OHIO AUDITOR OF STATE
KEITH FABER

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY
DECEMBER 31, 2022

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WARREN COUNTY
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88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

Warren Metropolitan Housing Authority
Warren County
990 East Ridge Drive
Lebanon, Ohio 45036

To the Board of Commissioners:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Warren Metropolitan Housing Authority, Warren County, Ohio (the Authority), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Warren Metropolitan Housing Authority, Warren County, Ohio as of December 31, 2022, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Schedule of Expenditures of Federal Awards 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 is presented for purposes of additional analysis and are not a required part of the basic financial statements.

Also, the financial data schedules (FDS) required by the Department of Housing and Urban Development are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and Financial Data Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2023, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's 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
June 15, 2023

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WARREN METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Unaudited)

As management of the Warren Metropolitan Housing Authority ("the Authority'), we offer this narrative and analysis of the financial activities of the authority for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The Authority's assets exceeded its liabilities as of December 31, 2022 by $8,459,372 (net position).
- The Authority's cash balance as of December 31, 2022 was $2,280,068 representing an decrease of $62,784 from the prior year.
- The Authority had revenues of $8,498,692 in HUD Operating grants for the year ended December 31, 2022.
- The Authority's total revenues were $9,610,583 as of December 31, 2022, representing an increase of $291,027. Total expenses were $9,671,957 representing an increase of $780,893.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements included in this annual report are those of a special-purpose government engaged only in a business-type activity. The following statements are included within this report:

- Statement of Net Position - reports the Authority's current financial resources (short term expendable resources) with capital assets and long-term debt obligations.
- Statement of Revenue, Expenses, and Change in Net Position - reports the Authority's operating and non-operating revenue, by major sources, along with operating and non-operating expenses and capital contributions.
- Statement of Cash Flows - reports net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

THE AUTHORITY'S PROGRAMS

Low Rent Public Housing Program – Under the Low Rent Public Housing Program, the Authority rents units that it owns to low-income households. The Low Rent Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the Authority to provide the housing at a rent that is based upon 30 percent of household income.

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

Mainstream Voucher Program – The Mainstream Voucher Program assists non-elderly persons with disabilities. Aside from serving a special population, mainstream vouchers are administered using the same rules as the Housing Choice Voucher Program.

Capital Fund Program (CFP) – This is the current primary funding source for the Authority's physical and management improvements. While the formula funding methodology used for the Comprehensive Grant Program was revised for the CFP, funds are still provided by formula allocation and based on size and age of the Authority's units.

Continuum of Care Program (CoC) – "The Hearth Act" amended the McKinney Vento Homeless Act and consolidated the Authority's Supportive Housing and Shelter Plus Care programs under the Continuum of Care Program. The CoC is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

State Program – Region 14 - The State Program is a pass-through program administered by the Authority for the State of Ohio. The annual funding represents the Ohio's Homeless Crisis Response program that provides homelessness prevention and rapid re-housing assistance to individuals, families, and individuals who are below 30% median income and imminently at risk of homelessness in Butler, Warren, and Clermont Counties (Region 14). The key partners in providing this pass-through assistance are Butler-WMHA, Clermont Community Services, Greater Cincinnati Behavioral Health, and Family Promise of Warren County.

Emergency Solutions Grant (ESG) Program

The Emergency Solutions Grant provided supplemental CARES Act Funds from HUD as a pass-through to the Authority from the Ohio Development Services Agency (OCD).

a. The Ohio's Homeless Crisis Response program will use the funds to provide support to the operation of two emergency shelters for homeless households with children in Warren County to address the need for additional shelter capacity due to the COVID-19 pandemic including shelter in motels. The program expects to serve 150 persons during the two-year period and projects that 40 percent of those persons will exit to a permanent destination. The Authority has partnered with Family Promise of Warren County and Family Promise of Butler County.

b. The Ohio's Homeless Crisis Response program will provide additional rapid re-housing and homelessness prevention assistance to families and individuals due to the COVID-19 pandemic in Butler, Clermont and Warren Counties. The Authority has partnered with Family Promise of Warren County, Greater Cincinnati Behavioral Health Services, and Clermont County Community Services.

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WARREN METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Unaudited)

AUTHORITY-WIDE STATEMENTS

Statement of Net Position

The following table compares the condensed Statement of Net Position for the current and previous fiscal year.

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

	2022	2021
Assets and Deferred Outflows of Resources		
Current and Other Assets	$ 2,738,823	$ 2,691,465
Current and Other Assets – Restricted	59,774	138,620
Capital Assets – Net	6,692,233	7,076,256
Other Non-Current Assets	300,393	185,432
Deferred Outflows of Resources	276,040	235,815
Total Assets and Deferred Outflows	$ 10,067,263	$ 10,327,588
Liabilities and Deferred Inflows of Resources		
Current Liabilities	$ 246,521	$ 299,201
Non-Current Liabilities	553,756	838,105
Deferred Inflows of Resources	807,614	669,536
Total Liabilities and Deferred Inflows	1,607,891	1,806,842
Net Position		
Net Investment in Capital Assets	6,692,233	7,076,256
Restricted	-	52,745
Unrestricted	1,767,139	1,391,745
Total Net Position	8,459,372	8,520,746
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 10,067,263	$ 10,327,588

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

Overall cash of the Authority decreased by $62,784. Current Assets (not including cash) of the Authority showed an increase of $31,296 from 2021 to 2022. The main reason for the increase in current assets is prepaid insurance.

Current Liabilities decreased by $53,293 due to the Agency's use of advance payments from HUD for the Ohio Housing Finance Agency for Emergency Housing Assistance.

Statement of Revenues, Expenses, and Changes in Net Position

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

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

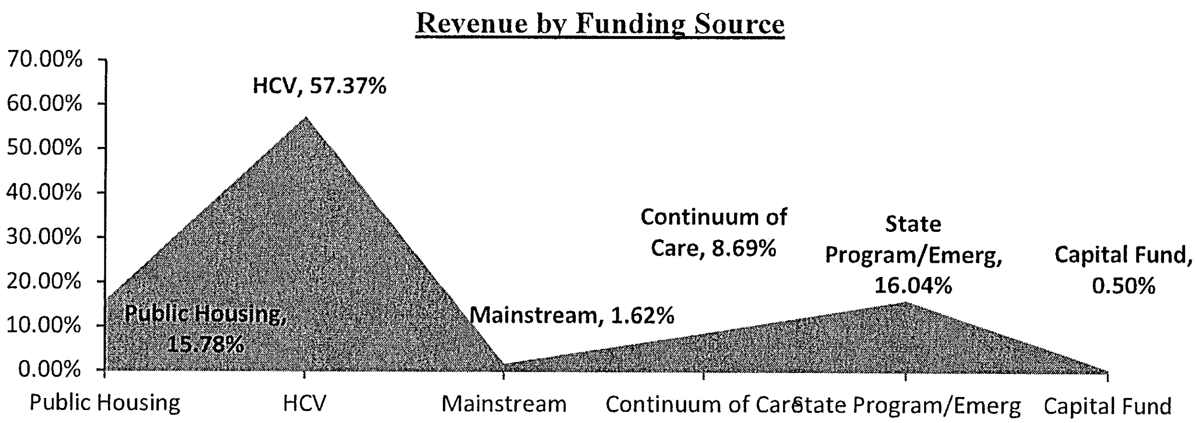
	2022	2021	Net Change
Revenues			
Total Tenant Revenues	$ 478,239	$ 550,684	$ (72,445)
Operating Subsidies and Grants - HUD	8,498,692	7,826,953	671,739
Capital Grants - HUD	47,838	14,153	33,685
Other Government Grants - State	440,175	832,950	(392,775)
Interest on Investments	3,645	3,334	311
Other Revenues	141,994	91,482	50,512
Total Revenues	9,610,583	9,319,556	291,027
Expenses			
Administrative	949,647	681,467	268,180
Tenant Services	1,601,825	1,181,086	420,739
Utilities	87,905	91,587	(3,682)
Maintenance	455,691	393,693	61,998
General Expenses	291,545	285,011	6,534
Housing Assistance Payments	5,758,596	5,665,783	92,813
Depreciation	526,748	592,437	(65,689)
Total Expenses	9,671,957	8,891,064	780,893
Net Increase (Decrease)	(61,374)	428,492	(489,866)
Total Net Position at Beginning of Year	8,520,746	8,092,254	428,492
Total Net Position at End of Year	$ 8,459,372	$ 8,520,746	(61,374)

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION

Overall revenue increased by $291,027. The agency received an increase in operating subsidies for the Public Housing and Housing Choice Voucher Programs in FY2022. However, governmental grants from the State saw a reduction in 2022 due to decreased activity. Capital funding for the Public Housing program increased by $33,685 from prior year.

