bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

CAMBRIDGE METROPOLITAN HOUSING AUTHORITY
GUERNSEY COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED MARCH 31, 2024

OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Board of Commissioners
Cambridge Metropolitan Housing Authority
1100 Maple Court
Cambridge, Ohio 43725

We have reviewed the *Independent Auditor's Report* of the Cambridge Metropolitan Housing Authority, Guernsey County, prepared by BHM CPA Group, Inc., for the audit period April 1, 2023 through March 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Cambridge Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

December 06, 2024

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Guernsey County
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INDEPENDENT AUDITOR'S REPORT

Cambridge Metropolitan Housing Authority
Guernsey County
1100 Maple Court
Cambridge, Ohio 43725

To the Board of Commissioners

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Cambridge Metropolitan Housing Authority, Guernsey County, Ohio (Authority), as of and for the year ended March 31, 2024, 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 of the Cambridge Metropolitan Housing Authority, Guernsey County, Ohio as of March 31, 2024, 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 Financial Data Schedules and 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 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 Financial Data Schedules and Schedule of Expenditures of Federal Awards 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 October 28, 2024, 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.

BHM CPA Group

BHM CPA Group, Inc.
Circleville, Ohio
October 28, 2024

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CAMBRIDGE METROPOLITAN HOUSING AUTHORITY
GUERNSEY COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2024

(UNAUDITED)

The Cambridge Metropolitan Housing Authority's ("the Authority") Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's position, and (d) identify individual fund issues of concerns.

Since the MD&A is designed to focus of the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statement.

FINANCIAL HIGHLIGHTS

- The Authority's total net position increased by $473,351 (or 14 percent) during fiscal year 2024. Since the Authority engages only in business-type activities, the increase is all in the category of business-type net position. Net position was $3,771,820 and $3,298,469 for 2024 and 2023, respectively.
- The business-type activities revenue increased by $595,104 (10 percent) during fiscal year 2024. The amounts were $6,679,917 and $6,084,813 for 2024 and 2023, respectively.
- The total expenses of all Authority programs increased by $300,585 (or 5 percent). Total expenses were $6,206,566 and $5,905,981 for fiscal years 2024 and 2023, respectively.

USING THIS ANNUAL REPORT

This is a different presentation of the Authority's previous financial statements. The following graphic outlines these changes and are provided for your review:

M D & A
-Management Discussion and Analysis-

Basic Financial Statements
-Statement of Net Position-
-Statement of Revenues, Expenses and Changes in Net Position-
-Statement of Cash Flows-
Notes to Financial Statements-

The clearly preferable focus is on the Authority as a single Enterprise Fund. This format will allow the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority), and enhance the Authority's accountability.

(UNAUDITED)

AUTHORITY FINANCIAL STATEMENTS

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

These Statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The Statement is presented in the format where assets minus liabilities equal "Net Position", formerly known as net assets. Assets and liabilities are presented in order of liquidity, and are classified as "current" (convertible into cash within one year), and "Non-current".

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

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

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

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

The Authority's financial statements also include a Statement of Revenues, Expenses, and Changes in Fund Net Position (similar to an Income Statement). This Statement includes Operating Revenue, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as capital grant revenue, investment income, and interest expense.

The focus of the Statement of Revenues, Expenses, and Changes in Fund Net Position is the "Change in Net Position", which is similar to Net Income or Loss.

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

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

(UNAUDITED)

AUTHORITY PROGRAMS

Many of the programs maintained by the Authority are done so as required by the U.S. Department of Housing and Urban Development (HUD). Others are segregated to enhance accountability and control.

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

Capital Fund Program (CFP) – This is the primary funding source for physical and management improvements to the Authority's properties. Funds are allocated by a formula allocation and are based on the size and age of the properties.

Housing Choice Voucher Program (HCV) – 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 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. The Authority earns administrative fees to cover the cost of administering the Program.

Other Business Activity - Business activity represents other services that the Authority provides to the Noble Metropolitan Housing Authority, the Monroe Metropolitan Housing Authority, and the Cambridge Management Corporation for a fee for services that the Authority provides to these entities. The revenue and expenses for these services are identified and tracked separately from the HUD activities.

AUTHORITY STATEMENTS

Statement of Net Position

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

Major Factors Affecting the Statement of Net Position

During 2024, current assets increased by $923,001 and current liabilities increased by $413,708. The increase in current assets is mainly due to the change in cash and accounts receivable due to the result of current activities. The increase in liabilities is due to the year-end vendor invoices being paid during the fiscal year.

Capital assets also changed, decreasing from $2,423,021 to $2,222,025. The $200,996 decrease may be contributed primarily to current year depreciation of $281,604.

(UNAUDITED)

Table 1 - Statement of Net Position				
			Net	**Percent**
	2024	**2023**	**Change**	**Variance**
Assets and Deferred Outflows of Resources				
Current and Other Assets	$ 2,944,472	$ 2,021,471	$ 923,001	45.66%
Capital Assets	$ 2,222,025	$ 2,423,021	$ (200,996)	-8.30%
Deferred Outflow of Resources	$ 291,059	$ 565,696	$ (274,637)	-48.54%
Total Assets and Deferred Outflow of Resources	$ 5,457,556	$ 5,010,188	$ 447,368	8.93%
Liabilities, Deferred Inflows of Resources, and Net Position				
Liabilities and Deferred Liabilities				
Current Liabilities	$ 595,878	$ 182,170	$ 413,708	227.10%
Long-Term Liabilities	$ 1,062,061	$ 1,377,457	$ (315,396)	-22.90%
Deferred Inflow of Resources	$ 27,797	$ 152,092	$ (124,295)	-81.72%
Total Liabilities and Deferred Inflow of Resources	$ 1,685,736	$ 1,711,719	$ (25,983)	-1.52%
Net Position:				
Investment in Capital Assets	$ 2,222,025	$ 2,423,021	$ (200,996)	-8.30%
Restricted Net Position	$ -	$ 24,886	$ (24,886)	-100.00%
Unrestricted Net Position	$ 1,549,795	$ 850,562	$ 699,233	82.21%
Total Net Position	$ 3,771,820	$ 3,298,469	$ 473,351	14.35%
Total Liabilities, Deferred Inflow of Resources				
and Net Position	$ 5,457,556	$ 5,010,188	$ 447,368	8.93%
For more detail information see Statement of Net Position presented elsewhere in this report.				

