,898 is reported within the accrued liabilities.

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

The net pension liability was measured as of December 31, 2019, 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 contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	Traditional Plan
Proportionate Share of Net Pension Liability	$1,483,218
Percentate for Proportionate Share of Net Pension Liability	0.007504%
Change in Proportion from Prior Measurement Date	0.000631%
Pension Expense	$104,023

At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional Plan
Deferred Outflows of Resources	
Change in Assumption	72,559
Change in Porportion Share	82,929
Authority contributions subsequent to the measurement date	176,990
Total Deferred Outflows of Resources	$332,478
Deferred Inflows of Resources	
Net difference between projected and actual earning on pension plan investments	$270,990
Difference Between Expected and Actual Experience	17,175
Change in Porportion Share	46,147
Total Deferred Inflows of Resources	$334,312

$176,990 reported as deferred outflows of resources related to pension resulting from Authority contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	
2020	($24,544)
2021	(57,905)
2022	11,222
2023	(107,597)
Total	($178,824)

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, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Actuarial Information	Traditional Plan
Valuation Date	December 31, 2019
Experience Study	5 year ended 12/31/15
Actuarial Cost Method	Individual entry age
Actuarial Assumptions:	
Investment Return	7.20%
Wage Inflation	3.25%
Projected salary increase	3.25%-10.75% (includes wage inflation at 3.25%)
Cost-of-living adjustments	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: 1.40% Simple through 2020, then 2.15% Simple

The total pension asset in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Information	Traditional Plan
Actuarial Cost Method	Individual entry age
Actuarial Assumptions:	
Investment Return	7.20%
Wage Inflation	3.25%
Projected salary increase	3.25%-8.25% (includes wage inflation at 3.25%)
Cost-of-living adjustments	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: 1.40% Simple through 2020, then 2.15% Simple

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the previously 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 three investment portfolios: the Defined Benefits portfolio, the Health Care 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. 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 expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2 percent for 2019.

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 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation for 2019	Weighted Average Long- Term Expected Real Rate of Return
Fixed Income	25.00%	1.83%
Domestic Equities	19.00%	5.75%
Real Estate	10.00%	5.20%
Private Equity	12.00%	10.70%
International Equities	21.00%	7.66%
Other investments	13.00%	4.98%
Total	100.00%	5.61%

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent, post-experience study results. 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 contractually 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 benefits 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 7.2 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 (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.2%)	Current Discount rate of 7.2%	1% Increase (8.2%)
Authority's proporationate share of the net pension liability - Traditional Pension Plan	$2,446,304	$1,483,218	$617,429

Changes Between Measurement Date and Report Date

Subsequent to December 31, 2019, the global economy was impacted by the COVID-19 pandemic and market volatility increased significantly. It is likely that 2020 investment market conditions and other economic factors will be negatively impacted; however, the overall impact on the OPERS investment portfolio and funding position is unknown at this time.

NOTE 6: **DEFINED BENEFIT OPEB PLANS**

Net OPEB Liability

The net OPEB liability reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. OPEB 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability represents the Authority's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB 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 these estimates annually.

The 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 OPEB are financed; however, the Authority does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in accrued liabilities on the accrual basis of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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 maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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 75. 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.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, 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 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2020. The OPERS 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 employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The Authority's contractually required contribution was $0 for 2020.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB liability was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	Health Care Plan
Proportionate Share of Net OPEB Liability	$1,001,275
Proportion of the Net OPEB Liability	0.007249%
Change in Proportion from Prior Measurement date	0.006644%
OPEB Expense	$59,740

At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Health Care Plan
Deferred Outflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$158,490
Assumption Changes	27
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	45,834
Total Deferred Outflows of Resources	$204,351
Deferred Inflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$50,985
Difference between expected and actual experience	91,571
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	29,629
Total Deferred Inflows of Resources	$172,185

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

		Health Care Plan
Year Ending December 31:		
	2020	$23,931
	2021	29,982
	2022	40
	2023	(21,787)
	Total	$32,166

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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Actuarial Information	
Wage Inflation	3.25%
Future Salary Increases, including inflation 3.25%	3.25 - 10.75%
Single Discount Rate	
Current measurement rate	3.16%
Prior measurement rate	3.96%
Investment Rate of Return	6.00%
Municipal Bond Rate	2.75%
Health Care Cost Trend Rate	10.5% initial, 3.50% ultimate in 2030
Actuarial Cost Method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

The long-term expected rate of return on health care 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.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. 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 investment expenses and adjusted for the changing amounts actually invested for the Health Care portfolio was 19.70 percent for 2019.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

Asset Class	**Target Allocation**	**Weighted Average Long-Term Expected Real Rate of Return**
Fixed Income	36.00%	1.53%
Domestic Equities	21.00%	5.75%
REITs	6.00%	5.69%
International Equities	23.00%	7.66%
Other Investments	14.00%	4.90%
TOTAL	100.00%	4.55%

Discount Rate A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
Authority's proportionate share of the net OPEB liability	$1,310,329	$1,001,275	$753,824

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease (9.50%)	Current Trent Rate (10.50%)	1% Increase (11.50%)
Authority's proportionate share of the net OPEB liability	$971,728	$1,001,275	$1,030,445

Changes Between Measurement Date and Report Date

Subsequent to December 31, 2019, the global economy was impacted by the COVID-19 pandemic and market volatility increased significantly. It is likely that 2020 investment market conditions and other economic factors will be negatively impacted; however, the overall impact on the OPERS investment portfolio and funding position is unknown at this time.