Overall expenses increased by $780,893 from prior year. The increase of tenant service expenses is due to increased activity for the Emergency Shelter Grants (ESG). HAP expenses increased due to an increase of leasing in the HCV and Mainstream Programs. Administrative and maintenance expenses increased mainly due to changes in pension and OPEB balances reported in accordance with GASB 68 and 75.

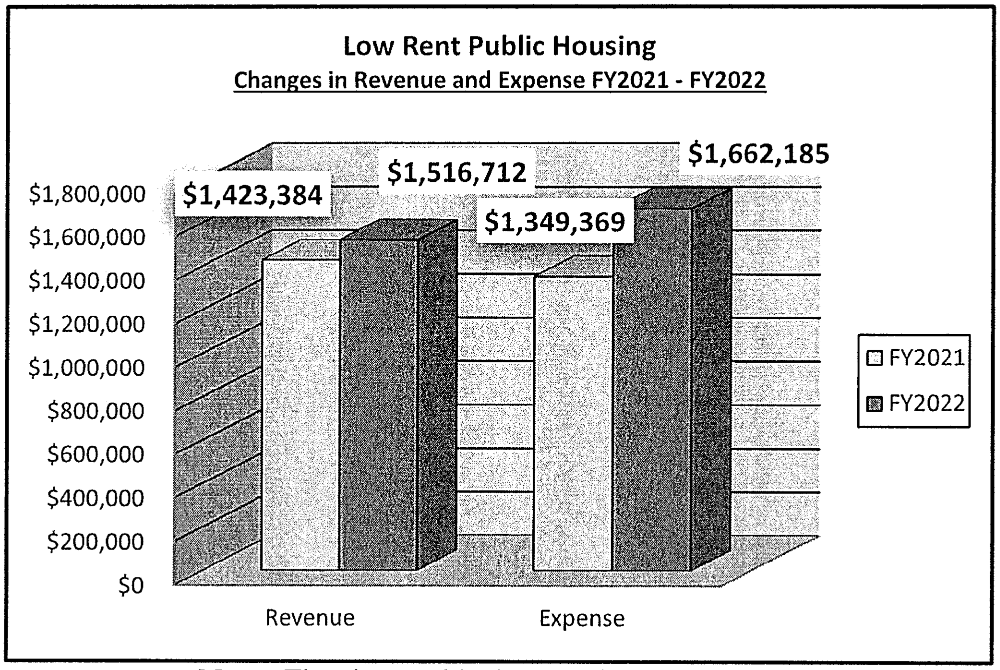
The table below shows % of total revenue by funding sources.



FINANCIAL OVERVIEW BY PROGRAM

Low Rent Public Housing

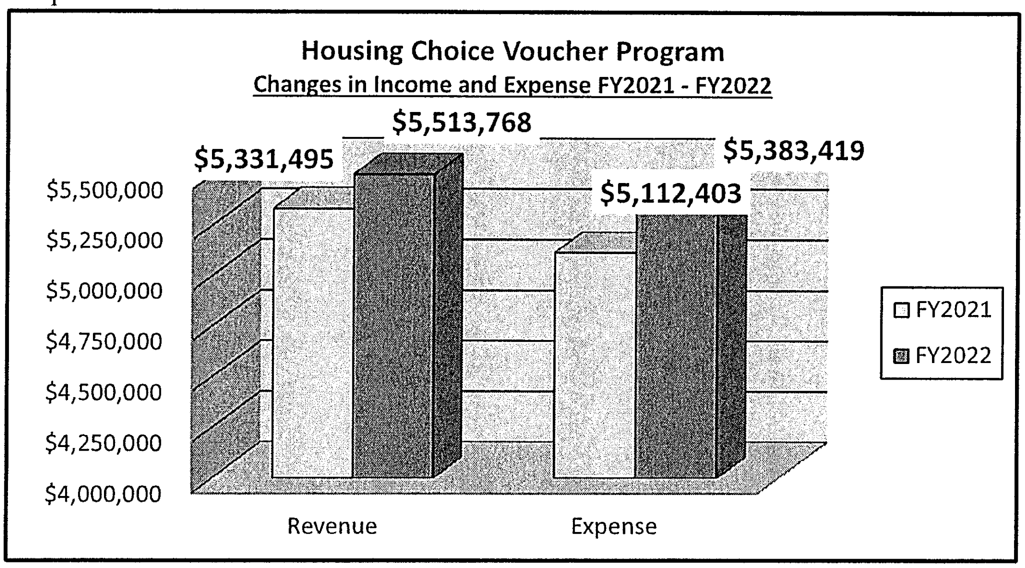
The table on the next page shows how the revenue and expenses have changed between the fiscal year ended 2021 and 2022 for the Low Rent Public Housing Program. Total revenue for fiscal year ended 2022 increased from fiscal year ended 2021 revenue by $93,328 or 6.6% which is due to the increase in proration of Operating Subsidy in 2022. In fiscal year ended 2022, total operating expenses increased 23.2% from fiscal year ended 2021 which is attributed to overall increase in expenses.



Note: The above table does not include depreciation.

Housing Choice Voucher Program

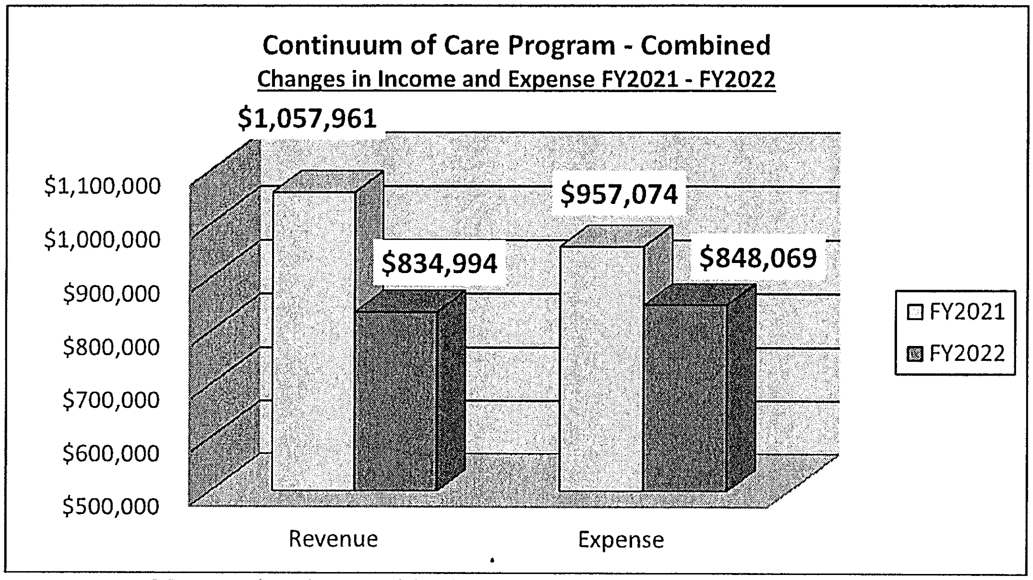
The following chart illustrates the Housing Choice Voucher Program changes in revenue and expenses for the years 2021 to 2022. Revenue and expenses increased in fiscal year ended 2022 for the HCV program due to an increase in spending on housing assistance payments as a result of higher occupied units.



Note: The above table does not include depreciation.

Continuum of Care Program

The following chart illustrates the Continuum of Care Program changes in income and expenses for the fiscal year ended 2021 and 2022. There is a decrease in both revenues and expenses in fiscal year ended 2022 compared to fiscal year ended 2021 due to decreased funding and leasing.



Note: The above table does not include depreciation.

Capital Assets

The following table summarizes the changes in capital assets between December 31, 2021, and 2022:

Table 3 - Condensed Statement of Changes in Capital Assets

	2022	2021	Net Change
Land	$ 1,633,715	$ 1,633,715	$ -
Building	19,762,832	19,662,525	100,307
Equipment	1,861,860	1,821,476	40,384
Leasehold Improvements	18,368	20,720	(2,352)
Accumulated Depreciation	(16,584,542)	(16,062,180)	(522,362)
Net Capital Assets	$ 6,692,233	$ 7,076,256	$ (384,023)

Additional information on capital assets can be found in Note 4.

Debt

The Authority had no debt as of December 31, 2022.

Economic Factors

Significant economic factors affecting the Authority are as follows:

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

Financial Contact

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. The individual to be contacted regarding this report is Jacqueline Adkins, Executive Director of the Warren Metropolitan Housing Authority. Specific requests may be submitted to Warren Metropolitan Housing Authority at 990 East Ridge Drive, Lebanon, Ohio 45036-1678.