The following table presents details on the change in net position.

Table 2 - Changes of Net Position

	Unrestricted	Net Investment in Capital Assets	Restricted (3)
Beg Balance - March 31, 2023	$ 850,562	$ 2,423,021	$ 24,886
Results of Operation	473,351		(24,886)
Adjustments:	25,165	(279)	
Current year Depreciation Expense (1)	281,325	(281,325)	-
Capital Expenditure (2)	(80,608)	80,608	-
Ending Balance -March 31, 2024	$ 1,549,795	$ 2,222,025	$ -

(UNAUDITED)

(1) Depreciation is treated as an expense and reduces the Results of Operations but does not have an impact on Unrestricted Net Position.

(2) Capital expenditures represent an outflow of Unrestricted Net Position, but are not treated as an expense against Results of Operations and, therefore, must be deducted.

(3) The net restricted position is the amount of equity restricted for Housing Assistance Payments.

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer presentation of financial position.

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

Table 3 - Statement of Revenue, Expenses & Changes in Net Position

		2024		2023	Net Change	Percent Variance
Revenues						
Total Tenant Revenues	$	773,720		741,672	32,048	4.32%
Operating Subsidies		5,033,468		4,403,092	630,376	14.32%
Capital Grants		66,085		95,642	(29,557)	-30.90%
Investment Income		23,939		7,838	16,101	205.42%
Other Revenues		782,705		836,569	(53,864)	-6.44%
Total Revenues		**6,679,917**		**6,084,813**	595,104	9.78%
Expenses						
Administrative		917,875		892,308	25,567	2.87%
Tenant Services		86,865		37,586	49,279	131.11%
Utilities		143,801		135,426	8,375	6.18%
Maintenance		832,391		842,608	(10,217)	-1.21%
General Expenses/Insurance		153,336		146,921	6,415	4.37%
Pension / OPEB Expense		(196,320)		(65,381)	(130,939)	-200.27%
Housing Assistance Payments		3,987,014		3,652,537	334,477	9.16%
Depreciation		281,604		263,976	17,628	6.68%
Total Expenses		**6,206,566**		**5,905,981**	300,585	5.09%
Net Increases (Decreases)	$	**473,351**	$	**178,832**	**294,519**	164.69%

(UNAUDITED)

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

Operating Subsidy reflects an increase of $630,376 (or 14 percent). Capital grants decreased by $29,557 due to less capital funded activities during the year. Total tenant revenue increased by $32,048 (or 4 percent). The increase in tenant revenue was primarily due to a increase in tenant income levels and units leased.

Total expenses increased by $300,585 mainly due to a increase in Tenant Services expenses and Housing Assistance Payments.

CAPITAL ASSETS

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

	2024	2023	Net Change	Percent Variance
Land and Land Rights	415,810	415,810	-	0.00%
Buildings	12,156,587	12,139,222	17,365	0.14%
Furniture, Equipment, and Machinery - Dwelling	213,755	213,755	-	0.00%
Furniture, Equipment, and Machinery - Administrative	1,005,952	995,890	10,062	1.01%
Leasehold Improvements	1,033,238	980,057	53,181	5.43%
Total Capital Assets	14,825,342	14,744,734	80,608	0.55%
Accumulated Depreciation	12,603,317	12,321,713	281,604	2.29%
Net Capital Assets	2,222,025	2,423,021	(200,996)	-8.30%

As of year-end, the Authority had $2,222,025 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of $200,996 (or 8 percent) from the end of 2023. This decrease was due to depreciation expense.

DEBT OUTSTANDING

As of March 31, 2024, the Authority had no outstanding debt.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding from the U.S. Department of Housing and Urban Development
- 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
- CARES Act funding received during the fiscal year.

FINANCIAL CONTACT

If you have any questions regarding this report, you may contact Tammi DeMattio, Executive Director of the Cambridge Metropolitan Housing Authority at P.O. Box 1388, Cambridge, Ohio 43725.

CAMBRIDGE METROPOLITAN HOUSING AUTHORITY
Statement of Net Position
Proprietary Funds
For the Year Ended March 31, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets	
Cash and cash equivalents	2,563,515
Restricted cash and cash equivalents	93,538
Receivables, net	120,862
Prepaid expenses and other assets	64,532
Total current assets	2,842,447
Noncurrent assets	
Capital assets:	
Non-Depreciable Capital Assets	415,810
Depreciable Capital Assets	14,409,532
Accumulated Depreciation	(12,603,317)
Total Capital Assets	2,222,025
Net Pension/OPEB Asset	102,025
Total noncurrent assets	2,324,050
Total Assets	5,166,497
Deferred Outflow of Resources	
Deferred Outflow of Resources - Pension	258,861
Deferred Outflow of Resources - OPEB	32,198
Total Deferred Outflow of Resources	291,059
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	5,457,556
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	
Current liabilities	
Accounts payable	86,069
Accounts payable - Other Governments	61,814
Tenant Security Deposits	56,596
Unearned Revenue	391,399
Total current liabilities	595,878
Noncurrent liabilities	
Accrued Compensated Absences	14,817
Net Pension Liability	1,010,302
Noncurrent liabilities - other	36,942
Total Noncurrent liabilities	1,062,061
Total Liabilities	1,657,939
Deferred Inflow of Resources	
Deferred Inflow of Resources - Pension	6,391
Deferred Inflow of Resources - OPEB	21,406
Total Deferred Inlfow of Resources	27,797
NET POSITION	
Net Invested in capital assets	2,222,025
Restricted net position	0
Unrestricted net position	1,549,795
Total net Position	3,771,820
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	5,457,556