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

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NOTE 7: **LONG-TERM LIABILITIES**

Change in Long-Term Liabilities:

Description	Balance 12/31/19	Issued	Retired	Balance 12/31/20	Due Within One Year
Long-Term Debt	$ 3,921,106	$ -	$ 439,826	$ 3,481,280	$ 468,445
Compensated Absences	112,491	19,035	-	131,526	35,703
Other - FSS Escrow	16,108	1,917	-	18,025	-
Other - Payable to HUD	311,709	-	8,234	303,475	17,619
Net Pension Liability	1,882,375	-	399,157	1,483,218	-
Net OPEB Liability	866,221	135,054	-	1,001,275	-
Total	$ 7,110,010	$ 156,006	$ 847,217	$ 6,418,799	$ 521,767

On August 26, 2013, the Authority entered into an equipment lease-purchase agreement to acquire equipment under an energy performance contract in order to upgrade the heating and energy efficiency of several properties in the amount of $5,869,771. Annual principal payments began on May 15, 2014. The annual rate of interest is 2.267 percent with the agreement maturing on August 26, 2026.

The following is a summary of the Authority's future debt service requirements for debt payable as of December 31, 2020:

Year	Principal	Interest	Total
2021	468,445	91,453	559,898
2022	498,328	79,147	577,475
2023	529,523	66,056	595,579
2024	562,080	52,146	614,226
2025	569,208	50,814	620,022
2026	853,696	60,570	914,266
Total	$3,481,280	$400,186	$3,881,466

NOTE 8: **RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending December 31, 2020, the Authority maintained comprehensive insurance coverage with private carriers for general liability, real property, building contents, and vehicles through membership in the State Housing

Authority Risk Pool Association, Inc. (SHARP). SHARP is an insurance pool comprised of thirty-nine (39) Ohio Housing Authorities, of which Jefferson Metropolitan Housing Authority is a member. Vehicle policies include liability coverage for bodily injury and property damage.

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

The Authority provides health care benefits to its employees via participation in a partially self-funded health care plan, OME-RESA Health Benefits Program. The Authority makes monthly payments to the Plan Administrator for claims paid by the Plan in the previous month. An estimated asset of $311,666 for excess funding was reported at December 31, 2020.

NOTE 9: <u>CONTINGENCIES</u>

The Office of Inspector General U.S. Department of Housing and Urban Development issued three reports in the prior period and subsequent to it in the current year (2015-CH-1004, 2015-CH-1007 and 2016-CH-1005) of audits it has completed of certain activities of the Authority. The reports contained audit findings that resulted in disallowed costs. On September 29, 2017, the Authority signed a repayment agreement whereas the Jefferson Metropolitan Housing Authority is to make repayment of $463,885 to the Operating Fund Reserves, $375,336 to the Housing Assistance Payment Reserve and $39,445 to the Housing Assistance Administrative Fee Reserve over a period of no more than forty years. On April 26, 2018 the agreement was amended to reflect the following repayment terms:

- Reimburse the Operating Fund Reserves $463,885 from non-federal funds in thirty-nine equal installments of $11,598 and $11,563 in the fortieth year. Payment is due no later than November 30th of each year.

- Reimburse the Housing Assistance Payment Reserve $329,328 from non-federal funds in thirty-nine equal installments of $8,234 and $8,202 in the fortieth year. Payment is due no later than November 30th of each year.

- Reimburse the Administrative Fee Reserve $28,779 from non-federal funds in thirty-nine equal installments of $720 and $699 in the fortieth year. Payment is due no later than November 30th of each year.

The amount repaid and outstanding balance as of December 31, 2020 is as follows:

Description	Balance 12/31/19	Retired	Balance 12/31/20
Operating Reserves	$ 387,487	$ 11,598	$ 375,889
Housing Assistance Reserve	311,709	8,234	303,475
Admin Fee Reserve	26,085	720	25,365
Total	$ 725,281	$ 20,552	$ 704,729

NOTE 10: <u>SUBSEQUENT EVENTS</u>

Generally accepted accountings principles define subsequent events as events or transactions that occur after the statement of the financial position date, but before the financial statements as issued or are available to be issued. Management has evaluated subsequent events through the date on which the financial statements were available to be issued.

