



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2023

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KEITH FABER



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Board of Commissioners
Warren Metropolitan Housing Authority
990 E. Ridge Dr.
Lebanon, OH 45036-1678

We have reviewed the *Independent Auditor's Report* of the Warren Metropolitan Housing Authority, Warren County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2023 through December 31, 2023. 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 Warren Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads 'Keith Faber'.

Keith Faber
Auditor of State
Columbus, Ohio

August 05, 2024

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Warren Metropolitan Housing Authority

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INDEPENDENT AUDITOR’S REPORT

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

To the Board of Commissioners

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Warren Metropolitan Housing Authority, Warren County, Ohio (Authority), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Warren Metropolitan Housing Authority, Warren County, Ohio as of December 31, 2023, 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 Opinions

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 opinions. 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 June 8, 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, Inc.
Circleville, Ohio
June 8, 2024

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WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Unaudited)

As management of the Warren Metropolitan Housing Authority (“the Authority”), we offer this narrative and analysis of the financial activities of the Authority for the year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with the Authority’s financial statements.

FINANCIAL HIGHLIGHTS

- The Authority’s assets plus deferred outflows of resources exceeded its liabilities plus deferred inflows of resources as of December 31, 2023 by \$8,560,308 (net position).
- The Authority’s cash balance at December 31, 2023 was \$2,214,379, representing a decrease of \$65,689 from the prior year.
- The Authority had revenues of \$9,342,179 in HUD operating grants for the year ended December 31, 2023.
- The Authority’s total revenues were \$10,682,044 as of December 31, 2023, representing an increase of \$1,071,461. Total expenses were \$10,581,108, representing an increase of \$909,151.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

THE AUTHORITY’S PROGRAMS

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

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 Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions funding to enable the Authority to structure a lease that sets the participants’ rent at 30 percent of household income.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Unaudited)**

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

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

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

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

Emergency Solutions Grant (ESG) Program

The Emergency Solutions grant provided supplemental CARES Act funds from HUD as a pass-through to the Authority from the Ohio Development Services Agency.

- a. Ohio's Homeless Crisis Response Program will use the funds to provide support to the operation of two emergency shelters for homeless households with children in Warren County to address the need for additional shelter capacity due to the COVID-19 pandemic, including shelter in motels. The Program expects to serve 150 people during the two-year periods and projects that 40 percent of persons will exit to a permanent destination. The Authority has partnered with Family Promise of Warren County and Family Promise of Butler County.
- b. Ohio's Homeless Crisis Response Program will provide additional rapid re-housing and homelessness prevention assistance to families and individuals due to the COVID-19 pandemic in Butler, Clermont, and Warren counties. The Authority has partnered with Family Promise of Warren County, the Greater Cincinnati Behavioral Health Services, and Clermont County Community Services.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Unaudited)**

AUTHORITY-WIDE STATEMENTS

Statement of Net Position

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

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

	2023	2022
<u>Assets and Deferred Outflows of Resources</u>		
Current and Other Assets	\$ 2,859,879	\$ 2,738,823
Current and Other Assets - Restricted	58,639	59,774
Capital Assets - Net	6,776,308	6,692,233
Other Non-Current Assets	41,698	300,393
Deferred Outflows of Resources	814,349	276,040
Total Assets and Deferred Outflows of Resources	\$ 10,550,873	\$ 10,067,263
<u>Liabilities, Deferred Inflows of Resources, and Net Position</u>		
<u>Liabilities and Deferred Inflows of Resources</u>		
Current Liabilities	\$ 271,069	\$ 246,521
Non-Current Liabilities	1,677,244	553,756
Deferred Inflows of Resources	42,252	807,614
Total Liabilities and Deferred Inflows of Resources	1,990,565	1,607,891
<u>Net Position</u>		
Net Investment in Capital Assets	6,776,308	6,692,233
Restricted	0	0
Unrestricted	1,784,000	1,767,139
Total Net Position	8,560,308	8,459,372
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 10,550,873	\$ 10,067,263

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

The balances in current assets, current liabilities and capital assets changed only modestly from the prior fiscal year-end. The balances that changed notably, other noncurrent assets, deferred outflows of resources, noncurrent liabilities, and deferred inflows of resources, were due to changes in balances reported in accordance with GASB 68 and GASB 75.