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

CAMBRIDGE METROPOLITAN HOUSING AUTHORITY
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended March 31, 2024

Operating Revenue		
Tenant Revenue Government	$	773,720
operating grants		5,033,468
Other Revenue		782 705
Total Operating Revenues		6,786,213
Operating Expenses		
Administrative	$	917,875
Tenant Services		86,865
Utilities		143,801
Maintenance		832,391
General		64,314
Insurance		89,022
Pension Expense		(196,320)
Housing assistance payment		3,987,014
Depreciation		281,604
Total Operating Expenses		6,206,566
Operating Profit (Loss)		383 327
Nonoperating Revenues		
Capital Grant		66,085
Interest Income		23 939
Total Nonoperating Revenues		90 024
Change in Net Position		473,351
Total Net Position - Beginning		3,298,469
Total Net Position - Ending	$	3,771,820

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

CAMBRIDGE METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended March 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating grants received	5,415,674
Receipts from tenants	773,720
Other revenue received	586,385
Cash payments for Administrative	(613,259)
Cash payments for HAP	(3,987,014)
Cash payments for Other Expenses	(1,301,677)
Net cash provided (used) by operating activities	873,829
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned	23,939
Net cash provided (used) by investing activities	23,939
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES	
Acquisition of capital assets	(80,608)
Capital grant received	66,085
Net cash provided (used) by capital and related activities	(14,523)
Net increase(decrease) in cash	883,245
Cash and cash equivalents - Beginning of year	1,773,808
Cash and cash equivalents - End of year	2,657,053

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Net Operating Income (Loss)	383,327
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating	
- Depreciation	281,604
- (Increase) Decreases in Accounts Receivable	11,208
- (Increase) Decreases in Prepaid Assets	(8,696)
- (Increase) Decreases in Net Pension / OPEB Activity	(196,320)
- Increase (Decreases) in Accounts Payable	31,008
- Increase (Decreases) in Current Liabilities	4,962
- Increase (Decreases) in Accounts Payable Other Government	1,422
- Increase (Decreases) in Tenant Security Deposit	(928)
- Increase (Decreases) in Unearned Revenue	382,206
- Increase (Decreases) in Noncurrent Liabilities	(15,964)
Net cash provided (used) by operating activities	873,829

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Reporting Entity

The Cambridge Metropolitan Housing Authority (the Authority) is a political subdivision of the State of Ohio, located in Cambridge, Ohio. The Authority was created under the Ohio Revised Code Section 3735.27, to engage in the acquisition, development, leasing, and administration of low-rent housing programs. 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 provisions of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

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

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

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

(CONTINUED)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Authority's basic financial statements consist of a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows.

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

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

Measurement Focus and Basis of Accounting

The Enterprise Fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the Authority are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the Authority finances and meets the cash flow needs of its enterprise activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the Enterprise Fund include housing assistance payments and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

The following are the various programs which are included in the single Enterprise Fund:

A. **Public Housing Program**

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

(CONTINUED)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 Vouchers**

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

D. **Business Activity**

Business Activity represents other services that the Authority provides to Noble Metropolitan Housing Authority, Monroe Metropolitan Housing Authority, and Cambridge Management Corporation for a fee for services that the Authority provides to the entities. The revenue and expenses for these services are identified and tracked separately from the HUD activities.

Cash and Cash Equivalents

The Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are stated at fair value. The Authority is authorized to invest in nonnegotiable certificates of deposit and money market investments,

Compensated Absences

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

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

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In the Proprietary Fund, the compensated absences are expensed when earned with the amount reported as a liability. Information regarding compensated absences is detailed in Note 7.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets

Capital assets are recorded at cost. Costs with a threshold of $1,000 materially add to the productive capacity or extend the life of an asset are capitalized while maintenance and repair costs are expensed as incurred. Depreciation is computed on the straight-line method based on the following estimated useful lives:

Buildings	40 years
Building Improvements	15 years
Land Improvements	15 years
Furniture, Equipment, and Machinery	10 years

Capitalization of Interest

The Authority's policy is not to capitalize interest related to the construction or purchase of capital assets.

Net Position

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is recorded as restricted when there are limitations imposed on its use either enabling legislation or through external restrictions imposed by creditors, grantors, or law or regulations of other governments.

The Authority's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position is available.

Operating Revenues and Expenses

Operating revenues and expenses are those revenues that are generated directly from the primary activities of the Proprietary Fund and expenses incurred for the day-to-day operation. For the Authority, operating revenues are tenant rent charges, operating subsidy from HUD, and other miscellaneous revenue.

Capital Contributions

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

Budgetary Accounting

The Authority is required by contractual agreements to adopt annual operating budgets for all its HUD funded programs. The budgets for its programs are prepared on a HUD basis, which is materially consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at fiscal year-end. The Board of Commissioners adopts the budget through passage of a budget resolution.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting and Reporting for Non-Exchange Transactions

The Authority accounts for non-exchange transactions in accordance with Governmental Accounting Standards Board (GASB) Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*. Non-exchange transactions occur when the Authority receives (or gives) value without directly giving (or receiving) equal value in return.

In conformity with the requirements of GASB Statement No. 33, the Authority has recognized grant funds expended for capitalizable capital assets acquired after September 30, 2000, as revenues and the related depreciation thereon, as expenses in the accompanying Combined Statement of Revenue and Expenses.

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 government-wide 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 pension/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

A. **Deposits**

State statutes classify monies held by the Authority into three categories.

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.

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

A. **Deposits** (Continued)

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

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 certificates 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's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety bonds deposited with the Authority by the financial institution, or the Ohio Pooled Collateral System (OPCS).