NOTE 11. <u>COVID-19</u>

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the Authority. The pension and other employee benefit plans in which the Authority participates fluctuate with market conditions and, due to market volatility, the amounts of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Authority’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Jefferson Metropolitan Housing Authority
Required Supplementary Information
Schedule of Jefferson Metropolitan Housing Authority
Proportionate Share of the Net Pension Liability
Fiscal Years Avaliable

Traditional Plan	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Liability - Traditional Plan	0.007504%	0.006873%	0.007726%	0.009498%	0.011681%	0.012994%	0.012994%
Authority's Proportionate Share of the Net Pension Liability - Traditional Plan	$1,483,218	$1,882,375	$1,212,060	$2,156,834	$2,023,296	$1,567,218	$1,531,820
Authority's Covered-Employee Payroll	$1,311,386	$1,095,150	$1,052,853	$1,260,376	$1,593,071	$1,531,414	$1,603,290
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	113.10%	171.88%	115.12%	171.13%	127.01%	102.34%	95.54%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability - Traditional Plan	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available. Schedule is intended to show 10-year data; additional years will be displayed as it becomes available.
(2) The amounts presented as of the Authority measurement date, which is the prior calenda year end.

Jefferson Metropolitan Housing Authority
Required Supplementary Information
Schedule of Authority's Contributions - Pension
Ohio Public Employees Retirement System
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually Required Contribution - Pension	$176,990	$147,696	$131,754	$132,736	$147,343	$174,458	$191,169	$199,084	$160,329	$161,687
Contributions in Relation to the Contractually Required Contribution	$176,990	$147,696	$131,754	$132,736	$147,343	$174,458	$191,169	$199,084	$160,329	$161,687
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Authority's Covered-Employee Payroll	$1,264,217	$1,055,757	$941,100	$1,021,043	$1,227,857	$1,453,814	$1,593,071	$1,531,414	$1,603,286	$1,616,871
Contributions as a Percentage of Covered-Employee Payroll - Pension	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%	10.00%	10.00%

Jefferson Metropolitan Housing Authority
Required Supplementary Information
Schedule of Jefferson Metropolitan Housing Authority
Proportionate Share of the Net OPEB Liability
For the Fiscal Years Available

	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability	0.007249%	0.006644%	0.007430%	0.009120%
Authority's Proportionate Share of the Net OPEB Liability	$1,001,275	$866,221	$806,843	$921,151
Authority's Covered Payroll	$1,311,386	$1,095,150	$1,052,860	$1,260,293
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	76.35%	79.10%	76.63%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	68.52%

(1) The amounts presented is as of the Authority's plan measurement date, which is the prior calendar year.
(2) Information prior to 2017 is not available.

Jefferson Metropolitan Housing Authority
Required Supplementary Information
Schedule of Authority's Contributions - OPEB
Ohio Public Employees Retirement System
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually Required Contribution - OPEB	$0	$0	$0	$11,483	$25,196	$29,404	$31,861	$15,314	$64,131	$88,928
Contributions in Relation to the Contractually Required Contribution	$0	$0	$0	$11,483	$25,196	$29,404	$31,861	$15,314	$64,131	$88,928
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Authority's Covered-Employee Payroll	$1,264,217	$1,095,150	$963,652	$1,052,853	$1,260,376	$1,593,071	$1,531,414	$1,603,290	$1,616,870	$1,553,256
Contributions as a Percentage of Covered-Employee Payroll - OPEB	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%	1.00%	4.00%	6.00%

Ohio Public Employees' Retirement System

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2020.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%.

Jefferson Metropolitan Housing Authority (OH014)
STEUBENVILLE, OH
Entity Wide Balance Sheet Summary