GASB 68 is an accounting standard that calls for the Authority to report what is determined to be its estimated share of the unfunded pension liability (or net pension funding asset) of the retirement system, the Ohio Public Employees Retirement System (OPERS). And GASB 75 is an accounting standard that calls for the Authority to report what is determined to be its estimated share of the unfunded OPEB (healthcare) liability (or OPEB funding surplus asset) of OPERS. Employees of the Authority are required by state law to be members of OPERS, and the Authority is required to make retirement contributions to OPERS for all of its employees. When the actuaries conclude there is funding surpluses at OPERS for pension and healthcare, a noncurrent asset is reported by the Authority for what is estimated to be the Authority's share of the funding surplus. When it is concluded there is a funding deficit, the net pension and net OPEB liabilities are reported as noncurrent liabilities. The net pension and net OPEB liabilities are unlike other liabilities the Authority has in that the liabilities do not represent invoices or debts to be paid by the Authority but rather is an attempt to estimate the extent to which contributions to OPERS would have to increase in order for OPERS to fully fund its future pension and OPEB obligations.

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Unaudited)

Contribution rates for employees and employers are set by state law, so any change in contribution rates would require a change in state law. In Ohio, there is no legal means to enforce the unfunded liability of the pension plan against a public employer like the Authority. Similarly, there is no way for a public employer like the Authority to access any funding surplus OPERS has. And some changes in the unfunded pension and OPEB liabilities of the retirement system are amortized over a five-year period, and those amortized balances are reported as deferred outflows of resources and deferred inflows of resources. That means the larger changes to these balances also do not represent changes in operations at Warren MHA but rather reflect changes in the funding of future obligations by the retirement system.

Many end users of this financial statement will gain a clearer understanding of the Authority's actual financial condition by adding deferred inflows resources and the net pension and net OPEB liabilities to the reported net position and subtracting the related deferred outflows or resources and the net pension and net OPEB assets. Reporting of these balances has the effect of lowering unrestricted net position at December 31, 2023 by \$770,615 for the Authority.

Statement of Revenues, Expenses, and Change in Net Position

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

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

	2023	2022	Net Change
<u>Revenues</u>			
Total Tenant Revenues	\$ 534,645	\$ 478,239	\$ 56,406
Operating Subsidies and Grants - HUD	9,342,179	8,498,692	843,487
Capital Grants - HUD	545,101	47,838	497,263
Other Government Grants - State	185,308	440,175	(254,867)
Interest on Investments	8,815	3,645	5,170
Other Revenues	65,996	141,994	(75,998)
Total Revenues	10,682,044	9,610,583	1,071,461
<u>Expenses</u>			
Administrative	1,269,231	949,647	319,584
Tenant Services	1,141,616	1,601,825	(460,209)
Utilities	96,366	87,905	8,461
Maintenance	611,686	455,691	155,995
General Expenses	233,346	291,545	(58,199)
Housing Assistance Payments	6,732,624	5,758,596	974,028
Depreciation	496,239	526,748	(30,509)
Total Expenses	10,581,108	9,671,957	909,151
Net Increase (Decrease)	100,936	(61,374)	
Total Net Position at Beginning of Year	8,459,372	8,520,746	
Total Net Position at End of Year	\$ 8,560,308	\$ 8,459,372	

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Unaudited)**

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

Overall incomes increased \$1,071,461 (or 11 percent) and expenses increased \$909,151 (or 9 percent). On the income side, larger increases in operating subsidies and grants – HUD and capital grants - HUD were offset by a notable reduction in other government grants. With regard to expenses, larger increases to HAP expense, administrative expense and maintenance expense were offset some by a reduction in tenant services expense.

In operating subsidies and grants – HUD revenue, the increase was concentrated in revenue of the Housing Choice Voucher (HCV) Program. Funding for the HCV Program is provided in two components. A portion of the funding HUD provides for the HCV Program is restricted for use by the Authority to be used for making rental assistance payments (or HAP payments) on behalf of clients of the program. Then HUD also provides a separate stream of HCV Program funding that pays the Authority to administer the Program. HUD generally provides the HAP funding based on what the Authority reports it spends for this purpose. HAP expenses are incurred when the Authority makes the rental assistance payments, so as expected HAP expenses also increased. The increase in administrative funding is largely due to HUD paying administrative fees in calendar year 2023 at 97 percent of eligibility compared to 88 percent in calendar year 2022.