On March 31, 2024, the carrying amount of the Authority's deposits was $2,657,053 (including $2,563,515 of unrestricted funds and $93,538 of restricted funds). The unrestricted cash includes $250 of petty cash. The bank balance on March 31, 2024, was $2,665,444. Based on the criteria described in GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, as of March 31, 2024, deposits totaling $500,000 were covered by Federal Depository Insurance and deposits totaling $2,165,444 were uninsured and collateralized with securities held by the financial institution's trust department or agent in the Authority's name.

Custodial Credit Risk

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

B. **Investments**

HUD, State Statute, and Board resolutions authorize the Authority to invest in obligations of the U. S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, money market deposit accounts, municipal depository funds, super NOW accounts, sweep accounts, separate trading of registered interest and principal of securities, mutual funds, bonds, and other obligations of this State, and the State Treasurer's investment pool. Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the

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

B. **Investments** (Continued)

purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Authority and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The Authority has a formal investment policy. The objective of this policy shall be to maintain liquidity and protection of principal while earning investment interest. Safety of principal is the primary objective of the investment program. The Authority follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools and* records its investments at fair value. On March 31, 2024, the Authority held no investments as defined by GASB Statement No. 40.

Interest Rate Risk
As a means of limiting its exposure to fair value of losses caused by rising interest rates, the Authority's investment policy requires those funds which are not operating reserve funds to be invested in investments with a maximum term of one year or the Authority's operating cycle. For investments of the Authority's operating reserve funds, the maximum term can be up to three years. The intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk
Credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Authority has no investment policy that would further limit its investment choices.

Concentration of Credit Risk
Generally, the Authority places no limit on the amount it may invest in any one insurer. However, the investment policy limits the investment of HUD-approved mutual funds to no more than 20 percent of the Authority's available investment funds. The Authority's deposits in financial institutions represent 100 percent of its deposits.

Foreign Currency Risk
Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. As of year-end, the Authority had no exposure to foreign currency rate risk, as regulated by HUD.

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NOTE 3: RESTRICTED CASH

The Authority's restricted cash as to purpose is as follows:

Tenant Security Deposits	$ 56,596
Restricted HAP Equity	-
FSS Escrow Cash Balance	30,532
Tenant Council Funds	6,410
Total Restricted Cash	$ 93,538

NOTE 4: CAPITAL ASSETS

A summary of capital assets on March 31, 2024, by class is as follows:

	Balance 3/31/2023	Additions	Adjustment	Balance 3/31/2024
Capital Assets Not Being Depreciated:				
Land	$415,810	$0	$0	$415,810
Construction in Progress	0	$0	$0	0
Total Capital Assets Not Being Depreciated	**415,810**	**0**	**0**	**415,810**
Capital Assets Being Depreciated:				
Buildings	12,139,222	17,365	0	12,156,587
Leasehold Improvements	980,057	53,181	0	1,033,238
Furn, Mach. and Equip.	1,209,645	10,062	0	1,219,707
Total Capital Assets Being Depreciated	**14,328,924**	**80,608**	**0**	**14,409,532**
Accumulated Depreciation:				
Buildings	(10,354,565)	(234,380)	0	(10,588,945)
Leasehold Improvements	(891,692)	(15,839)	0	(907,531)
Furn, Mach. and Equip.	(1,075,456)	(31,106)	(279)	(1,106,841)
Total Accumulated Depreciation	**(12,321,713)**	**(281,325)**	**(279)**	**(12,603,317)**
Total Capital Assets Being Depreciated, Net	**2,007,211**	**(200,717)**	**(279)**	**1,806,215**
Total Capital Assets, Net	**$2,423,021**	**($200,717)**	**($279)**	**$2,222,025**

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.

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability*. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *accounts payable – other governments*.

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.

During 2019, the OPERS Board of Trustees approved changes to the Combined Plan and the Member-Directed Plan. Beginning in 2022, the Combined Plan will be consolidated under the Traditional Plan. Effective January 1, 2022, the Combined Plan option will no longer be available for new hires. The Member-Directed Plan will be modified with changes to the vesting schedule, annuitization, mitigating rate, cost-of-living adjustment and retiree medical account funding. These changes would impact future new members and are in the process of being implemented and the final implementation date will be determined in conjunction with Group D, discussed below.

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 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

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retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in 2019, the COLA is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2022-2023 for the Traditional and Combined plans. The portion of the employer's contribution allocated to health care was 4% for the Member-Directed plan for 2022-2023. The Authority's contractually required contributions used to fund pension benefits was $118,241 for fiscal year ending March 31, 2024.

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

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The net pension liability/asset for OPERS was measured as of December 31, 2023, 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:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.004349%	0.025354%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	0.003859%	0.021021%	
Change in Proportionate Share	-0.000490%	-0.004333%	
Proportionate Share of the Net Pension Liability/(Asset)	$ 1,010,302	$ (64,615)	$ 945,687
Pension Expense	$ (14,455)	$ (978)	$ (15,433)

On March 31, 2024, 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			
Changes of assumptions	$ 0	$ 2,398	$ 2,398
Differences between expected and actual experience	16,513	2,618	19,131
Net difference between projected and actual earnings on pension plan investments	203,922	0 10,508	0 214,430
Authority contributions subsequent to the measurement date	19,695	3,207	22,902
Total Deferred Outflows of Resources	$ 240,130	$ 18,731	$ 258,861
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$ 0	$ 6,391	$ 6,391
Differences between expected and actual experience	0	0	0
Changes in proportion and differences between Authority contributions and proportionate share of contributions	0	0	0
Total Deferred Inflows of Resources	$ 0	$ 6,391	$ 6,391

(CONTINUED)