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$3,489,798	$0	$0	$959,957	$1,029,955	$205,473	$0	$50,172	$1,211,871	$6,947,226	$0	$6,947,226
112 Cash - Restricted - Modernization and Development	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
113 Cash - Other Restricted	$0	$0	$21,701	$0	$0	$118,730	$21,760	$0	$0	$162,191	$0	$162,191
114 Cash - Tenant Security Deposits	$110,318	$0	$0	$21,029	$9,802	$0	$0	$0	$0	$141,149	$0	$141,149
115 Cash - Restricted for Payment of Current Liabilities	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
100 Total Cash	$3,600,116	$0	$21,701	$980,986	$1,039,757	$324,203	$21,760	$50,172	$1,211,871	$7,250,566	$0	$7,250,566
	$0											
121 Accounts Receivable - PHA Projects	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
122 Accounts Receivable - HUD Other Projects	$0	$13,591	$0	$0	$0	$0	$0	$4,806	$0	$18,397	$0	$18,397
124 Accounts Receivable - Other Government	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
125 Accounts Receivable - Miscellaneous	$0	$0	$0	$0	$31	$637	$0	$0	$8	$676	$0	$676
126 Accounts Receivable - Tenants	$146,043	$0	$0	$17,333	$5,272	$0	$0	$0	$0	$168,648	$0	$168,648
126.1 Allowance for Doubtful Accounts -Tenants	-$35,820	$0	$0	$0	-$584	$0	$0	$0	$0	-$36,404	$0	-$36,404
126.2 Allowance for Doubtful Accounts - Other	-$1,314	$0	$0	-$678	$0	$0	$0	$0	$0	-$1,992	$0	-$1,992
127 Notes, Loans, & Mortgages Receivable - Current	$9,086	$0	$0	$3,473	$198	$0	$0	$0	$0	$12,757	$0	$12,757
128 Fraud Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
128.1 Allowance for Doubtful Accounts - Fraud	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
129 Accrued Interest Receivable	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	$117,995	$13,591	$0	$20,128	$4,917	$637	$0	$4,806	$8	$162,082	$0	$162,082
	$0											
131 Investments - Unrestricted	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
132 Investments - Restricted	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
135 Investments - Restricted for Payment of Current Liability	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
142 Prepaid Expenses and Other Assets	$207,564	$0	$0	$22,245	$5,582	$1,448	$0	$61	$290,856	$527,756	$0	$527,756
143 Inventories	$80,612	$0	$0	$6,500	$2,297	$0	$0	$0	$0	$89,409	$0	$89,409
143.1 Allowance for Obsolete Inventories	-$8,060	$0	$0	-$650	-$230	$0	$0	$0	$0	-$8,940	$0	-$8,940
144 Inter Program Due From	$13,591	$0	$0	$0	$0	$0	$0	$0	$0	$13,591	-$13,591	$0
145 Assets Held for Sale	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
150 Total Current Assets	$4,011,818	$13,591	$21,701	$1,029,209	$1,052,323	$326,288	$21,760	$55,039	$1,502,735	$8,034,464	-$13,591	$8,020,873
	$0											
161 Land	$2,581,882	$0	$0	$70,000	$41,100	$0	$0	$0	$5,000	$2,697,982	$0	$2,697,982
162 Buildings	$42,413,032	$0	$0	$3,802,760	$558,900	$0	$0	$0	$134,377	$46,909,069	$0	$46,909,069
163 Furniture, Equipment & Machinery - Dwellings	$1,124,781	$0	$0	$154,677	$4,954	$0	$0	$0	$0	$1,284,412	$0	$1,284,412
164 Furniture, Equipment & Machinery - Administration	$495,957	$0	$0	$94,975	$0	$56,230	$0	$0	$277,298	$924,460	$0	$924,460
165 Leasehold Improvements	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
166 Accumulated Depreciation	-$32,514,764	$0	$0	-$3,979,532	-$108,829	-$35,059	$0	$0	-$291,622	-$36,929,806	$0	-$36,929,806
167 Construction in Progress	$902,594	$0	$0	$335,485	$0	$0	$0	$0	$2,889	$1,240,968	$0	$1,240,968
168 Infrastructure	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
160 Total Capital Assets, Net of Accumulated Depreciation	$15,003,482	$0	$0	$478,365	$496,125	$21,171	$0	$0	$127,942	$16,127,085	$0	$16,127,085
	$0											
171 Notes, Loans and Mortgages Receivable - Non-Current	$363,799	$0	$0	$0	$0	$37,455	$0	$0	$0	$401,254	-$401,254	$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
173 Grants Receivable - Non Current	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
174 Other Assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
176 Investments in Joint Ventures	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
180 Total Non-Current Assets	$15,367,281	$0	$0	$478,365	$496,125	$58,626	$0	$0	$127,942	$16,528,339	-$401,254	$16,127,085
	$0											
200 Deferred Outflow of Resources	$275,240	$0	$0	$61,585	$8,420	$37,099	$0	$5,535	$148,947	$536,826	$0	$536,826
	$0											
290 Total Assets and Deferred Outflow of Resources	$19,654,339	$13,591	$21,701	$1,569,159	$1,556,868	$422,013	$21,760	$60,574	$1,779,624	$25,099,629	-$414,845	$24,684,784
	$0											
311 Bank Overdraft	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
312 Accounts Payable <= 90 Days	$130,891	$0	$0	$28,284	$5,487	$2,142	$0	$4	$5,503	$172,311	$0	$172,311
313 Accounts Payable >90 Days Past Due	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
321 Accrued Wage/Payroll Taxes Payable	$21,655	$0	$0	$5,464	$2,062	$3,976	$0	$430	$47,898	$81,485	$0	$81,485
322 Accrued Compensated Absences - Current Portion	$32,842	$0	$0	$2,418	$443	$0	$0	$0	$0	$35,703	$0	$35,703

Jefferson Metropolitan Housing Authority (OH014)
STEUBENVILLE, OH
Entity Wide Balance Sheet Summary