And the increase in capital grants – HUD revenue is due to the timing of when the money was spent. HUD provides funding annually for the Capital Fund Program on a formula basis that considers the size and features of the Public Housing Program units the Authority has, and the Authority typically has up to 4 years to spend the funding provided in any year to allow for time to plan and carry out work items to be completed with the funding. The revenue is recognized when the money is spent, so this increase in revenue is due to the timing of when work projects funded by the program were carried out and not an indication of a new source of revenue for the Authority.

The decrease in other government grants revenue, however, was due to four grants the Authority received during the emergence of the COVID pandemic that ended. The four programs that ended were extra funding streams received by the Authority that were intended to be temporary and to be used to help at risk families attain or stay in housing during the pandemic.

With regard to expenses, the largest increase was to HAP expense. The Authority pays HAPs to make the rent burden affordable for families being assisted by the Voucher Programs. As rental rates in the area increase, that often means more rental assistance is needed by families on the program, and rental rates in Warren County are in a notable upward trend contributing to the increase in HAP expense experienced by the Authority this period.

The increase in administrative expenses and maintenance expense is largely due to the increase in pension and OPEB expense. Pension and OPEB expense are the expense incurred when the Authority records changes in balances reported in accordance with GASB 68 and GASB 75 addressed in the section following Table 1 in this MD&A. This expense then is a non-cash expense unrelated to the operations of the Authority, and instead related to changes in the funding levels held by the retirement system to pay future retirement and healthcare commitments. And pension and OPEB expense is only \$67,176 this year, but the change is so large (an increase of \$359,410) because last year the changes in the balance reported in accordance with GASB 68 & GASB 75 were such that the pension/OPEB expense was negative \$292,234.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Unaudited)**

And the notable decrease in tenant services expense is related to the reduction in other government grants revenue. The four programs ended resulting in the revenues decreasing. Likewise, the programs ended with the expenses incurred to provide the assistance during the temporary period when COVID was affecting so many families coming to an end as well.

Capital Assets

The following table summarizes the changes in capital assets between December 31, 2023 and 2022:

Table 3 - Condensed Statement of Changes in Capital Assets

	2023	2022	Net Change
Land	\$ 1,633,715	\$ 1,633,715	\$ 0
Building	20,321,977	19,762,832	559,145
Equipment	1,883,029	1,861,860	21,169
Leasehold Improvements	18,368	18,368	0
Accumulated Depreciation	(17,080,781)	(16,584,542)	(496,239)
Net Capital Assets	\$ 6,776,308	\$ 6,692,233	\$ 84,075

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

Debt

The Authority had no debt as of December 31, 2023.

Economic Factors

Significant economic factors affecting the Authority are as follows:

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

Financial Contact

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

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Assets

Current Assets

Cash and Cash Equivalents - Unrestricted	\$ 2,155,740
Cash and Cash Equivalents - Restricted	58,639
Receivable, Net	642,524
Prepaid Expenses	61,615
Total Current Assets	<u>2,918,518</u>

Non-Current Assets

Capital Assets:	
Capital Assets, Not Depreciated	1,633,715
Capital Assets Being Depreciation, Net of Accumulated Depreciation	5,142,593
Total Capital Assets	<u>6,776,308</u>
Net Pension Asset	41,698
Total Non-Current Assets	<u>6,818,006</u>

Deferred Outflows of Resources

Pension	711,487
OPEB	102,862

Total Deferred Outflows of Resources

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 10,550,873</u>
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LIABILITIES, DEFERRED INFLOWS AND RESOURCES, AND NET POSITION

Liabilities

Current Liabilities

Accounts Payable	\$ 86,724
Accrued Liabilities	94,365
Intergovernmental Payables	43,158
Tenant Security Deposits	23,631
Unearned Revenue	23,191
Total Current Liabilities	<u>271,069</u>

Non-Current Liabilities

Compensated Absences, Net of Current Portion	67,175
Other Non-Current Liabilities	25,659
Net Pension Liability	1,550,557
Net OPEB Liability	33,853

Total Non-Current Liabilities

Total Liabilities	<u>1,948,313</u>
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Deferred Inflow of Resources