$22,902 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 March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending March 31:	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
2024	$ (50,957)	$ (1,604)	$ (52,561)
2025	(68,384)	(2,891)	(71,275)
2026	(130,131)	(6,056)	(136,187)
2027	29,038	1,739	30,777
2028	0	(176)	(176)
Thereafter	0	(146)	(146)
Total	$ (220,434)	$ (9,134)	$ (229,568)

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, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 2.30 percent, simple through 2024, then 2.05 percent simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

The total pension asset in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 2.30 percent, simple through 2024, then 2.05 percent simple
Investment Rate of Return	6.9 percent
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 allocation of investment assets within the Defined Benefit portfolio is approved by the Board 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 real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	24.00 %	2.85 %
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00 %	

Discount Rate: The discount rate used to measure the total pension liability was 6.9% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the 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 benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the tota***l pension liability.***

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.92 percent) than the current rate:

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Pension Plan	$ 1,590,486	$ 1,010,302	$ 527,756
Combined Plan	$ (39,099)	$ (64,615)	$ (84,715)

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 – 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 each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB 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.

The Ohio Revised Code limits the Authority's obligation for 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 who 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

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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 *accounts payable – other governments*.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Comprehensive Annual 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, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022-2023, 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.

(CONTINUED)

As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the 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 2022-2023 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution allocated to health care was $0 for fiscal year 2023.

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

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, 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:

Proportion of the Net OPEB Liability:	
Prior Measurement Date	0.004758%
Proportion of the Net OPEB Asset:	
Current Measurement Date	0.004145%
Change in Proportionate Share	-0.000613%
Proportionate Share of the Net OPEB Asset	$ (37,410)
OPEB Expense	$ (4,022)

On March 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

(CONTINUED)

		OPERS
Deferred Outflows of Resources		
Changes of assumptions	$	9,731
Differences between expected and actual experience		22,467
		0
Total Deferred Outflows of Resources	$	32,198
Deferred Inflows of Resources		
Net difference between projected and actual earnings on OPEB plan investments	$	5,324
Differences between expected and actual experience		0
Changes of assumptions		16,082
Changes in proportion and differences between Authority contributions and proportionate share of contributions		0
Total Deferred Inflows of Resources	$	21,406

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

Year Ending March 31:		OPERS
2024	$	949
2025		(1,739)
2026		(17,488)
2027		7,586
Total		(10,692)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

(CONTINUED)

Wage Inflation	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	5.70 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.77 percent
Health Care Cost Trend Rate	5.50 percent initial, 3.50 percent ultimate in 2038
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 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 2023, 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 14.0 percent for 2023

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 2023 and the long-term expected real rates of return:

(CONTINUED)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	37.00 %	2.82 %
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other investments	5.00	2.43
Total	100.00 %	

Discount Rate A single discount rate of 5.70% was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22%. 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) a 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 the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. 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 the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority's Proportionate Share of the Net OPEB 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 5.70 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 one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
Authority's proportionate share of the net OPEB asset	$ 20,559	$ (37,410)	$ (85,428)

(CONTINUED)

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 2024 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.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability (asset)	$ (38,985)	$ (37,410)	$ (35,667)

NOTE 7: **COMPENSATED ABSENCES**

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

All permanent employees will earn 4.64 hours of sick leave per eighty (80) hours of service. Unused sick leave may be accumulated up to 960 hours. Upon separation employees are not paid for sick leave not taken, except for one-fourth (1/4) accumulated sick leave upon retirement. All vacation time earned must be used in the year earned without accumulation. Upon separation, no payment for unused vacation is made to employees.

The following is a summary of changes in compensated absences liability:

	Balance 3/31/2023	Change	Balance 3/31/2024	Due Within One Year
Compensated Absences Liability	$ 34,201	$ (17,737)	16,464	$ 1,647

(CONTINUED)

NOTE 8: **PENSION/OPEB LIABILITY**

The following is a summary of changes in long-term liabilities for the year ended March 31, 2024:

Description	Balance 3/31/2023	Additions	Retired	Balance 3/31/2024
Net Pension Liability	1,314,696	0	(304,394)	1,010,302
OPEB Liability	0	0	0	0
Total Net Pension and OPEB Liability	$ 1,314,696	$ 0	$ (304,394)	$ 1,010,302

NOTE 9: **RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; damage to and theft or destruction of assts; errors and omissions; injuries to employees and natural disaster. The Authority is covered for property damage, general liability, automobile liability, law enforcement liability, public officials' liability, and other crime liabilities through membership in the State Housing Authority Risk Pool Association, Inc (SHARP), SHARP is an insurance risk pool comprised of forty (40) housing authorities in Ohio, of which the Authority is a member. Settled claims have not exceeded the Authority's insurance in any of the past three years.

NOTE 10: **CONTINGENCIES**

The Authority is party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The Authority's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the Authority.

The Authority has received federal grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, management believes such disallowances, if any, will be immaterial.

NOTE 11: **MANAGEMENT AGREEMENTS**

The Cambridge Metropolitan Housing Authority (the Authority) entered into a housing management agreement with the Noble Metropolitan Housing Authority (Noble) and Monroe Metropolitan Housing Authority (Monroe) on March 30, 1987, and August 27, 1990, respectfully. Pursuant to these agreements, the Authority provided all management services to Noble and Monroe in order that they shall comply with all applicable laws of the State of Ohio and of the United States Government, and with the terms of all contracts which the parties have has executed or may, from time to time, execute with HUD. As compensation for these services, Noble and Monroe transfer to the Authority the monthly earned administrative fees as determined by HUD or an allocation of actual expenses as determined through the budget process. Total management fees from the fiscal year ended March 31, 2024, by the Authority

(CONTINUED)

from Noble and Monroe were $120,430 and $103,233, respectively. The additional management fees of $377,169 are made up from the agreements with several other entities.

NOTE 12: **SUBSEQUENT EVENTS**

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

The investments of the pension and other postemployment benefit plan in which the Authority participates have incurred a significant decline in fair value, consistent with general decline in financial markets. However, because the value of individual investments fluctuate with market conditions and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Authority's future operating costs, revenues, and recovery from emergency funding, either federal or state, cannot be estimated.