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	COCC	Subtotal	ELIM	Total
324 Accrued Contingency Liability	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
325 Accrued Interest Payable	$57,157	$0	$0	$0	$0	$0	$0	$0	$0	$57,157	$0	$57,157
331 Accounts Payable - HUD PHA Programs	$0	$0	$21,701	$0	$0	$0	$0	$10,537	$0	$32,238	$0	$32,238
332 Account Payable - PHA Projects	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
333 Accounts Payable - Other Government	$0	$0	$0	$0	$5,508	$0	$0	$0	$0	$5,508	$0	$5,508
341 Tenant Security Deposits	$110,318	$0	$0	$21,029	$9,802	$0	$0	$0	$0	$141,149	$0	$141,149
342 Unearned Revenue	$0	$0	$0	$0	$0	$0	$21,760	$0	$0	$21,760	$0	$21,760
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$468,445	$0	$0	$0	$0	$0	$0	$0	$0	$468,445	$0	$468,445
344 Current Portion of Long-term Debt - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
345 Other Current Liabilities	$0	$0	$0	$0	$11,598	$9,385	$0	$0	$8,954	$29,937	-$20,552	$9,385
346 Accrued Liabilities - Other	$0	$0	$0	$0	$0	$0	$0	$0	$20,559	$20,559	$0	$20,559
347 Inter Program - Due To	$0	$13,591	$0	$0	$0	$0	$0	$0	$0	$13,591	-$13,591	$0
348 Loan Liability - Current	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
310 Total Current Liabilities	$821,308	$13,591	$21,701	$57,195	$34,900	$15,503	$21,760	$10,971	$82,914	$1,079,843	-$34,143	$1,045,700
	$0											
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$3,012,835	$0	$0	$0	$0	$0	$0	$0	$0	$3,012,835	$0	$3,012,835
352 Long-term Debt, Net of Current - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
353 Non-current Liabilities - Other	$0	$0	$0	$0	$352,201	$18,025	$0	$0	$322,591	$692,817	-$380,702	$312,115
354 Accrued Compensated Absences - Non Current	$30,646	$0	$0	$19,120	$2,119	$226	$0	$1,754	$41,958	$95,823	$0	$95,823
355 Loan Liability - Non Current	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
356 FASB 5 Liabilities	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
357 Accrued Pension and OPEB Liabilities	$1,273,836	$0	$0	$285,023	$38,969	$171,700	$0	$25,614	$689,351	$2,484,493	$0	$2,484,493
350 Total Non-Current Liabilities	$4,317,317	$0	$0	$304,143	$393,289	$189,951	$0	$27,368	$1,053,900	$6,285,968	-$380,702	$5,905,266
	$0											
300 Total Liabilities	$5,138,625	$13,591	$21,701	$361,338	$428,189	$205,454	$21,760	$38,339	$1,136,814	$7,365,811	-$414,845	$6,950,966
	$0											
400 Deferred Inflow of Resources	$259,689	$0	$0	$58,106	$7,945	$35,003	$0	$5,222	$140,532	$506,497	$0	$506,497
	$0											
508.4 Net Investment in Capital Assets	$11,522,202	$0	$0	$478,365	$496,125	$21,171	$0	$0	$127,942	$12,645,805	$0	$12,645,805
511.4 Restricted Net Position	$0	$0	$0	$0	$0	$100,705	$0	$0	$0	$100,705	$0	$100,705
512.4 Unrestricted Net Position	$2,733,823	$0	$0	$671,350	$624,609	$59,680	$0	$17,013	$374,336	$4,480,811	$0	$4,480,811
513 Total Equity - Net Assets / Position	$14,256,025	$0	$0	$1,149,715	$1,120,734	$181,556	$0	$17,013	$502,278	$17,227,321	$0	$17,227,321
	$0											
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$19,654,339	$13,591	$21,701	$1,569,159	$1,556,868	$422,013	$21,760	$60,574	$1,779,624	$25,099,629	-$414,845	$24,684,784