Pension	30,094
OPEB	12,158

Total Deferred Outflows of Resources

	<u>42,252</u>
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Net Position

Net Investment in Capital Assets	6,776,308
Unrestricted	1,784,000
Total Net Position	<u>8,560,308</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 10,550,873</u>
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The accompanying notes to the basic financial statements are an integral part of these statements.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Operating Revenue</u>	
Tenant Revenues	\$ 534,645
Government Operating Grants and Subsidies	9,527,487
Other Revenues	65,996
Total Operating Revenue	<u>10,128,128</u>
<u>Operating Expenses</u>	
Administrative	1,269,231
Tenant Services	1,141,616
Utilities	96,366
Maintenance	600,926
General	233,346
Housing Assistance Payments	6,732,624
Depreciation	496,239
Total Operating Expenses	<u>10,570,348</u>
Operating Income (Loss)	<u>(442,220)</u>
<u>Non-Operating Revenues (Expenses)</u>	
Interest and Investment Revenue	8,815
Casualty (Losses)	(10,760)
Capital Grants	545,101
Total Non-Operating Revenues (Expenses)	<u>543,156</u>
Change in Net Postion	100,936
Total Net Position at Beginning of Year	<u>8,459,372</u>
Total Net Position at End of Year	<u>\$ 8,560,308</u>

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

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

<u>Cash Flows from Operating Activities</u>	
Operating Grants Received	\$ 9,332,102
Tenant Revenue Received	534,437
Other Revenue Received	40,642
Operating Expenses	(3,215,112)
Housing Assistance Payments	(6,720,600)
Net Cash Provided (Used) by Operating Activities	<u>(28,531)</u>
<u>Cash Flows from Investing Activities</u>	
Interest Income	8,815
Net Cash Provided (Used) by Investing Activities	<u>8,815</u>
<u>Cash Flows from Capital and Related Activities</u>	
Capital Grants Received	545,101
Net Insurance Proceeds/(Casualty Loss)	(10,760)
Property and Equipment Acquisitions	(580,314)
Net Cash Provided (Used) by Capital and Related Activities	<u>(45,973)</u>
Net Increase (Decrease) in Cash	(65,689)
Cash and Cash Equivalents at Beginning of Year	2,280,068
Cash and Cash Equivalents at End of Year	<u>\$ 2,214,379</u>
<u>Reconciliation of Operating Income to</u>	
<u>Net Cash Provided by Operating Activities</u>	
Net Operating Income (Loss)	\$ (442,220)
Adjustments to Reconcile Operating Loss to Net Cash	
Used by Operating Activities:	
Depreciation	496,239
(Increase) Decrease in:	
Accounts Receivable	(202,431)
Prepaid Expenses	16,821
Deferred Outflows of Resources and Pension/OPEB Assets	(279,614)
Increase (Decrease) in:	
Accounts Payable	6,712
Intergovernmental Payable	5,327
Accrued Compensated Absences	7,055
Accrued Expenses Payable	23,622
Unearned Revenue	(10,272)
Tenant Security Deposits	(1,547)
Other Non-Current Liabilities	4,987
Net Pension/OPEB Liability	1,112,152
Deferred Inflows of Resources	(765,362)
Net Cash Provided by Operating Activities	<u>\$ (28,531)</u>

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

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1: **SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES**

Summary of Significant Accounting Policies

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

Reporting Entity

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

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

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

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

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.

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1: **SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES**
(Continued)

Basis of Presentation

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

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

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

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

Fund Accounting

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

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

Proprietary Fund Types

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

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

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1: **SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES**
(Continued)

Description of Programs

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

A. **Public Housing Program**

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

B. **Capital Fund Program**

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

C. **Housing Choice Voucher Program**

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

D. **Mainstream Voucher Program**

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

E. **Continuum of Care Program**

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

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1: **SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES**
(Continued)

Description of Programs (Continued)

F. **State Program – Region 14**

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

G. **Emergency Solutions Grant (ESG) Program**

The Emergency Solutions grant provided supplemental CARES Act funds from HUD as a pass-through to the Authority from the Ohio Development Services Agency.