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WARREN METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2022

ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 2,220,294
Restricted Cash and Cash Equivalents	59,774
Receivables, Net	440,093
Prepaid Expenses	78,436
Total Current Assets	2,798,597
Noncurrent Assets	
Capital Assets:	
Capital Assets, Not Depreciated	1,633,715
Capital Assets, Being Depreciated, Net of Accumulated Depreciation	5,058,518
Total Capital Assets	6,692,233
Net Pension Asset	115,345
Net OPEB Asset	185,048
Total Noncurrent Assets	6,992,626
Deferred Outflows of Resources	
Pension	265,008
OPEB	11,032
Total Deferred Outflows of Resources	276,040
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 10,067,263
LIABILITIES	
Current Liabilities	
Accounts Payable	$ 80,012
Accrued Liabilities	70,037
Intergovernmental Payables	37,831
Tenant Security Deposits	25,178
Unearned Revenue	33,463
Total Current Liabilities	246,521
Noncurrent Liabilities	
Compensated Absences, Net of Current Portion	60,826
Other Noncurrent Liabilities	20,672
Net Pension Liability	472,258
Total Noncurrent Liabilities	553,756
Total Liabilities	800,277
Deferred Inflows of Resources	
Pension	616,423
OPEB	191,191
Total Deferred Inflows of Resources	807,614
NET POSITION	
Net Investment in Capital Assets	6,692,233
Unrestricted	1,767,139
Total Net Position	8,459,372
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 10,067,263

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

WARREN METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

Operating Revenues		
Tenant Revenues	$	478,239
Government Operating Grants and Subsidies		8,938,867
Other Revenues		139,649
Total Operating Revenues		9,556,755
Operating Expenses		
Administrative		949,647
Tenant Services		1,601,825
Utilities		87,905
Maintenance		455,691
General		267,545
Housing Assistance Payments		5,758,596
Depreciation		526,748
Total Operating Expenses		9,647,957
Operating Income (Loss)		(91,202)
Non-Operating Revenues (Expenses)		
Interest and Investment Revenue		3,645
(Casualty Losses)		(24,000)
Gain on Sale of Capital Assets		2,345
Capital Grants		47,838
Total Non-Operating Revenues (Expenses)		29,828
Change in Net Position		(61,374)
Total Net Position at Beginning of Year		8,520,746
Total Net Position at End of Year	**$**	**8,459,372**

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

WARREN METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

Cash Flows from Operating Activities	
Operating Grants Received	8,930,495
Tenant Revenue Received	490,669
Other Revenue Received	142,207
Operating Expenses	(3,754,662)
Housing Assistance Payments	(5,758,596)
Net Cash Provided (Used) by Operating Activities	**50,113**
Cash Flows from Investing Activities	
Interest Income	3,645
Net Cash Provided (Used) by Investing Activities	**3,645**
Cash Flows from Capital and Related Activities	
Capital Asset Sales	2,343
Capital Grants Received	47,838
Net Insurance Proceeds/(Casualty Loss)	(24,000)
Property and Equipment Acquisitions	(142,723)
Net Cash Provided (Used) by Capital and Related Activities	**(116,542)**
Net Increase (Decrease) in Cash	(62,784)
Cash and Cash Equivalents at Beginning of Year	2,342,852
Cash and Cash Equivalents at End of Year	**$2,280,068**
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Net Operating Income (Loss)	($91,202)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Depreciation	526,748
(Increase) Decrease in:	
Accounts Receivable	6,616
Prepaid Expenses	(37,912)
Deferred Outflows of Resources and Pension Assets	(155,186)
Increase (Decrease) in:	
Accounts Payable	806
Intergovernmental Payable	(9,327)
Accrued Compensated Absences	6,125
Accrued Expenses Payable	(21,900)
Unearned Revenue	(24,134)
Tenant Security Deposits	1,262
Other Non-Current Liabilities	(5,735)
Net Pension Liability	(284,126)
Deferred Inflows of Resources	138,078
Net Cash Provided by Operating Activities	**$50,113**

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

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

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

The accompanying basic financial statements comply with the provision of Governmental Accounting Standards Board (GASB) Statement No. 61, *the Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34;* in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

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

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

<u>Reporting Entity</u> (Continued)

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

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

<u>Basis of Presentation</u>

The Authority's financial statements 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.

Pursuant to GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance, contained in Pre-November 30, 1989 FASB and AICPA Pronouncements,* the Authority follows GASB guidance as applicable to enterprise funds.

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 changes 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.

<u>Fund Accounting</u>

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Fund Types

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

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

Description of Programs

The following are the various programs which are included in the Authority's single enterprise fund:

A. Public Housing Program

The Public Housing Program is designed to provide low-cost housing within the Warren 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Description of Programs (Continued)

D. Mainstream Voucher Program

The Mainstream Voucher program assists non-elderly persons with disabilities. Aside from serving a special population, mainstream vouchers are administered using the same rules as the Housing Choice Voucher program.

E. Continuum of Care Program

"The Hearth Act" amended the McKinney Vento Homeless Act and consolidated the Authority's Supportive Housing and Shelter Plus Care programs under the Continuum of Care (CoC) program. The Continuum of Care (CoC) Program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

F. State Program – Region 14

The State Program is a pass-through program administered by the Authority for the State of Ohio. The annual funding represents the Ohio's Homeless Crisis Response program that provides homelessness prevention and rapid re-housing assistance to individuals, families, and individuals who are below 30% median income and imminently at risk of homelessness in Butler, Warren, and Clermont Counties (Region 14). The key partners in providing this pass-through assistance are Butler-WMHA, Clermont Community Services, Greater Cincinnati Behavioral Health, and Family Promise of Warren County.

G. Emergency Solutions Grant (ESG) Program

The Emergency Solutions Grant were supplemental CARES Act Funds from HUD and provided as a pass-through to the Authority from the Ohio Development Services Agency (OCD).

a. The Ohio's Homeless Crisis Response program will use the funds to provide support to the operation of two emergency shelters for homeless households with children in Warren County to address the need for additional shelter capacity due to the COVID-19 pandemic including shelter in motels. The program expects to serve 150 persons during the two-year period and projects that 40 percent of those persons will exit to a permanent destination. The Authority has partnered with Family Promise of Warren County and Family Promise of Butler County.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Description of Programs (Continued)

b. The Ohio's Homeless Crisis Response program will provide additional rapid re-housing and homelessness prevention assistance to families and individuals due to the COVID-19 pandemic in Butler, Clermont and Warren Counties. The Authority has partnered with Family Promise of Warren County, Greater Cincinnati Behavioral Health Services, and Clermont County Community Services.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less, and certificates of deposit regardless of original maturity.

Investments

The provisions of the HUD regulations restrict investments. Investments are valued at market value. Interest income earned in the fiscal year ending December 31, 2022 totaled $3,645.

Prepaid expenses

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

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 $1,000 or more per unit. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings	40 years
Buildings Improvements	15 years
Furniture, equipment and machinery	3-7 years

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

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

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

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

Unearned Revenue

Unearned revenue arises when revenues are received before revenue recognition criteria have been satisfied.

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 assets are recorded as restricted when there are limitations imposed on their use by internal or external restrictions.

Operating Revenues and Expenses

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

Operating expenses are those expenses that are generated from the primary activity of the proprietary fund. For the Authority, these expenses are administrative, utilities, maintenance, PILOT, insurance, bad debt and housing assistance payments.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Grant

This represents grants provided by HUD that the Authority spends on capital assets.

Budgetary Accounting

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

Estimates

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

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 period 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 which are 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 passbook accounts.

Protection of the Authority 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, 2022, the carrying amount of the Authority's deposits totaled $2,280,068, and its bank balance was $2,320,829. Based on the criteria described in GASB Statement No. 40, "Deposit and Investment Risk Disclosure," as of December 31, 2022 $2,070,829 was exposed to custodial risk as discussed below, while $250,000 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% of the carrying value of the deposits.

NOTE 3: RESTRICTED CASH

The restricted cash balance of $59,774 on the financial statements represents the following:

Cash on hand for Deferred Revenues	$ 13,924
FSS Escrow Cash Accounts	20,672
Tenant Security Deposits	25,178
Total Restricted Cash	$ 59,774

NOTE 4: CAPITAL ASSETS

The following is a summary of changes:

	Balance 12/31/2021	Transfers	Additions	Deletions	Balance 12/31/2022
Capital Assets Not Being Depreciated:					
Land	$ 1,633,715	$ -	$ -	$ -	$ 1,633,715
Total Capital Assets Not Being Depreciated	1,633,715	-	-	-	1,633,715
Capital Assets Being Depreciated:					
Buildings	19,662,525	2,352	97,955	-	19,762,832
Furniture, Machinery, and Equipment		-	-	-	
Dwelling	1,206,599	-	44,768	-	1,251,367
Administrative	614,877	-	-	(4,384)	610,493
Leasehold Improvements	20,720	(2,352)	-	-	18,368
Total Capital Assets Being Depreciated	21,504,721	-	142,723	(4,384)	21,643,060
Accumulated Depreciation:					
Buildings	(14,989,643)	-	(431,856)	-	(15,421,499)
Furniture, Machinery, and Equipment	(1,064,774)	-	(93,666)	4,384	(1,154,056)
Leasehold Improvements	(7,763)	-	(1,224)	-	(8,987)
Total Accumulated Depreciation	(16,062,180)	-	(526,748)	4,384	(16,584,542)
Total Capital Assets Being Depreciated, Net	5,442,541	-	(384,025)	-	5,058,518
Total Capital Assets, Net	$ 7,076,256	$ -	$ (384,025)	$ -	$ 6,692,233

NOTE 5: DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

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

The net pension liability/asset 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/asset 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.

NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

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*. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in current liabilities.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. 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 who retired 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 2019, the COLA is based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Cost-of living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

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.

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.

NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

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. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Beginning in 2022, the combined plan will be consolidated under the Traditional pension plan (defined benefit plan) and the Combined plan will no longer be available for new hires beginning in 2022.

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

	State and Local
2022 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2022 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

* Member contributions within combined plan are not used to fund the defined benefit retirement allowance

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with remainder going to pension.

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

The Authority's contractually required contributions used to fund pension benefits was $125,095 for fiscal year ending December 31, 2022.

Net Pension Liability/Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability/asset for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability/asset was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability/asset 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:

NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset: Prior Measurement Date	0.005108%	0.029565%	
Proportion of the Net Pension Liability/Asset: Current Measurement Date	0.005428%	0.029275%	
Change in Proportionate Share	0.000320%	-0.000290%	
Proportionate Share of the Net Pension Liability/(Asset)	$ 472,258	$ (115,345)	$ 356,913
Pension Expense	$ (28,468)	$ (5,589)	$ (34,057)

At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 24,075	$ 716	$ 24,791
Changes of assumptions	59,056	5,797	64,853
Changes in proportion and differences between Authority contributions and proportionate share of contributions	49,255	1,014	50,269
Authority contributions subsequent to the measurement date	113,904	11,191	125,095
Total Deferred Outflows of Resources	$ 246,290	$ 18,718	$ 265,008
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$ 561,735	$ 24,728	$ 586,463
Differences between expected and actual experience	10,357	12,905	23,262
Changes in proportion and differences between Authority contributions and proportionate share of contributions	0	6,698	6,698
Total Deferred Inflows of Resources	$ 572,092	$ 44,331	$ 616,423

$125,095 reported as deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Year Ending December 31:			
2023	$ (36,365)	$ (9,007)	$ (45,372)
2024	(181,898)	(11,908)	(193,806)
2025	(132,085)	(8,306)	(140,391)
2026	(89,358)	(5,943)	(95,301)
2027	0	(991)	(991)
Thereafter	0	(649)	(649)
Total	$ (439,706)	$ (36,804)	$ (476,510)

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, 2021, 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. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2% down to 6.9%, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, reflecting experience study results, are presented below:

NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

	Traditional Pension Plan	Combined Plan
Wage Inflation		
Current Measurement Date:	2.75 percent	2.75 percent
Prior Measurement Date:	3.25 percent	3.25 percent
Future Salary Increases, including inflation		
Current Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
Prior Measurement Date:	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre 1/7/2013 retirees:	3 percent, simple	3 percent, simple
Post 1/7/2013 retirees:		
Current Measurement Date:	3 percent, simple through 2022, then 2.05 percent simple	3 percent, simple through 2022, then 2.05 percent simple
Prior Measurement Date:	0.50 percent, simple through 2021, then 2.15 percent simple	0.50 percent, simple through 2021, then 2.15 percent simple
Investment Rate of Return		
Current Measurement Date:	6.9 percent	6.9 percent
Prior Measurement Date:	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

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 a gain of 15.3 percent for 2021.

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 long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future

NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

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. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00 %	1.03 %
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	100.00 %	4.21 %

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent. 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/Asset to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.9 percent, as well as what the Authority's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current rate:

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Pension Plan	$ 1,245,129	$ 472,258	$ 170,873
Combined Plan	$ (86,069)	$ (115,345)	$ (138,178)

NOTE 6: DEFINED BENEFIT OPEB PLANS

Net OPEB Asset

The net OPEB asset reported on the statement of net position represents an asset 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 –

NOTE 6: <u>DEFINED BENEFIT OPEB PLANS</u> (Continued)

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

Ohio Revised Code limits the Authority's obligation related to this asset 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 any 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 asset. Resulting adjustments to the net OPEB asset 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 funded benefits is presented as a long-term *net OPEB asset.* Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in current liabilities.

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.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and

NOTE 6: DEFINED BENEFIT OPEB PLANS (Continued)

other qualified medical expenses. These changes are reflected in the December 31, 2021, measurement date health care valuation.

In order to qualify for postemployment health care coverage, generally, age and service retirees under the traditional pension and combined plans must be at least age sixty with twenty or more years of qualifying Ohio service credit, or thirty years of qualifying service at any age. 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' Annual Comprehensive Financial Report 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. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the Traditional Pension Plan and Combined Plan.

Employer contribution rates are expressed as a percentage of covered payroll. In 2021-2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021-2022, OPERS did not allocate any employer contributions to health care for members in the Traditional Pension Plan and Combined Plan. 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 2021-2022 was 4.0 percent. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

None of the Authority's contractually required contribution were allocated to health care for the fiscal year ending December 31, 2022.

NOTE 6: DEFINED BENEFIT OPEB PLANS (Continued)

Net OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB asset for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, 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 asset 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:

	OPERS
Proportion of the Net OPEB Asset:	
Prior Measurement Date	0.005618%
Proportion of the Net OPEB Asset:	
Current Measurement Date	0.005908%
Change in Proportionate Share	0.000290%
Proportionate Share of the Net OPEB Asset	$ 185,048
OPEB Expense	$ (142,081)

At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred Outflows of Resources	
Changes in proportion and differences between Authority contributions and proportionate share of contributions	$ 11,032
Total Deferred Outflows of Resources	$ 11,032
Deferred Inflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	$ 88,217
Differences between expected and actual experience	28,069
Changes of assumptions	74,905
Total Deferred Inflows of Resources	$ 191,191

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

	OPERS
Year Ending December 31:	
2023	$ (108,575)
2024	(39,640)
2025	(19,273)
2026	(12,671)
Total	$ (180,159)

NOTE 6: DEFINED BENEFIT OPEB PLANS (Continued)

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 health care costs 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, 2020, rolled forward to the measurement date of December 31, 2021. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions. The actuarial valuation used the following actuarial assumptions and methods, reflecting experience study results, applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	3.25 percent
Projected Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent, including wage inflation
Prior Measurement Date:	3.25 to 10.75 percent, including wage inflation
Single Discount Rate:	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	
Current Measurement Date:	1.84 percent
Prior Measurement Date:	2.00 percent
Health Care Cost Trend Rate	
Current Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2034
Prior Measurement Date:	8.50 percent initial, 3.50 percent ultimate in 2035
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.The long-term expected rate of return on health care investment assets was determined using a building-block

NOTE 6: DEFINED BENEFIT OPEB PLANS (Continued)

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 2021, 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 a gain of 14.3 percent for 2021.

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 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	0.91 %
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	100.00 %	3.45 %

Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. 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 1.84 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 2121. As a result, the actuarial long-term expected rate of return on health care investments was applied to projected costs

NOTE 6: <u>DEFINED BENEFIT OPEB PLANS</u> (Continued)

through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the Authority's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1.0 percent lower or 1.0 percent higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB asset	$108,825	$185,048	$248,313

Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset 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 asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset 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 2022 is 5.50 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 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.

NOTE 7: <u>RISK MANAGEMENT</u>

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, 2022 the Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

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

NOTE 8: CONTINGENCIES

Grants

Amounts grantor agencies pay to the Authority are subject to audit and adjustments by the grantor, principally the federal government. Grantors may require refunding any disallowed costs or excess reserve balances. Management cannot presently determine amounts grants may disallow or recapture. However, based on prior experience, management believes any such disallowed claims or recaptured amounts would not have a material adverse effect on the overall financial position of the Authority at December 31, 2022.

Litigations and Claims

In the normal course of operations, the Authority may be subject to litigation and claims. As of December 31, 2022, the Authority was not aware of any such matters.

NOTE 9: PAYMENT IN LIEU OF TAXES

The Authority has cooperation agreements with certain municipalities under which it makes payment in lieu of real estate taxes for various public services. Expense recognized for payment in lieu of taxes for the year ended December 31, 2022 totaled $37,831.