Jefferson Metropolitan Housing Authority (OH014)
STEUBENVILLE, OH
Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$879,937	$0	$0	$283,834	$117,032	$0	$0	$0	$0	$1,280,803	$0	$1,280,803
70400 Tenant Revenue - Other	$1,604	$0	$0	$1,048	$0	$0	$0	$0	$0	$2,652	$0	$2,652
70500 Total Tenant Revenue	$881,541	$0	$0	$284,882	$117,032	$0	$0	$0	$0	$1,283,455	$0	$1,283,455
70600 HUD PHA Operating Grants	$4,043,477	$272,492	$0	$511,202	$0	$3,263,397	$134,702	$98,979	$0	$8,324,249	$0	$8,324,249
70610 Capital Grants	$1,297,664	$41,900	$0	$0	$0	$0	$0	$0	$0	$1,339,564	$0	$1,339,564
70710 Management Fee	$0	$0	$0	$0	$0	$0	$0	$0	$457,825	$457,825	-$457,825	$0
70720 Asset Management Fee	$0	$0	$0	$0	$0	$0	$0	$0	$78,950	$78,950	-$78,950	$0
70730 Book Keeping Fee	$0	$0	$0	$0	$0	$0	$0	$0	$103,455	$103,455	-$103,455	$0
70740 Front Line Service Fee	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
70750 Other Fees	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
70700 Total Fee Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$640,230	$640,230	-$640,230	$0
70800 Other Government Grants	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
71100 Investment Income - Unrestricted	$682	$0	$0	$0	$0	$59	$0	$12	$388	$1,141	$0	$1,141
71200 Mortgage Interest Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
71300 Proceeds from Disposition of Assets Held for Sale	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
71310 Cost of Sale of Assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
71400 Fraud Recovery	$0	$0	$0	$0	$0	$1,594	$0	$0	$0	$1,594	$0	$1,594
71500 Other Revenue	$304,921	$0	$0	$31,796	$4,702	$43,080	$0	$1,648	$41,823	$427,970	$0	$427,970
71600 Gain or Loss on Sale of Capital Assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
72000 Investment Income - Restricted	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
70000 Total Revenue	$6,528,285	$314,392	$0	$827,880	$121,734	$3,308,130	$134,702	$100,639	$682,441	$12,018,203	-$640,230	$11,377,973
91100 Administrative Salaries	$109,621	$53,856	$0	$89,970	$13,349	$45,095	$92,558	$13,180	$326,108	$743,737	$0	$743,737
91200 Auditing Fees	$11,334	$0	$0	$1,850	$639	$2,313	$0	$2,400	$1,254	$19,790	$0	$19,790
91300 Management Fee	$378,733	$0	$0	$0	$0	$79,092	$0	$0	$0	$457,825	-$457,825	$0
91310 Book-keeping Fee	$54,023	$0	$0	$0	$0	$49,432	$0	$0	$0	$103,455	-$103,455	$0
91400 Advertising and Marketing	$225	$0	$0	$1,018	$0	$0	$0	$0	$1,187	$2,430	$0	$2,430
91500 Employee Benefit contributions - Administrative	$95,689	$0	$0	$49,787	$6,972	$76,210	$0	$7,334	$66,933	$302,925	$0	$302,925
91600 Office Expenses	$47,019	$0	$0	$19,131	$1,015	$28,620	$0	$0	$31,795	$127,580	$0	$127,580
91700 Legal Expense	$0	$0	$0	$3,360	$0	$0	$0	$0	$15,539	$18,899	$0	$18,899
91800 Travel	$8,539	$0	$0	$444	$2	$849	$42	$4	$39	$9,919	$0	$9,919
91810 Allocated Overhead	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
91900 Other	$32,390	$0	$0	$5,126	$7,180	$7,784	$16,365	$114	$50,321	$119,280	$0	$119,280
91000 Total Operating - Administrative	$737,573	$53,856	$0	$170,686	$29,157	$289,395	$108,965	$23,032	$493,176	$1,905,840	-$561,280	$1,344,560
92000 Asset Management Fee	$78,950	$0	$0	$0	$0	$0	$0	$0	$0	$78,950	-$78,950	$0
92100 Tenant Services - Salaries	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
92200 Relocation Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
92300 Employee Benefit Contributions - Tenant Services	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
92400 Tenant Services - Other	$0	$15,435	$0	$0	$38	$0	$2,788	$0	$1,460	$19,721	$0	$19,721
92500 Total Tenant Services	$78,950	$15,435	$0	$0	$38	$0	$2,788	$0	$1,460	$98,671	-$78,950	$19,721
93100 Water	$341,005	$0	$0	$61,409	$14,818	$0	$0	$0	$1,346	$418,578	$0	$418,578
93200 Electricity	$382,501	$0	$0	$81,632	$15,305	$0	$0	$0	$3,558	$482,996	$0	$482,996
93300 Gas	$27,343	$0	$0	$5,167	$0	$0	$0	$0	$362	$32,872	$0	$32,872
93400 Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
93500 Labor	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
93600 Sewer	$254,578	$0	$0	$44,850	$10,721	$0	$0	$0	$963	$311,112	$0	$311,112
93700 Employee Benefit Contributions - Utilities	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
93800 Other Utilities Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
93000 Total Utilities	$1,005,427	$0	$0	$193,058	$40,844	$0	$0	$0	$6,229	$1,245,558	$0	$1,245,558
94100 Ordinary Maintenance and Operations - Labor	$293,923	$175,798	$0	$69,580	$9,807	$3,298	$1,778	$0	$0	$554,184	$0	$554,184
94200 Ordinary Maintenance and Operations - Materials and Other	$219,029	$8,279	$0	$42,183	$4,846	$1,685	$0	$8	$7,411	$283,441	$0	$283,441