- a. Ohio’s Homeless Crisis Response Program will use the funds to provide support to the operation of two emergency shelters for homeless households with children in Warren County to address the need for additional shelter capacity due to the COVID-19 pandemic, including shelter in motels. The Program expects to serve 150 people during the two-year period and projects that 40 percent of persons will exit to a permanent destination. The Authority has partnered with Family Promise of Warren County and Family Promise of Butler County.
- b. Ohio’s Homeless Crisis Response Program will provide additional rapid re-housing and homelessness prevention assistance to families and individuals due to the COVID-19 pandemic in Butler, Clermont, and Warren counties. The Authority has partnered with Family Promise of Warren County, the Greater Cincinnati Behavioral Health Services, and Clermont County Community Services.

Cash and Cash Equivalents

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

Investments

The provisions of the HUD regulations restrict investments. Investments are valued at market value. Interest income earned in the fiscal year ending December 31, 2023 totaled \$8,815.

Prepaid expenses

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

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1: **SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES**
(Continued)

Capital Assets

Capital assets are stated at cost. The capitalization policy of the Authority is to depreciate all non-expendable personal property having a useful life of more than one year and purchase price of \$1,000 or more per unit. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

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

Compensated Absences

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

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

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

Unearned Revenue

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

Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net position invested in capital assets – net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are recorded as restricted when there are limitations imposed on their use by internal or external restrictions.

The Authority applies restricted resources when an expense is incurred for which both restricted and unrestricted net assets are available.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1: **SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES**
(Continued)

Operating Revenues and Expenses

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

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

Capital Grant

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

Budgetary Accounting

The Authority annually prepares its budget as prescribed by HUD and other funding sources. Budgets are adopted by the Board of the Authority.

Estimates

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

Deferred Outflows/Inflows of Resources

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

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

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1: **SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES**
(Continued)

Pensions/Other Postemployment Benefits (OPEB)

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

Change in Accounting Principles

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement: (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. These changes were incorporated in the Authority’s financial statements; however, there was no effect on the beginning net position.

NOTE 2: **DEPOSITS AND INVESTMENTS**

Deposits

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

- A. Active deposits are public deposits necessary to meet demands on the treasury. Such monies must be maintained either as cash in the Authority’s treasury, in commercial accounts payable or withdrawal on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
- B. Inactive deposits are public deposits that the Authority has identified as not required for use within the current two-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 the depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.
- C. Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time 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 deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by collateral held by Authority, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Deposits (Continued)

At the fiscal year-end December 31, 2023, the carrying amount of the Authority's deposits totaled \$2,214,379, and its bank balance was \$2,246,202. Based on the criteria described in GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, as of December 31, 2023, \$1,996,202 was exposed to custodial risk as discussed below, while \$250,000 was covered by the Federal Depository Insurance Corporation.

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. All deposits are collateralized with eligible securities in amounts equal to at least 102 percent of the carrying value of the deposits.

NOTE 3: **RESTRICTED CASH**

The restricted cash balance of \$58,639 on the financial statements represents the following:

Cash on Hand for Unearned Revenues	\$ 9,349
FSS Escrow Cash Accounts	25,659
Tenant Security Deposits	23,631
Total Restricted Cash	\$ 58,639

NOTE 4: **CAPITAL ASSETS**

The following is a summary of changes:

	Balance 12/31/2022	Additions	Deletions	Balance 12/31/23
<u>Capital Assets Not Being Depreciated</u>				
Land	\$ 1,633,715	\$ 0	\$ 0	\$ 1,633,715
Total Capital Assets Not Being Depreciated	1,633,715	0	0	1,633,715
<u>Capital Assets Being Depreciated</u>				
Buildings	19,762,832	559,145	0	20,321,977
Furniture, Machinery, and Equipment:				
Dwelling	1,251,367	21,169	0	1,272,536
Administrative	610,493	0	0	610,493
Leasehold Improvements	18,368	0	0	18,368
Total Capital Assets Being Depreciated	21,643,060	580,314	0	22,223,374
<u>Accumulated Depreciation</u>				
Buildings	(15,421,499)	(407,907)	0	(15,829,406)
Furniture, Machinery, and Equipment	(1,154,056)	(86,793)	0	(1,240,849)
Leasehold Improvements	(8,987)	(1,539)	0	(10,526)
Total Accumulated Depreciation	(16,584,542)	(496,239)	0	(17,080,781)
Depreciable Assets, Net	5,058,518	84,075	0	5,142,593
Total Capital Assets, Net	\$ 6,692,233	\$ 84,075	\$ 0	\$ 6,776,308