NOTE 10: SUMMARY OF CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	Balance 12/31/21	Additions	Deletions	Balance 12/31/22	Due Within One Year
FSS Escrows	$ 26,407	$ 387	$ (6,122)	$ 20,672	$ -
Compensated Absences	61,459	54,409	(48,285)	67,583	6,757
Net Pension Liability	756,384	-	(284,126)	472,258	-
Total	$ 844,250	$ 54,796	$(338,533)	$ 560,513	$ 6,757

NOTE 11: SCHEDULE OF EXPENDITURE OF FEDERAL AWARD

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

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

Traditional Plan	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.005428%	0.005108%	0.004896%	0.004830%	0.004970%	0.005265%	0.005662%	0.005366%	0.005366%
Authority's Proportionate Share of the Net Pension Liability	$ 472,258	$ 756,384	$ 967,728	$ 1,322,839	$ 779,697	$ 1,195,592	$ 980,730	$ 647,200	$ 632,581
Authority's Covered Payroll	$ 787,771	$ 719,421	$ 688,886	$ 652,379	$ 628,277	$ 598,917	$ 707,233	$ 653,675	$ 603,985
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.14%	140.48%	202.77%	124.10%	199.63%	138.67%	99.01%	104.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Combined Plan	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Asset	0.029275%	0.029565%	0.028245%	0.028527%	0.029409%	0.024144%	0.011220%	0.011910%	0.011910%
Authority's Proportionate Share of the Net Pension (Asset)	$ (115,345)	$ (85,343)	$ (58,898)	$ (31,900)	$ (40,035)	$ (13,438)	$ (5,459)	$ (4,586)	$ (1,249)
Authority's Covered Payroll	$ 133,464	$ 130,293	$ 125,736	$ 122,007	$ 86,754	$ 82,700	$ 40,842	$ 41,625	$ 38,777
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	86.42%	65.50%	46.84%	26.15%	46.15%	16.25%	13.37%	11.02%	3.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

(1) - Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as the information becomes available.

Amounts presented as of the Authority's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contributions										
Traditional Plan	$ 113,904	$ 110,288	$ 100,719	$ 96,444	$ 91,333	$ 81,676	$ 71,870	$ 84,868	$ 78,441	$ 78,518
Combined Plan	11,191	18,685	18,241	17,603	17,081	11,278	9,924	4,901	4,995	5,041
Total Required Contributions	$ 125,095	$ 128,973	$ 118,960	$ 114,047	$ 108,414	$ 92,954	$ 81,794	$ 89,769	$ 83,436	$ 83,559
Contributions in Relation to the Contractually Required Contribution	(125,095)	(128,973)	(118,960)	(114,047)	(108,414)	(92,954)	(81,794)	(89,769)	(83,436)	(83,559)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll										
Traditional Plan	$ 813,600	$ 787,771	$ 719,421	$ 688,886	$ 652,379	$ 628,277	$ 598,917	$ 707,233	$ 653,675	$ 603,985
Combined Plan	$ 79,936	$ 133,464	$ 130,293	$ 125,736	$ 122,007	$ 86,754	$ 82,700	$ 40,842	$ 41,625	$ 38,777
Pension Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
Combined Plan	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

See accompanying notes to the required supplementary information.

Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System
Last Six Fiscal Years (1)

	2022	2021	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability/Asset	0.005908%	0.005618%	0.005392%	0.005339%	0.005490%	0.005610%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	$ (185,048)	$ (100,089)	$ 744,775	$ 696,080	$ 596,174	$ 566,629
Authority's Covered Payroll	$ 921,235	$ 849,714	$ 814,622	$ 774,386	$ 715,031	$ 681,617
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	20.09%	11.78%	91.43%	89.89%	83.38%	83.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%	46.33%	54.14%	54.05%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as the information becomes available.

Amounts presented as of the Authority's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 0	$ 0	$ 0	$ 0	$ 0	$ 7,150	$ 13,632	$ 14,962	$ 13,906	$ 6,428
Contributions in Relation to the Contractually Required Contribution	0	0	0	0	0	(7,150)	(13,632)	(14,962)	(13,906)	(6,428)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority Covered Payroll	$ 893,536	$ 921,235	$ 849,714	$ 814,622	$ 774,386	$ 715,031	$ 681,617 0	$ 748,075	$ 695,300	$ 642,762
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%	1.00%

See accompanying notes to the required supplementary information.

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2022.

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. For 2021, 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 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple. For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75% (b) the cost-of-living adjustments for post-1/7/2013 retirees were increased from 0.50% simple through 2021 to 3.00% simple through 2022, then 2.05% simple (c) the expected investment return was reduced from 7.20% to 6.90%.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2022.

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 2019, 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%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035. For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75%. (b) the municipal bond rate changed from 2.00% to 1.84% (c) the health care cost trend rate changed from 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034.

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
111 Cash - Unrestricted	$1,025,754	$15,714	$0	$0	$0
112 Cash - Restricted - Modernization and Development	$0	$0	$0	$0	$0
113 Cash - Other Restricted	$0	$0	$9,349	$0	$0
114 Cash - Tenant Security Deposits	$25,178	$0	$0	$0	$0
115 Cash - Restricted for Payment of Current Liabilities	$0	$0	$0	$4,575	$0
100 Total Cash	$1,050,932	$15,714	$9,349	$4,575	$0
121 Accounts Receivable - PHA Projects	$0	$0	$0	$0	$0
122 Accounts Receivable - HUD Other Projects	$100,731	$2,455	$0	$29,734	$121,816
124 Accounts Receivable - Other Government	$0	$0	$63,708	$0	$0
125 Accounts Receivable - Miscellaneous	$0	$0	$0	$0	$0
126 Accounts Receivable - Tenants	$5,621	$0	$0	$0	$0
126.1 Allowance for Doubtful Accounts -Tenants	-$1,406	$0	$0	$0	$0
126.2 Allowance for Doubtful Accounts - Other	$0	$0	$0	$0	$0
127 Notes, Loans, & Mortgages Receivable - Current	$12,168	$0	$0	$0	$0
128 Fraud Recovery	$0	$0	$0	$0	$0
128.1 Allowance for Doubtful Accounts - Fraud	$0	$0	$0	$0	$0
129 Accrued Interest Receivable	$0	$0	$0	$0	$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	$117,114	$2,455	$63,708	$29,734	$121,816
131 Investments - Unrestricted	$0	$0	$0	$0	$0
132 Investments - Restricted	$0	$0	$0	$0	$0
135 Investments - Restricted for Payment of Current Liability	$0	$0	$0	$0	$0
142 Prepaid Expenses and Other Assets	$37,148	$0	$0	$1,940	$0
143 Inventories	$0	$0	$0	$0	$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
143.1 Allowance for Obsolete Inventories	$0	$0	$0	$0	$0
144 Inter Program Due From	$0	$0	$0	$0	$0
145 Assets Held for Sale	$0	$0	$0	$0	$0
150 Total Current Assets	$1,205,194	$18,169	$73,057	$36,249	$121,816
161 Land	$1,633,715	$0	$0	$0	$0
162 Buildings	$19,367,712	$0	$0	$0	$0
163 Furniture, Equipment & Machinery - Dwellings	$1,249,153	$0	$0	$0	$0
164 Furniture, Equipment & Machinery - Administration	$256,449	$0	$1,076	$0	$0
165 Leasehold Improvements	$0	$0	$0	$0	$0
166 Accumulated Depreciation	-$16,146,536	$0	-$1,076	$0	$0
167 Construction in Progress	$0	$0	$0	$0	$0
168 Infrastructure	$0	$0	$0	$0	$0
160 Total Capital Assets, Net of Accumulated Depreciation	$6,360,493	$0	$0	$0	$0
171 Notes, Loans and Mortgages Receivable - Non-Current	$0	$0	$0	$0	$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	$0	$0	$0	$0	$0
173 Grants Receivable - Non Current	$0	$0	$0	$0	$0
174 Other Assets	$114,150	$0	$0	$0	$0
176 Investments in Joint Ventures	$0	$0	$0	$0	$0
180 Total Non-Current Assets	$6,474,643	$0	$0	$0	$0
200 Deferred Outflow of Resources	$104,895	$0	$0	$0	$0
290 Total Assets and Deferred Outflow of Resources	$7,784,732	$18,169	$73,057	$36,249	$121,816