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

Traditional Plan	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's Proportion of the Net Pension Liability	0.003859%	0.004349%	0.005385%	0.005451%	0.005630%	0.005582%	0.005075%	0.005115%	0.005252%	0.005066%
Authority's Proportionate Share of the Net Pension Liability	$ 1,010,302	$ 1,284,696	$ 468,517	$ 807,174	$ 1,112,808	$ 1,528,797	$ 796,169	$ 1,161,529	$ 909,713	$ 605,439
Authority's Covered Payroll	$ 774,287	$ 674,182	$ 781,555	$ 767,687	$ 792,072	$ 754,004	$ 670,603	$ 661,163	$ 653,634	$ 621,149
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	130.48%	190.56%	59.95%	105.14%	140.49%	202.76%	118.72%	175.68%	139.18%	97.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.01%	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%

Combined Plan	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's Proportion of the Net Pension Asset	0.021021%	0.025354%	0.020070%	0.015812%	0.015446%	0.015188%	0.014821%	0.014288%	0.014330%	0.014486%
Authority's Proportionate Share of the Net Pension (Asset)	$ (64,615)	$ (59,757)	$ (79,077)	$ (45,643)	$ (32,209)	$ (16,984)	$ (20,176)	$ (7,952)	$ (6,793)	$ (3,275)
Authority's Covered Payroll	$ 70,295	$ 109,236	$ 91,498	$ 69,682	$ 68,760	$ 64,960	$ 60,699	$ 55,615	$ 52,168	$ 50,739
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	91.92%	54.70%	86.42%	65.50%	46.84%	26.15%	33.24%	14.30%	13.02%	6.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	144.55%	137.14%	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions										
Traditional Plan	$ 108,400	$ 96,665	$ 107,701	$ 108,635	$ 109,107	$ 109,039	$ 89,676	$ 78,430	$ 78,074	$ 74,152
Combined Plan	9,841	13,983	14,307	9,795	9,764	9,147	8,242	6,673	6,302	6,136
Total Required Contributions	118,241	110,648	122,008	118,430	118,871	118,186	97,918	85,103	84,376	80,288
Contributions in Relation to the Contractually Required Contribution	(118,241)	(110,648)	(122,008)	(118,430)	(118,871)	(118,186)	(97,918)	(85,103)	(84,376)	(80,288)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll										
Traditional Plan	$ 774,287	$ 690,464	$ 769,293	$ 775,964	$ 779,336	$ 778,850	$ 677,553	$ 640,879	$ 650,618	$ 617,933
Combined Plan	$ 70,295	$ 99,879	$ 102,193	$ 69,964	$ 69,743	$ 65,336	$ 62,283	$ 54,530	$ 52,515	$ 51,137
Pension Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.24%	12.24%	12.00%	12.00%
Combined Plan	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.23%	12.24%	12.00%	12.00%

See accompanying notes to the required supplementary information.

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

	2024	2023	2022	2021	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability/Asset	0.004145%	0.004758%	0.005599%	0.005537%	0.005698%	0.005646%	0.005163%	0.005190%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	$ (37,410)	$ 30,000	$ (175,369)	$ (98,646)	$ 787,042	$ 736,105	$ 560,664	$ 524,208
Authority's Covered Payroll	$ 844,582	$ 783,418	$ 873,053	$ 837,369	$ 860,832	$ 818,964	$ 731,302	$ 716,778
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	4.43%	-3.83%	20.09%	11.78%	91.43%	89.88%	76.67%	73.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	107.76%	94.79%	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

	2024	2023	2022	2021	2020	2019	2018	2017	2016		2015
Contractually Required Contribution	$ 0	$ 2,670	$ 0	$ 0	$ 0	$ 0	$ 5,659	$ 12,255	$ 14,063		$ 13,381
Contributions in Relation to the Contractually Required Contribution	0	(2,670)	0	0	0	0	(5,659)	(12,255)	(14,063)		(13,381)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0		$ 0
Authority Covered Payroll	$ 906,910	$ 783,418	$ 871,846	$ 845,928	$ 849,079	$ 844,187	$ 739,836	$ 695,409	$ 703,133	0	$ 669,070
Contributions as a Percentage of Covered Payroll	0.00%	0.34%	0.00%	0.00%	0.00%	0.00%	0.76%	1.76%	2.00%		2.00%

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 2014-2024.

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%. No changes in 2023

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2024.

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 fiom 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034. For 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (b) the municipal bond rate changed from 1.84% to 3.77% (c) the health care cost trend rate changed fiom 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2038.

Cambridge Metropolitan Housing Authority (OH033)
CAMBRIDGE, OH
Entity Wide Balance Sheet Summary
Fiscal Year End: 03/31/2024