Jefferson Metropolitan Housing Authority (OH014)
STEUBENVILLE, OH
Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	COCC	Subtotal	ELIM	Total
94300 Ordinary Maintenance and Operations Contracts	$519,184	$17,124	$0	$124,038	$30,235	$0	$0	$5	$10,631	$701,217	$0	$701,217
94500 Employee Benefit Contributions - Ordinary Maintenance	$255,793	$0	$0	$38,504	$5,122	$0	$0	$0	$0	$299,419	$0	$299,419
94000 Total Maintenance	$1,287,929	$201,201	$0	$274,305	$50,010	$4,983	$1,778	$13	$18,042	$1,838,261	$0	$1,838,261
95100 Protective Services - Labor	$23,646	$2,000	$0	$3,057	$830	$0	$0	$0	$0	$29,533	$0	$29,533
95200 Protective Services - Other Contract Costs	$41,521	$0	$0	$8,222	$1,403	$0	$0	$0	$0	$51,146	$0	$51,146
95300 Protective Services - Other	$0	$0	$0	$1,638	$0	$0	$0	$0	$0	$1,638	$0	$1,638
95500 Employee Benefit Contributions - Protective Services	$13,028	$0	$0	$0	$435	$0	$0	$0	$0	$13,463	$0	$13,463
95000 Total Protective Services	$78,195	$2,000	$0	$12,917	$2,668	$0	$0	$0	$0	$95,780	$0	$95,780
96110 Property Insurance	$168,140	$0	$0	$2,141	$3,153	$0	$0	$0	$570	$174,004	$0	$174,004
96120 Liability Insurance	$63,760	$0	$0	$12,934	$2,170	$828	$0	$0	$5,637	$85,329	$0	$85,329
96130 Workmen's Compensation	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96140 All Other Insurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96100 Total insurance Premiums	$231,900	$0	$0	$15,075	$5,323	$828	$0	$0	$6,207	$259,333	$0	$259,333
96200 Other General Expenses	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96210 Compensated Absences	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96300 Payments in Lieu of Taxes	$310	$0	$0	$9,470	$716	$0	$0	$0	$0	$10,496	$0	$10,496
96400 Bad debt - Tenant Rents	$61,702	$0	$0	$936	$0	$0	$0	$0	$0	$62,638	$0	$62,638
96500 Bad debt - Mortgages	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96600 Bad debt - Other	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96800 Severance Expense	$8,898	$0	$0	$4,823	$0	$0	$0	$578	$15,170	$29,469	$0	$29,469
96000 Total Other General Expenses	$70,910	$0	$0	$15,229	$716	$0	$0	$578	$15,170	$102,603	$0	$102,603
96710 Interest of Mortgage (or Bonds) Payable	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96720 Interest on Notes Payable (Short and Long Term)	$95,785	$0	$0	$0	$0	$0	$0	$0	$0	$95,785	$0	$95,785
96730 Amortization of Bond Issue Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96700 Total Interest Expense and Amortization Cost	$95,785	$0	$0	$0	$0	$0	$0	$0	$0	$95,785	$0	$95,785
96900 Total Operating Expenses	$3,586,669	$272,492	$0	$681,270	$128,756	$295,206	$113,531	$23,623	$540,284	$5,641,831	-$640,230	$5,001,601
97000 Excess of Operating Revenue over Operating Expenses	$2,941,616	$41,900	$0	$146,610	-$7,022	$3,012,924	$21,171	$77,016	$142,157	$6,376,372	$0	$6,376,372
97100 Extraordinary Maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
97200 Casualty Losses - Non-capitalized	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
97300 Housing Assistance Payments	$0	$0	$0	$0	$0	$2,869,810	$0	$73,521	$0	$2,943,331	$0	$2,943,331
97350 HAP Portability-In	$0	$0	$0	$0	$0	$26,345	$0	$0	$0	$26,345	$0	$26,345
97400 Depreciation Expense	$1,252,333	$0	$0	$20,371	$14,963	$0	$0	$0	$6,889	$1,294,556	$0	$1,294,556
97500 Fraud Losses	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
97600 Capital Outlays - Governmental Funds	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
97700 Debt Principal Payment - Governmental Funds	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
97800 Dwelling Units Rent Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
90000 Total Expenses	$4,839,002	$272,492	$0	$701,641	$143,719	$3,191,361	$113,531	$97,144	$547,173	$9,906,063	-$640,230	$9,265,833
10010 Operating Transfer In	$343,323	$0	$0	$0	$0	$0	$0	$0	$0	$343,323	-$343,323	$0
10020 Operating transfer Out	-$343,323	$0	$0	$0	$0	$0	$0	$0	$0	-$343,323	$343,323	$0
10030 Operating Transfers from/to Primary Government	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10040 Operating Transfers from/to Component Unit	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10050 Proceeds from Notes, Loans and Bonds	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10060 Proceeds from Property Sales	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10070 Extraordinary Items, Net Gain/Loss	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10080 Special Items (Net Gain/Loss)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10091 Inter Project Excess Cash Transfer In	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10092 Inter Project Excess Cash Transfer Out	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10093 Transfers between Program and Project - In	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Jefferson Metropolitan Housing Authority (OH014)
STEUBENVILLE, OH
Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	COCC	Subtotal	ELIM	Total
10094 Transfers between Project and Program - Out	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$1,689,283	$41,900	$0	$126,239	-$21,985	$116,769	$21,171	$3,495	$135,268	$2,112,140	$0	$2,112,140
11020 Required Annual Debt Principal Payments	$468,445	$0	$0	$0	$0	$0	$0	$0	$0	$468,445	$0	$468,445
11030 Beginning Equity	$12,524,842	$0	$0	$1,023,476	$1,142,719	$43,616	$0	$13,518	$367,010	$15,115,181	$0	$15,115,181
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$41,900	-$41,900	$0	$0	$0	$21,171	-$21,171	$0	$0	$0	$0	$0
11050 Changes in Compensated Absence Balance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11060 Changes in Contingent Liability Balance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11070 Changes in Unrecognized Pension Transition Liability	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11080 Changes in Special Term/Severance Benefits Liability	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11100 Changes in Allowance for Doubtful Accounts - Other	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11170 Administrative Fee Equity	$0	$0	$0	$0	$0	$80,851	$0	$0	$0	$80,851	$0	$80,851
11180 Housing Assistance Payments Equity	$0	$0	$0	$0	$0	$100,705	$0	$0	$0	$100,705	$0	$100,705
11190 Unit Months Available	7,895	0	0	1,200	312	8,016	0	0	0	17,423	0	17,423
11210 Number of Unit Months Leased	7,203	0	0	1,095	290	6,591	0	0	0	15,179	0	15,179
11270 Excess Cash	$2,633,550	$0	$0	$0	$0	$0	$0	$0	$0	$2,633,550	$0	$2,633,550
11610 Land Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11620 Building Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11630 Furniture & Equipment - Dwelling Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11640 Furniture & Equipment - Administrative Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11650 Leasehold Improvements Purchases	$1,297,664	$0	$0	$0	$0	$0	$0	$0	$0	$1,297,664	$0	$1,297,664
11660 Infrastructure Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
13510 CFFP Debt Service Payments	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
13901 Replacement Housing Factor Funds	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