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
311 Bank Overdraft	$0	$0	$0	$0	$0
312 Accounts Payable <= 90 Days	$21,596	$0	$15,349	$109	$37,667
313 Accounts Payable >90 Days Past Due	$0	$0	$0	$0	$0
321 Accrued Wage/Payroll Taxes Payable	$16,763	$0	$4,768	$3,339	$0
322 Accrued Compensated Absences - Current Portion	$1,814	$0	$458	$287	$0
324 Accrued Contingency Liability	$0	$0	$0	$0	$0
325 Accrued Interest Payable	$0	$0	$0	$0	$0
331 Accounts Payable - HUD PHA Programs	$0	$0	$0	$0	$0
332 Account Payable - PHA Projects	$0	$0	$0	$0	$0
333 Accounts Payable - Other Government	$37,831	$0	$0	$0	$0
341 Tenant Security Deposits	$25,178	$0	$0	$0	$0
342 Unearned Revenue	$24,114	$0	$9,349	$0	$0
343 Current Portion of Long-term Debt - Capital	$0	$0	$0	$0	$0
344 Current Portion of Long-term Debt - Operating Borrowings	$0	$0	$0	$0	$0
345 Other Current Liabilities	$0	$0	$0	$0	$0
346 Accrued Liabilities - Other	$2,983	$0	$0	$193	$0
347 Inter Program - Due To	$0	$0	$39,012	$29,734	$84,149
348 Loan Liability - Current	$0	$0	$0	$0	$0
310 Total Current Liabilities	$130,279	$0	$68,936	$33,662	$121,816
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	$0	$0	$0	$0	$0
352 Long-term Debt, Net of Current - Operating Borrowings	$0	$0	$0	$0	$0
353 Non-current Liabilities - Other	$0	$0	$0	$0	$0
354 Accrued Compensated Absences - Non Current	$16,331	$0	$4,121	$2,587	$0
355 Loan Liability - Non Current	$0	$0	$0	$0	$0
356 FASB 5 Liabilities	$0	$0	$0	$0	$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
357 Accrued Pension and OPEB Liabilities	$179,458	$0	$0	$0	$0
350 Total Non-Current Liabilities	$195,789	$0	$4,121	$2,587	$0
300 Total Liabilities	$326,068	$0	$73,057	$36,249	$121,816
400 Deferred Inflow of Resources	$306,893	$0	$0	$0	$0
508.4 Net Investment in Capital Assets	$6,360,493	$0	$0	$0	$0
511.4 Restricted Net Position	$0	$0	$0	$0	$0
512.4 Unrestricted Net Position	$791,278	$18,169	$0	$0	$0
513 Total Equity - Net Assets / Position	$7,151,771	$18,169	$0	$0	$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	$7,784,732	$18,169	$73,057	$36,249	$121,816

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$124,654	$1,054,172	$2,220,294		$2,220,294
112 Cash - Restricted - Modernization and Development	$0	$0	$0		$0
113 Cash - Other Restricted	$20,672	$0	$30,021		$30,021
114 Cash - Tenant Security Deposits	$0	$0	$25,178		$25,178
115 Cash - Restricted for Payment of Current Liabilities	$0	$0	$4,575		$4,575
100 Total Cash	$145,326	$1,054,172	$2,280,068	$0	$2,280,068
121 Accounts Receivable - PHA Projects	$12,024	$0	$12,024		$12,024
122 Accounts Receivable - HUD Other Projects	$93,242	$0	$347,978		$347,978
124 Accounts Receivable - Other Government	$0	$0	$63,708		$63,708
125 Accounts Receivable - Miscellaneous	$0	$0	$0		$0
126 Accounts Receivable - Tenants	$0	$0	$5,621		$5,621
126.1 Allowance for Doubtful Accounts -Tenants	$0	$0	-$1,406		-$1,406
126.2 Allowance for Doubtful Accounts - Other	$0	$0	$0		$0
127 Notes, Loans, & Mortgages Receivable - Current	$0	$0	$12,168		$12,168
128 Fraud Recovery	$0	$0	$0		$0
128.1 Allowance for Doubtful Accounts - Fraud	$0	$0	$0		$0
129 Accrued Interest Receivable	$0	$0	$0		$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	$105,266	$0	$440,093	$0	$440,093
131 Investments - Unrestricted	$0	$0	$0		$0
132 Investments - Restricted	$0	$0	$0		$0
135 Investments - Restricted for Payment of Current Liability	$0	$0	$0		$0
142 Prepaid Expenses and Other Assets	$11,115	$28,233	$78,436		$78,436
143 Inventories	$0	$0	$0		$0
143.1 Allowance for Obsolete Inventories	$0	$0	$0		$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
144 Inter Program Due From	$0	$152,895	$152,895	-$152,895	$0
145 Assets Held for Sale	$0	$0	$0		$0
150 Total Current Assets	$261,707	$1,235,300	$2,951,492	-$152,895	$2,798,597
161 Land	$0	$0	$1,633,715		$1,633,715
162 Buildings	$0	$395,120	$19,762,832		$19,762,832
163 Furniture, Equipment & Machinery - Dwellings	$0	$2,214	$1,251,367		$1,251,367
164 Furniture, Equipment & Machinery - Administration	$203,022	$149,946	$610,493		$610,493
165 Leasehold Improvements	$18,368	$0	$18,368		$18,368
166 Accumulated Depreciation	-$103,414	-$333,516	-$16,584,542		-$16,584,542
167 Construction in Progress	$0	$0	$0		$0
168 Infrastructure	$0	$0	$0		$0
160 Total Capital Assets, Net of Accumulated Depreciation	$117,976	$213,764	$6,692,233	$0	$6,692,233
171 Notes, Loans and Mortgages Receivable - Non-Current	$0	$0	$0		$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	$0	$0	$0		$0
173 Grants Receivable - Non Current	$0	$0	$0		$0
174 Other Assets	$72,095	$114,148	$300,393		$300,393
176 Investments in Joint Ventures	$0	$0	$0		$0
180 Total Non-Current Assets	$190,071	$327,912	$6,992,626	$0	$6,992,626
200 Deferred Outflow of Resources	$66,250	$104,895	$276,040	$0	$276,040
290 Total Assets and Deferred Outflow of Resources	$518,028	$1,668,107	$10,220,158	-$152,895	$10,067,263
311 Bank Overdraft	$0	$0	$0		$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit　　　　Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	$2,905	$2,386	$80,012		$80,012
313 Accounts Payable >90 Days Past Due	$0	$0	$0		$0
321 Accrued Wage/Payroll Taxes Payable	$9,557	$25,259	$59,686		$59,686
322 Accrued Compensated Absences - Current Portion	$1,146	$3,052	$6,757		$6,757
324 Accrued Contingency Liability	$0	$0	$0		$0
325 Accrued Interest Payable	$0	$0	$0		$0
331 Accounts Payable - HUD PHA Programs	$0	$0	$0		$0
332 Account Payable - PHA Projects	$0	$0	$0		$0
333 Accounts Payable - Other Government	$0	$0	$37,831		$37,831
341 Tenant Security Deposits	$0	$0	$25,178		$25,178
342 Unearned Revenue	$0	$0	$33,463		$33,463
343 Current Portion of Long-term Debt - Capital	$0	$0	$0		$0
344 Current Portion of Long-term Debt - Operating Borrowings	$0	$0	$0		$0
345 Other Current Liabilities	$0	$0	$0		$0
346 Accrued Liabilities - Other	$225	$193	$3,594		$3,594
347 Inter Program - Due To	$0	$0	$152,895	-$152,895	$0
348 Loan Liability - Current	$0	$0	$0		$0
310 Total Current Liabilities	$13,833	$30,890	$399,416	-$152,895	$246,521
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	$0	$0	$0		$0
352 Long-term Debt, Net of Current - Operating Borrowings	$0	$0	$0		$0
353 Non-current Liabilities - Other	$20,672	$0	$20,672		$20,672
354 Accrued Compensated Absences - Non Current	$10,316	$27,471	$60,826		$60,826
355 Loan Liability - Non Current	$0	$0	$0		$0
356 FASB 5 Liabilities	$0	$0	$0		$0
357 Accrued Pension and OPEB Liabilities	$113,342	$179,458	$472,258		$472,258

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	$144,330	$206,929	$553,756	$0	$553,756
300 Total Liabilities	$158,163	$237,819	$953,172	-$152,895	$800,277
400 Deferred Inflow of Resources	$193,828	$306,893	$807,614	$0	$807,614
508.4 Net Investment in Capital Assets	$117,976	$213,764	$6,692,233		$6,692,233
511.4 Restricted Net Position	$0	$0	$0		$0
512.4 Unrestricted Net Position	$48,061	$909,631	$1,767,139		$1,767,139
513 Total Equity - Net Assets / Position	$166,037	$1,123,395	$8,459,372	$0	$8,459,372
600 Total Liabilities, Deferred Inflows of Resources and Equity -	$518,028	$1,668,107	$10,220,158	-$152,895	$10,067,263

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
70300 Net Tenant Rental Revenue	$456,551	$0	$0	$7,081	$0
70400 Tenant Revenue - Other	$14,607	$0	$0	$0	$0
70500 Total Tenant Revenue	$471,158	$0	$0	$7,081	$0
70600 HUD PHA Operating Grants	$933,092	$156,037	$0	$827,865	$1,101,050
70610 Capital Grants	$47,838				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	$0	$0	$440,175	$0	$0
71100 Investment Income - Unrestricted	$2,663	$9	$0	$48	$0
71200 Mortgage Interest Income	$0	$0	$0	$0	$0
71300 Proceeds from Disposition of Assets Held for Sale	$0	$0	$0	$0	$0
71310 Cost of Sale of Assets	$0	$0	$0	$0	$0
71400 Fraud Recovery	$0	$0	$0	$0	$0
71500 Other Revenue	$24,527	$0	$0	$0	$0
71600 Gain or Loss on Sale of Capital Assets	$2,345	$0	$0	$0	$0
72000 Investment Income - Restricted	$0	$0	$0	$0	$0
70000 Total Revenue	$1,481,623	$156,046	$440,175	$834,994	$1,101,050
91100 Administrative Salaries	$109,088	$7,192	$10,900	$27,885	$14,611