	Project Total	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM	Total
111 Cash - Unrestricted	$1,349,398		$272,452	$593,012	$348,653	$2,563,515		$2,563,515
113 Cash - Other Restricted	$6,410			$30,532	$0	$36,942		$36,942
114 Cash - Tenant Security Deposits	$56,221		$375		$0	$56,596		$56,596
100 Total Cash	$1,412,029	$0	$272,827	$623,544	$348,653	$2,657,053		$2,657,053
122 Accounts Receivable - HUD Other Projects				$19,869	$0	$19,869		$19,869
125 Accounts Receivable - Miscellaneous			$48,980	$45,600	$0	$94,580		$94,580
126 Accounts Receivable - Tenants	$1,296				$0	$1,296		$1,296
126.1 Allowance for Doubtful Accounts -Tenants	($717)				$0	($717)		($717)
128 Fraud Recovery	$5,834				$0	$5,834		$5,834
120 Total Receivables, Net of Allowances for Doubtful Accounts	$6,413	$0	$48,980	$65,469	$0	$120,862		$120,862
142 Prepaid Expenses and Other Assets	$22,735		$6,241	$31,389	$0	$60,365		$60,365
143 Inventories	$4,167				$0	$4,167		$4,167
150 Total Current Assets	$1,445,344	$0	$328,048	$720,402	$348,653	$2,842,447		$2,842,447
161 Land	$404,075			$11,735	$0	$415,810		$415,810
162 Buildings	$11,543,780		$11,921	$600,886	$0	$12,156,587		$12,156,587
163 Furniture, Equipment & Machinery - Dwellings	$213,755				$0	$213,755		$213,755
164 Furniture, Equipment & Machinery - Administration	$734,201		$83,557	$188,194	$0	$1,005,952		$1,005,952
165 Leasehold Improvements	$975,436			$57,802	$0	$1,033,238		$1,033,238
166 Accumulated Depreciation	($11,951,260)		($68,846)	($583,211)	$0	($12,603,317)		($12,603,317)
160 Total Capital Assets, Net of Accumulated Depreciation	$1,919,987	$0	$26,632	$275,406	$0	$2,222,025		$2,222,025
174 Other Assets	$34,688		$40,811	$25,506	$1,020	$102,025		$102,025
180 Total Non-Current Assets	$1,954,675	$0	$67,443	$300,912	$1,020	$2,324,050		$2,324,050
200 Deferred Outflow of Resources	$98,960		$116,423	$72,765	$2,911	$291,059		$291,059
290 Total Assets and Deferred Outflow of Resources	$3,498,979	$0	$511,914	$1,094,079	$352,584	$5,457,556		$5,457,556
312 Accounts Payable <= 90 Days	$15,845		$35,067		$0	$50,912		$50,912
321 Accrued Wage/Payroll Taxes Payable	$4,702		$6,898	$3,421	$0	$15,021		$15,021
322 Accrued Compensated Absences - Current Portion	$531		$729	$387	$0	$1,647		$1,647
331 Accounts Payable - HUD PHA Programs					$18,489	$18,489		$18,489
333 Accounts Payable - Other Government	$61,814				$0	$61,814		$61,814
341 Tenant Security Deposits	$56,221		$375		$0	$56,596		$56,596
342 Unearned Revenue	$3,848		$7,000	$360,505	$20,046	$391,399		$391,399
310 Total Current Liabilities	$142,961	$0	$50,069	$364,313	$38,535	$595,878		$595,878
353 Non-current Liabilities - Other	$6,410			$30,532	$0	$36,942		$36,942
354 Accrued Compensated Absences - Non Current	$4,781		$6,557	$3,479	$0	$14,817		$14,817
357 Accrued Pension and OPEB Liabilities	$343,503		$404,120	$252,576	$10,103	$1,010,302		$1,010,302
350 Total Non-Current Liabilities	$354,694	$0	$410,677	$286,587	$10,103	$1,062,061		$1,062,061
300 Total Liabilities	$497,655	$0	$460,746	$650,900	$48,638	$1,657,939		$1,657,939
400 Deferred Inflow of Resources	$9,451		$11,119	$6,949	$278	$27,797		$27,797
508.4 Net Investment in Capital Assets	$1,919,987		$26,632	$275,406	$0	$2,222,025		$2,222,025
511.4 Restricted Net Position	$0			$0	$0	$0		$0
512.4 Unrestricted Net Position	$1,071,886	$0	$13,417	$160,824	$303,668	$1,549,795		$1,549,795
513 Total Equity - Net Assets / Position	$2,991,873	$0	$40,049	$436,230	$303,668	$3,771,820		$3,771,820
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$3,498,979	$0	$511,914	$1,094,079	$352,584	$5,457,556		$5,457,556

Cambridge Metropolitan Housing Authority (OH033)
CAMBRIDGE, OH
Entity Wide Revenue and Expense Summary
Fiscal Year End: 03/31/2024