JEFFERSON METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Expenditures
U.S. Department of Housing and Urban Development		
Direct Programs:		
Low Rent Public Housing Program:		
Low Rent Public Housing Program	14.850	$3,435,486
COVID 19 - Public Housing CARES Act Funding	14.850	314,392
Total Low Rent Public Housing Program		3,749,878
Capital Fund Program:		
Capital Fund Program	14.872	1,655,655
Safety Grant	14.872	250,000
Total Capital Fund Program		1,905,655
Housing Choice Voucher Program - Cluster:		
Housing Choice Voucher Program	14.871	3,263,397
COVID 19 - HCV CARES Act Funding	14.871	134,702
Total Housing Choice Voucher Program - Cluster		3,398,099
Housing Voucher - Cluster:		
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	98,979
N/C S/R Section 8 Programs	14.182	511,202
Total Housing Voucher - Cluster		610,181
Total U.S. Department of Housing and Urban Development		9,663,813
Total Federal Awards		$9,663,813

JEFFERSON METROPOLITAN HOUSING AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Authority and is presented on the accrual basis of accounting. The information in this schedule is presented 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 Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

The Authority has elected not to use the 10-percent de minims indirect cost rate as allowed under the Uniform Guidance.

NOTE B – SUBRECIPIENTS

The Authority provided no federal awards to subrecipients during the year ended December 31, 2020.

NOTE C – DISCLOSURE OF OTHER FORMS OF ASSISTANCE

The Authority received no federal awards of non-monetary assistance that are required to be disclosed for the year ended December 31, 2020.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the year ended December 31, 2020.

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
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(800) 282-0370

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

Jefferson Metropolitan Housing Authority
Jefferson County
815 North Sixth Street
Steubenville, Ohio 43952

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 the business-type activities of the Jefferson Metropolitan Housing Authority, Jefferson County, (the Authority) as of and for the year ended December 31, 2020, 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 16, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Authority.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing 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 Government'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 financial statements. 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 Standards*.

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 Government's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Government's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

March 16, 2022

OHIO AUDITOR OF STATE
KEITH FABER

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

Jefferson Metropolitan Housing Authority
Jefferson County
815 North Sixth Street
Steubenville, Ohio 43952

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

We have audited Jefferson Metropolitan Housing Authority's (the Authority) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Authority's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Authority's major federal program.

Management's Responsibility

The Authority's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Authority's compliance for the Authority's major federal program 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 the Authority's major program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Major Federal Program

In our opinion, the Jefferson Metropolitan Housing Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

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.

Keith Faber
Auditor of State
Columbus, Ohio

March 16, 2022

JEFFERSON METROPOLITAN HOUSING AUTHORITY
JEFFERSON COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020

1. SUMMARY OF AUDITOR'S 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):** CFDA 14.871	Housing Choice Voucher Cluster
(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 AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE
KEITH FABER

JEFFERSON METROPOLITAN HOUSING AUTHORITY

JEFFERSON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 3/22/2022