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5: **DEFINED BENEFIT PENSION PLAN**

Net Pension Liability/Asset

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

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

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

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 Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension asset* or a long-term *net pension liability*. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in current liabilities.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Authority employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which 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. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS’ Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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
Traditional Plan 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	Traditional Plan 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	Traditional Plan 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
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% 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.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the COLA is 3 percent. For those retiring on or after January 7, 2013, beginning in 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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 annuitization of their benefit account (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

	State and Local
2023 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2023 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
 Employee	 10.0 %

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

** These pension and employer health care rates are for the traditional plan. Beginning July 1, 2022, the employer contribution rate for the combined plan is allocated 2 percent health care with the remainder going to pension. The employer contributions rate for the member-directed plan allocated 4 percent for health care with remainder going to pension.

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

For fiscal year ending December 31, 2023, the Authority's contractually required contributions used to fund pension benefits was \$132,036 for the traditional plan and \$7,196 for the combined plan.

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

The net pension liability/asset for OPERS was measured as of December 31, 2022, 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:

WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset:			
Prior Measurement Date	0.005428%	0.029275%	
Current Measurement Date	<u>0.005249%</u>	<u>0.017692%</u>	
Change in Proportionate Share	<u>-0.000179%</u>	<u>-0.011583%</u>	
Proportionate Share of the:			
Net Pension Liability	\$ 1,550,557	\$ 0	\$ 1,550,557
Net Pension Asset	\$ 0	\$ 41,698	\$ 41,698
Pension Expense	\$ 250,363	\$ 8,007	\$ 258,370

At December 31, 2023, 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			
Net difference between projected and actual earnings on pension plan investments	\$ 441,956	\$ 15,197	\$ 457,153
Differences between expected and actual experience	51,503	2,563	54,066
Changes of assumptions	16,381	2,763	19,144
Changes in proportion and differences between Authority contributions and proportionate share of contributions	11,322	30,570	41,892
Authority contributions subsequent to the measurement date	<u>132,036</u>	<u>7,196</u>	<u>139,232</u>
Total Deferred Outflows of Resources	<u>\$ 653,198</u>	<u>\$ 58,289</u>	<u>\$ 711,487</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 0	\$ 5,972	\$ 5,972
Changes in proportion and differences between Authority contributions and proportionate share of contributions	<u>19,029</u>	<u>5,093</u>	<u>24,122</u>
Total Deferred Inflows of Resources	<u>\$ 19,029</u>	<u>\$ 11,065</u>	<u>\$ 30,094</u>

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NOTE 5: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

\$139,232 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 or increase to the net pension asset in the year ending December 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:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Year Ending December 31:			
2024	\$ 58,443	\$ 3,263	\$ 61,706
2025	97,100	5,434	102,534
2026	130,090	13,744	143,834
2027	216,500	3,652	220,152
2028	0	3,898	3,898
Thereafter	0	10,037	10,037
Total	\$ 502,133	\$ 40,028	\$ 542,161

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, 2022, 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 actuarial assumptions and methods used in the latest actuarial valuation, reflecting experience study results, are presented below:

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NOTE 5: **DEFINED BENEFIT PENSION PLAN** (Continued)

Actuarial Assumptions – OPERS (Continued)

	<u>Traditional Pension Plan</u>	<u>Combined Plan</u>
Wage Inflation		
Current Measurement Date:	2.75 percent	2.75 percent
Prior Measurement Date:	2.75 percent	2.75 percent
Future Salary Increases, including inflation		
Current Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre 1/7/2013 retirees:	3 percent, simple	3 percent, simple
Post 1/7/2013 retirees:		
Current Measurement Date:	3 percent, simple through 2023, then 2.05 percent simple	3 percent, simple through 2023, then 2.05 percent simple
Prior Measurement Date:	3 percent, simple through 2022, then 2.05 percent simple	3 percent, simple through 2022, then 2.05 percent simple
Investment Rate of Return		
Current Measurement Date:	6.9 percent	6.9 percent
Prior Measurement Date:	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

The most recent experience study was completed for the five-year period ended December 31, 2020.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1 percent for 2022.