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit — Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
91200 Auditing Fees	$3,028	$0	$259	$2,015	$24
91300 Management Fee	$176,009	$2,736	$842	$38,496	$22,900
91310 Book-keeping Fee	$18,083	$1,710	$0	$0	$0
91400 Advertising and Marketing	$1,161	$0	$0	$0	$0
91500 Employee Benefit contributions - Administrative	$41,112	$3,535	$6,059	$16,878	$15,174
91600 Office Expenses	$44,780	$0	$4,426	$14,899	$6,205
91700 Legal Expense	$0	$0	$0	$0	$0
91800 Travel	$0	$0	$421	$169	$0
91810 Allocated Overhead	$0	$0	$0	$0	$0
91900 Other	$8,274	$0	$0	$0	$0
91000 Total Operating - Administrative	$401,535	$15,173	$22,907	$100,342	$58,914
92000 Asset Management Fee	$24,960	$0	$0	$0	$0
92100 Tenant Services - Salaries	$0	$0	$22,479	$42,606	$35,454
92200 Relocation Costs	$1,050	$0	$0	$0	$0
92300 Employee Benefit Contributions - Tenant Services	$0	$0	$15,677	$11,536	$26,811
92400 Tenant Services - Other	$458	$0	$378,760	$1,558	$979,506
92500 Total Tenant Services	$1,508	$0	$416,916	$55,700	$1,041,771
93100 Water	$41,756	$0	$0	$978	$0
93200 Electricity	$30,896	$0	$0	$1,201	$0
93300 Gas	$5,589	$0	$0	$220	$0
93400 Fuel	$0	$0	$0	$0	$0
93500 Labor	$0	$0	$0	$0	$0
93600 Sewer	$0	$0	$0	$0	$0
93700 Employee Benefit Contributions - Utilities	$0	$0	$0	$0	$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
93800 Other Utilities Expense	$0	$0	$0	$0	$0
93000 Total Utilities	$78,241	$0	$0	$2,399	$0
94100 Ordinary Maintenance and Operations - Labor	$210,498	$0	$0	$0	$0
94200 Ordinary Maintenance and Operations - Materials and	$102,133	$0	$0	$162	$0
94300 Ordinary Maintenance and Operations Contracts	$72,306	$0	$0	$278	$0
94500 Employee Benefit Contributions - Ordinary Maintenance	$67,779	$0	$0	$0	$0
94000 Total Maintenance	$452,716	$0	$0	$440	$0
95100 Protective Services - Labor	$0	$0	$0	$0	$0
95200 Protective Services - Other Contract Costs	$9,286	$0	$0	$0	$0
95300 Protective Services - Other	$0	$0	$0	$0	$0
95500 Employee Benefit Contributions - Protective Services	$0	$0	$0	$0	$0
95000 Total Protective Services	$9,286	$0	$0	$0	$0
96110 Property Insurance	$100,113	$0	$0	$0	$0
96120 Liability Insurance	$3,344	$0	$0	$512	$0
96130 Workmen's Compensation	$1,381	$0	$351	$58	$365
96140 All Other Insurance	$6,226	$0	$0	$1,070	$0
96100 Total insurance Premiums	$111,064	$0	$351	$1,640	$365
96200 Other General Expenses	$0	$0	$0	$0	$0
96210 Compensated Absences	$19,222	$0	$0	$828	$0
96300 Payments in Lieu of Taxes	$37,831	$0	$0	$0	$0
96400 Bad debt - Tenant Rents	$24,999	$0	$0	$0	$0
96500 Bad debt - Mortgages	$0	$0	$0	$0	$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
96600 Bad debt - Other	$0	$0	$0	$0	$0
96800 Severance Expense	$0	$0	$0	$0	$0
96000 Total Other General Expenses	$82,052	$0	$0	$828	$0
96710 Interest of Mortgage (or Bonds) Payable	$0	$0	$0	$0	$0
96720 Interest on Notes Payable (Short and Long Term)	$0	$0	$0	$0	$0
96730 Amortization of Bond Issue Costs	$0	$0	$0	$0	$0
96700 Total Interest Expense and Amortization Cost	$0	$0	$0	$0	$0
96900 Total Operating Expenses	$1,161,362	$15,173	$440,174	$161,349	$1,101,050
97000 Excess of Operating Revenue over Operating Expenses	$320,261	$140,873	$1	$673,645	$0
97100 Extraordinary Maintenance	$0	$0	$0	$0	$0
97200 Casualty Losses - Non-capitalized	$24,000	$0	$0	$0	$0
97300 Housing Assistance Payments	$0	$153,508	$0	$686,720	$0
97350 HAP Portability-In	$0	$0	$0	$0	$0
97400 Depreciation Expense	$489,004	$0	$539	$0	$0
97500 Fraud Losses	$0	$0	$0	$0	$0
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense	$0	$0	$0	$0	$0
90000 Total Expenses	$1,674,366	$168,681	$440,713	$848,069	$1,101,050
10010 Operating Transfer In	$0	$0	$0	$0	$0
10020 Operating transfer Out	$0	$0	$0	$0	$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
10030 Operating Transfers from/to Primary Government	$0	$0	$0	$0	$0
10040 Operating Transfers from/to Component Unit	$0	$0	$0	$0	$0
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss	$0	$0	$0	$0	$0
10080 Special Items (Net Gain/Loss)	$0	$0	$0	$0	$0
10091 Inter Project Excess Cash Transfer In	$0				
10092 Inter Project Excess Cash Transfer Out	$0				
10093 Transfers between Program and Project - In	$0	$0	$0	$0	$0
10094 Transfers between Project and Program - Out	$0	$0	$0	$0	$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-$192,743	-$12,635	-$538	-$13,075	$0
11020 Required Annual Debt Principal Payments	$0	$0	$0	$0	$0
11030 Beginning Equity	$7,344,514	$30,804	$538	-$73,986	$0
11040 Prior Period Adjustments, Equity Transfers and	$0	$0	$0	$87,061	$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program
11190 Unit Months Available	2460	300	0	598	0
11210 Number of Unit Months Leased	2375	228	0	528	0
11270 Excess Cash	$944,243				
11610 Land Purchases	$0				
11620 Building Purchases	$47,838				
11630 Furniture & Equipment - Dwelling Purchases	$0				
11640 Furniture & Equipment - Administrative Purchases	$0				
11650 Leasehold Improvements Purchases	$0				
11660 Infrastructure Purchases	$0				
13510 CFFP Debt Service Payments	$0				
13901 Replacement Housing Factor Funds	$0				

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit   Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$0	$0	$463,632		$463,632
70400 Tenant Revenue - Other	$0	$0	$14,607		$14,607
70500 Total Tenant Revenue	$0	$0	$478,239	$0	$478,239
70600 HUD PHA Operating Grants	$5,480,648	$0	$8,498,692		$8,498,692
70610 Capital Grants	$0	$0	$47,838		$47,838
70710 Management Fee		$347,219	$347,219	-$347,219	$0
70720 Asset Management Fee		$24,960	$24,960	-$24,960	$0
70730 Book Keeping Fee		$86,190	$86,190	-$86,190	$0
70740 Front Line Service Fee		$0	$0		$0
70750 Other Fees		$0	$0		$0
70700 Total Fee Revenue		$458,369	$458,369	-$458,369	$0
70800 Other Government Grants	$0	$0	$440,175		$440,175
71100 Investment Income - Unrestricted	$368	$557	$3,645		$3,645
71200 Mortgage Interest Income	$0	$0	$0		$0
71300 Proceeds from Disposition of Assets Held for Sale	$0	$0	$0		$0
71310 Cost of Sale of Assets	$0	$0	$0		$0
71400 Fraud Recovery	$12,618	$0	$12,618		$12,618
71500 Other Revenue	$20,134	$82,370	$127,031		$127,031
71600 Gain or Loss on Sale of Capital Assets	$0	$0	$2,345		$2,345
72000 Investment Income - Restricted	$0	$0	$0		$0
70000 Total Revenue	$5,513,768	$541,296	$10,068,952	-$458,369	$9,610,583
91100 Administrative Salaries	$158,104	$262,558	$590,338		$590,338
91200 Auditing Fees	$8,204	$864	$14,394		$14,394