	Project Total	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$750,449				$0	$750,449		$750,449
70400 Tenant Revenue - Other	$23,271				$0	$23,271		$23,271
70500 Total Tenant Revenue	$773,720	$0	$0	$0	$0	$773,720	$0	$773,720
70600 HUD PHA Operating Grants	$587,213	$32,900		$4,188,052	$225,303	$5,033,468		$5,033,468
70610 Capital Grants	$66,085				$0	$66,085		$66,085
70700 Total Fee Revenue					$0	$0	$0	$0
71100 Investment Income - Unrestricted	$14,975		$2,218	$6,579	$167	$23,939		$23,939
71400 Fraud Recovery				$2,880	$0	$2,880		$2,880
71500 Other Revenue	$4,400		$617,281	$158,088	$56	$779,825		$779,825
70000 Total Revenue	$1,446,393	$32,900	$619,499	$4,355,599	$225,526	$6,679,917	$0	$6,679,917
91100 Administrative Salaries	$59,456		$121,230	$121,036	$10,676	$312,398		$312,398
91200 Auditing Fees	$5,080		$12,414	$6,562	$453	$24,509		$24,509
91400 Advertising and Marketing	$2,285		$40	$13	$1	$2,339		$2,339
91500 Employee Benefit contributions - Administrative	$43,850		$129,903	$82,285	$4,300	$260,338		$260,338
91600 Office Expenses	$5,847		$3,545	$8,546	$600	$18,538		$18,538
91700 Legal Expense	$1,307		$58	$149	$10	$1,524		$1,524
91900 Other	$79,041		$83,692	$126,506	$8,990	$298,229		$298,229
91000 Total Operating - Administrative	$196,866	$0	$350,882	$345,097	$25,030	$917,875	$0	$917,875
92100 Tenant Services - Salaries		$32,900		$49,664	$0	$82,564		$82,564
92400 Tenant Services - Other	$4,301				$0	$4,301		$4,301
92500 Total Tenant Services	$4,301	$32,900	$0	$49,664	$0	$86,865	$0	$86,865
93100 Water	$56,233				$0	$56,233		$56,233
93200 Electricity	$61,672				$0	$61,672		$61,672
93300 Gas	$25,896				$0	$25,896		$25,896
93000 Total Utilities	$143,801	$0	$0	$0	$0	$143,801	$0	$143,801
94100 Ordinary Maintenance and Operations - Labor	$225,255		$224,365		$0	$449,620		$449,620
94200 Ordinary Maintenance and Operations - Materials and Other	$110,864		$3,247	$549	$0	$114,660		$114,660
94300 Ordinary Maintenance and Operations Contracts	$139,037		$90	$9,265	$0	$148,392		$148,392
94500 Employee Benefit Contributions - Ordinary Maintenance	$71,672		$48,047		$0	$119,719		$119,719
94000 Total Maintenance	$546,828	$0	$275,749	$9,814	$0	$832,391	$0	$832,391
96120 Liability Insurance	$30,401		$10,269	$41,972	$0	$82,642		$82,642
96130 Workmen's Compensation	$2,219		$1,109	$2,855	$197	$6,380		$6,380
96100 Total insurance Premiums	$32,620	$0	$11,378	$44,827	$197	$89,022	$0	$89,022
96200 Other General Expenses	($66,386)		($78,914)	($46,507)	($4,513)	($196,320)		($196,320)
96300 Payments in Lieu of Taxes	$61,814				$0	$61,814		$61,814
96400 Bad debt - Tenant Rents	$2,500				$0	$2,500		$2,500
96000 Total Other General Expenses	($2,072)	$0	($78,914)	($46,507)	($4,513)	($132,006)	$0	($132,006)
96900 Total Operating Expenses	$922,344	$32,900	$559,095	$402,895	$20,714	$1,937,948	$0	$1,937,948
97000 Excess of Operating Revenue over Operating Expenses	$524,049	$0	$60,404	$3,952,704	$204,812	$4,741,969	$0	$4,741,969
97300 Housing Assistance Payments				$3,667,839	$185,403	$3,853,242		$3,853,242
97350 HAP Portability-In				$133,772	$0	$133,772		$133,772
97400 Depreciation Expense	$243,926		$6,521	$31,157	$0	$281,604		$281,604
90000 Total Expenses	$1,166,270	$32,900	$565,616	$4,235,663	$206,117	$6,206,566	$0	$6,206,566
10010 Operating Transfer In	$162,620				$0	$162,620	($162,620)	$0
10020 Operating transfer Out	($162,620)				$0	($162,620)	$162,620	$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$280,123	$0	$53,883	$119,936	$19,409	$473,351	$0	$473,351
11020 Required Annual Debt Principal Payments	$0	$0	$0	$0	$0	$0		$0
11030 Beginning Equity	$2,711,750	$0	($13,834)	$316,294	$284,259	$3,298,469		$3,298,469
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors					$0			
11170 Administrative Fee Equity				$436,230	$0	$436,230		$436,230
11190 Unit Months Available	2136	0	0	8340	576	11052		11052
11210 Number of Unit Months Leased	1951	0	0	8074	576	10601		10601
11270 Excess Cash	$1,196,312				$0	$1,196,312		$1,196,312
11620 Building Purchases	$66,085				$0	$66,085		$66,085

CAMBRIDGE METROPOLITAN HOUSING AUTHORITY
Guernsey County
Schedule and Notes to the Schedule of Expenditures of Federal Awards
Proprietary Funds
For the Year Ended March 31, 2024

FEDERAL GRANTOR PASS THROUGH GRANTOR PROGRAM / CLUSTER TITLES	FEDERAL AL NUMBER	TOTAL FEDERAL EXPENDITURES
U.S Department of Housing and Urban Development		
Direct Program		
Low Rent Public Housing	14.850	$308,978
Section 8 Project-Based Cluster		
Section 8 Moderate Rehabilitation	14.856	$225,303
Total Section 8 Project-Based Cluster		$225,303
Housing Voucher Cluster		
Housing Choice Voucher Program	14.871	$4,188,052
Total Housing Vocher Cluster		$4,188,052
Public Housing Capital Fund Program	14.872	$344,320
Family Self Sufficiency Program	14.896	$32,900
Total Expenditure of Federal Award		$5,099,553

The accompanying notes are an integral part of this schedule.

NOTE - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the Authority's federal award programs. The schedule has been prepared on the accrual basis of accounting.

The Agency did not use DeMinimus rate of 10% for indirect costs charged to federal grants.

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

Cambridge Metropolitan Housing Authority
Guernsey County
1100 Maple Court
Cambridge, Ohio 43725

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 Cambridge Metropolitan Housing Authority, Guernsey County, (the Authority) as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated October 28, 2024.

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.

BHM CPA Group

BHM CPA Group, Inc.
Circleville, Ohio
October 28, 2024

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

Cambridge Metropolitan Housing Authority
Guernsey County
1100 Maple Court
Cambridge, Ohio 43725

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Cambridge Metropolitan Housing Authority's, Guernsey 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 Cambridge Metropolitan Housing Authority's major federal program for the year ended March 31, 2024. Cambridge Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Cambridge Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2024.

Basis for Opinion on the 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 the 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 the 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.

BHM CPA Group

BHM CPA Group, Inc.
Circleville, Ohio
October 28, 2024

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 weakness in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Housing Choice Voucher Cluster: Housing Choice Vouchers - ALN 14.871
(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?	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

Finding Number	**Finding Summary**	**Status**	**Additional Information**
2023-001	Financial Reporting – material errors on the financial statements	Partially Corrected	Prior material errors corrected; however, the financial statements did have immaterial errors corrected which warranted a Management Comment.

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OHIO AUDITOR OF STATE
KEITH FABER

CAMBRIDGE METROPOLITAN HOUSING AUTHORITY

GUERNSEY 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 12/19/2024

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