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NOTE 5: **DEFINED BENEFIT PENSION PLAN** (Continued)

Actuarial Assumptions – OPERS (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The 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 real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of the 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, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00 %	2.62 %
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00 %	

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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NOTE 5: **DEFINED BENEFIT PENSION PLAN** (Continued)

Actuarial Assumptions – OPERS (Continued)

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Pension Plan	\$ 2,322,683	\$ 1,550,557	\$ 908,287
Combined Plan	\$ (21,761)	\$ (41,698)	\$ (57,499)

NOTE 6: **DEFINED BENEFIT OPEB PLANS**

Net OPEB Liability

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

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

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

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

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

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NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

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 (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans.

Currently, Medicare-eligible retirees can select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses, and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA.

For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

The base HRA allowance is determined by OPERS. Retirees receive a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance.

The health care 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.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022 or after must meet the following health care eligibility requirements to receive an HRA allowance:

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NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

1. **Medicare Retirees** – Medicare-eligible with a minimum of 20 years of qualifying service credit.
2. **Non-Medicare Retirees** – Non-Medicare retirees qualify based on the following age-and-service criteria:
 - a. Group A – 30 years of qualifying service credit at any age;
 - b. Group B – 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;
 - c. Group C – 32 years of qualifying service credit and minimum age 55; or,
 - d. A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service. Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

Retirement Date	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
December 1, 2014 or Prior	Any	10	Any	10	Any	10
January 1, 2015 through December 31, 2021	60	20	52	31	55	32
	Any	30	Any	32	60	20

The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

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NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of covered payroll. In 2022 and 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.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022 and 2023, OPERS did not allocate any employer contributions to health care for members in the Traditional Pension Plan. Effective July 1, 2022, OPERS began allocating 2.0 percent of the employer contribution rate to health care funding for 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 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 \$1,199 for the fiscal year ending December 31, 2023.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB liability was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the Net OPEB (Asset):	
Prior Measurement Date	0.005908%
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.005369%
Change in Proportionate Share	-0.000539%
Proportionate Share of the Net OPEB Liability	\$ 33,853
OPEB Expense	\$ (50,244)

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NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>
Deferred Outflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	\$ 67,233
Changes of assumptions	33,065
Changes in proportion and differences between Authority contributions and proportionate share of contributions	1,365
Authority contributions subsequent to the measurement date	1,199
Total Deferred Outflows of Resources	\$ 102,862
Deferred Inflows of Resources	
Differences between expected and actual experience	\$ 8,444
Changes of assumptions	2,721
Changes in proportion and differences between Authority contributions and proportionate share of contributions	993
Total Deferred Inflows of Resources	\$ 12,158

\$1,199 reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>
Year Ending December 31:	
2024	\$ 11,813
2025	24,247
2026	20,967
2027	32,478
Total	\$ 89,505

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.

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NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

	December 31, 2022	December 31, 2021
Wage Inflation	2.75 percent	2.75 percent
Projected Salary Increases	2.75 to 10.75 percent, including wage inflation	2.75 to 10.75 percent, including wage inflation
Single Discount Rate	5.22 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	4.05 percent	1.84 percent
Health Care Cost Trend Rate	5.50 percent initial, 3.50 percent ultimate in 2036	5.50 percent initial, 3.50 percent ultimate in 2034
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

The most recent experience study was completed for the five-year period ended December 31, 2020.

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NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6 percent for 2022.

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 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. The table below displays the Board-approved asset allocation policy for 2022 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00 %	

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NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

Discount Rate A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the Authority’s proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the Authority’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1.0 percent lower or 1.0 percent higher than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
Authority's proportionate share of the net OPEB liability	\$ 115,219	\$ 33,853	\$ (33,288)

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

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NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

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 2023 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	\$ 31,731	\$ 33,853	\$ 36,241

NOTE 7: **RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending December 31, 2023, the Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

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

NOTE 8: **CONTINGENCIES**

Grants

Amounts grantor agencies pay to the Authority are subject to audit and adjustments by the grantor, principally the federal government. Grantors may require refunding any disallowed costs or excess reserve balances. Management cannot presently determine amounts grants may disallow or recapture. However, based on prior experience, management believes any such disallowed claims or recaptured amounts would not have a material adverse effect on the overall financial position of the Authority at December 31, 2023.