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
91300 Management Fee	$106,236		$347,219	-$347,219	$0
91310 Book-keeping Fee	$66,398		$86,191	-$86,190	$1
91400 Advertising and Marketing	$343	$0	$1,504		$1,504
91500 Employee Benefit contributions - Administrative	$37,921	$21,859	$142,538		$142,538
91600 Office Expenses	$52,256	$33,051	$155,617		$155,617
91700 Legal Expense	$3,910	$3,705	$7,615		$7,615
91800 Travel	$0	$0	$590		$590
91810 Allocated Overhead	$0		$0		$0
91900 Other	$1,217	$27,559	$37,050		$37,050
91000 Total Operating - Administrative	$434,589	$349,596	$1,383,056	-$433,409	$949,647
92000 Asset Management Fee	$0		$24,960	-$24,960	$0
92100 Tenant Services - Salaries	$0	$0	$100,539		$100,539
92200 Relocation Costs	$0	$0	$1,050		$1,050
92300 Employee Benefit Contributions - Tenant Services	$0	$0	$54,024		$54,024
92400 Tenant Services - Other	$0	$85,930	$1,446,212		$1,446,212
92500 Total Tenant Services	$0	$85,930	$1,601,825	$0	$1,601,825
93100 Water	$2,216	$1,080	$46,030		$46,030
93200 Electricity	$1,678	$1,675	$35,450		$35,450
93300 Gas	$446	$170	$6,425		$6,425
93400 Fuel	$0	$0	$0		$0
93500 Labor	$0	$0	$0		$0
93600 Sewer	$0	$0	$0		$0
93700 Employee Benefit Contributions - Utilities	$0	$0	$0		$0
93800 Other Utilities Expense	$0	$0	$0		$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
93000 Total Utilities	$4,340	$2,925	$87,905	$0	$87,905
94100 Ordinary Maintenance and Operations - Labor	$0	$0	$210,498		$210,498
94200 Ordinary Maintenance and Operations - Materials and	$2,004	$0	$104,299		$104,299
94300 Ordinary Maintenance and Operations Contracts	$381	$150	$73,115		$73,115
94500 Employee Benefit Contributions - Ordinary Maintenance	$0	$0	$67,779		$67,779
94000 Total Maintenance	$2,385	$150	$455,691	$0	$455,691
95100 Protective Services - Labor	$0	$0	$0		$0
95200 Protective Services - Other Contract Costs	$0	$0	$9,286		$9,286
95300 Protective Services - Other	$0	$0	$0		$0
95500 Employee Benefit Contributions - Protective Services	$0	$0	$0		$0
95000 Total Protective Services	$0	$0	$9,286	$0	$9,286
96110 Property Insurance	$5,926	$11,851	$117,890		$117,890
96120 Liability Insurance	$1,726	$7,715	$13,297		$13,297
96130 Workmen's Compensation	$1,552	$1,712	$5,419		$5,419
96140 All Other Insurance	$740	$1,522	$9,558		$9,558
96100 Total insurance Premiums	$9,944	$22,800	$146,164	$0	$146,164
96200 Other General Expenses	$980	$0	$980		$980
96210 Compensated Absences	$12,813	$15,422	$48,285		$48,285
96300 Payments in Lieu of Taxes	$0	$0	$37,831		$37,831
96400 Bad debt - Tenant Rents	$0	$0	$24,999		$24,999
96500 Bad debt - Mortgages	$0	$0	$0		$0
96600 Bad debt - Other	$0	$0	$0		$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
96800 Severance Expense	$0	$0	$0		$0
96000 Total Other General Expenses	$13,793	$15,422	$112,095	$0	$112,095
96710 Interest of Mortgage (or Bonds) Payable	$0	$0	$0		$0
96720 Interest on Notes Payable (Short and Long Term)	$0	$0	$0		$0
96730 Amortization of Bond Issue Costs	$0	$0	$0		$0
96700 Total Interest Expense and Amortization Cost	$0	$0	$0	$0	$0
96900 Total Operating Expenses	$465,051	$476,823	$3,820,982	-$458,369	$3,362,613
97000 Excess of Operating Revenue over Operating Expenses	$5,048,717	$64,473	$6,247,970	$0	$6,247,970
97100 Extraordinary Maintenance	$0	$0	$0		$0
97200 Casualty Losses - Non-capitalized	$0	$0	$24,000		$24,000
97300 Housing Assistance Payments	$4,898,624	$0	$5,738,852		$5,738,852
97350 HAP Portability-In	$19,744	$0	$19,744		$19,744
97400 Depreciation Expense	$16,565	$20,640	$526,748		$526,748
97500 Fraud Losses	$0	$0	$0		$0
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense	$0	$0	$0		$0
90000 Total Expenses	$5,399,984	$497,463	$10,130,326	-$458,369	$9,671,957
10010 Operating Transfer In	$0	$0	$0	$0	$0
10020 Operating transfer Out	$0	$0	$0	$0	$0
10030 Operating Transfers from/to Primary Government	$0	$0	$0		$0

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit	$0	$0	$0		$0
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss	$0	$0	$0		$0
10080 Special Items (Net Gain/Loss)	$0	$0	$0		$0
10091 Inter Project Excess Cash Transfer In			$0		$0
10092 Inter Project Excess Cash Transfer Out			$0		$0
10093 Transfers between Program and Project - In	$0	$0	$0		$0
10094 Transfers between Project and Program - Out	$0	$0	$0		$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	$113,784	$43,833	-$61,374	$0	-$61,374
11020 Required Annual Debt Principal Payments	$0	$0	$0		$0
11030 Beginning Equity	$52,253	$1,166,623	$8,520,746		$8,520,746
11040 Prior Period Adjustments, Equity Transfers and	$0	-$87,061	$0		$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity	$166,037		$166,037		$166,037
11180 Housing Assistance Payments Equity	$0		$0		$0
11190 Unit Months Available	9594	0	12952		12952

Warren Metropolitian Housing Authority (OH049)

LEBANON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
11210 Number of Unit Months Leased	8853	0	11984		11984
11270 Excess Cash			$944,243		$944,243
11610 Land Purchases		$0	$0		$0
11620 Building Purchases		$0	$47,838		$47,838
11630 Furniture & Equipment - Dwelling Purchases		$0	$0		$0
11640 Furniture & Equipment - Administrative Purchases		$0	$0		$0
11650 Leasehold Improvements Purchases		$0	$0		$0
11660 Infrastructure Purchases		$0	$0		$0
13510 CFFP Debt Service Payments		$0	$0		$0
13901 Replacement Housing Factor Funds		$0	$0		$0

WARREN METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	*Federal Assistance Listing Number*	*Pass Through Entity Identifying Number*	*Provided to Subrecipients*	*Total Federal Expenditures*
U.S. Department of Housing and Urban Development				
Direct Programs:				
Continuum of Care Program	14.267		$ -	$ 827,865
Low Rent Public Housing Program	14.850		-	933,092
Public Housing Capital Fund Program	14.872		-	47,838
Housing Voucher Cluster:				
Section 8 Housing Choice Voucher Program	14.871		-	5,480,648
Mainstream Vouchers	14.879		-	156,037
Total Housing Voucher Cluster			-	5,636,685
Total Direct Awards			-	7,445,480
Pass through Programs:				
Pass Through from the State of Ohio:				
Emergency Solutions Grants Program	14.231	N-L-20-8AE-4	457,617	1,101,050
Total Passed Through Awards			457,617	1,101,050
Total U.S. Department of Housing and Urban Development			457,617	8,546,530
Total Expenditures of Federal Awards			**$ 457,617**	**$ 8,546,530**

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Warren Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended December 31, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

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

NOTE 4 - SUBRECIPIENTS

The Authority passes certain federal awards received from the State of Ohio to other governments or not-for-profit agencies (subrecipients). As Note 2 describes, the Authority reports expenditures of Federal awards to subrecipients on an accrual basis.

As a pass-through entity, the Authority has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

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

Warren Metropolitan Housing Authority
Warren County
990 East Ridge Drive
Lebanon, Ohio 45036

To the Board of Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the Warren Metropolitan Housing Authority, Warren County, (the Authority) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 15, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio
June 15, 2023

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

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

Warren Metropolitan Housing Authority
Warren County
990 East Ridge Drive
Lebanon, Ohio 45036

To the Board of Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Warren Metropolitan Housing Authority's, Warren County, (Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Warren Metropolitan Housing Authority's major federal programs for the year ended December 31, 2022. Warren Metropolitan Housing Authority's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Warren Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by 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). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The Authority's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. 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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio
June 15, 2023

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WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2022

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
50(d)(1)(vii)	**Major Programs (list):**	14.850 Public Housing 14.231 Emergency Solutions Grant 14.267 Continuum of Care
(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

OHIO AUDITOR OF STATE
KEITH FABER

WARREN METROPOLITAN HOUSING AUTHORITY

WARREN 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 6/29/2023

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370