Litigations and Claims

In the normal course of operations, the Authority may be subject to litigation and claims. At December 31, 2023, the Authority was not aware of any such matters.

NOTE 9: **PAYMENT IN LIEU OF TAXES**

The Authority has cooperation agreements with certain municipalities under which it makes payment in lieu of real estate taxes for various public services. Expense recognized for payment in lieu of taxes for the year ended December 31, 2023 totaled \$43,158.

**WARREN METROPOLITAN HOUSING AUTHORITY
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NOTE 10: SUMMARY OF CHANGES IN LONG-TERM LIABILITIES

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

	Balance 12/31/2022	Additions	Deletions	Balance 12/31/2023	Due Within One Year
FSS Escrows	\$ 20,672	\$ 14,667	\$ (9,680)	\$ 25,659	\$ 0
Compensated Absences	67,583	7,055	0	74,638	7,463
Net Pension Liability	472,258	1,078,299	0	1,550,557	0
Net OPEB Liability	0	33,853	0	33,853	0
Total	<u>\$ 560,513</u>	<u>\$ 1,133,874</u>	<u>\$ (9,680)</u>	<u>\$ 1,684,707</u>	<u>\$ 7,463</u>

NOTE 11: SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

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

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

Traditional Plan	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.005249%	0.005428%	0.005108%	0.004896%	0.004830%	0.004970%	0.005265%	0.005662%	0.005366%	0.005366%
Authority's Proportionate Share of the Net Pension Liability	\$ 1,550,557	\$ 472,258	\$ 756,384	\$ 967,728	\$ 1,322,839	\$ 779,697	\$ 1,195,592	\$ 980,730	\$ 647,200	\$ 632,581
Authority's Covered Payroll	\$ 813,600	\$ 787,771	\$ 719,421	\$ 688,886	\$ 652,379	\$ 628,277	\$ 598,917	\$ 707,233	\$ 653,675	\$ 603,985
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.58%	59.95%	105.14%	140.48%	202.77%	124.10%	199.63%	138.67%	99.01%	104.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Asset	0.017692%	0.029275%	0.029565%	0.028245%	0.028527%	0.029409%	0.024144%	0.011220%	0.011910%	0.011910%
Authority's Proportionate Share of the Net Pension (Asset)	\$ (41,698)	\$ (115,345)	\$ (85,343)	\$ (58,898)	\$ (31,900)	\$ (40,035)	\$ (13,438)	\$ (5,459)	\$ (4,586)	\$ (1,249)
Authority's Covered Payroll	\$ 79,936	\$ 133,464	\$ 130,293	\$ 125,736	\$ 122,007	\$ 86,754	\$ 82,700	\$ 40,842	\$ 41,625	\$ 38,777
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	52.16%	86.42%	65.50%	46.84%	26.15%	46.15%	16.25%	13.37%	11.02%	3.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	137.14%	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

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

See accompanying notes to the required supplementary information.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS – PENSION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Contractually Required Contributions</u>										
Traditional Plan	\$ 132,036	\$ 113,904	\$ 110,288	\$ 100,719	\$ 96,444	\$ 91,333	\$ 81,676	\$ 71,870	\$ 84,868	\$ 78,441
Combined Plan	7,196	11,191	18,685	18,241	17,603	17,081	11,278	9,924	4,901	4,995
Total Required Contributions	\$ 139,232	\$ 125,095	\$ 128,973	\$ 118,960	\$ 114,047	\$ 108,414	\$ 92,954	\$ 81,794	\$ 89,769	\$ 83,436
Contributions in Relation to the Contractually Required Contribution	(139,232)	(125,095)	(128,973)	(118,960)	(114,047)	(108,414)	(92,954)	(81,794)	(89,769)	(83,436)
Contribution Deficiency / (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Authority's Covered Payroll</u>										
Traditional Plan	\$ 943,114	\$ 813,600	\$ 787,771	\$ 719,421	\$ 688,886	\$ 652,379	\$ 628,277	\$ 598,917	\$ 707,233	\$ 653,675
Combined Plan	\$ 69,967	\$ 79,936	\$ 133,464	\$ 130,293	\$ 125,736	\$ 122,007	\$ 86,754	\$ 82,700	\$ 40,842	\$ 41,625
<u>Pension Contributions as a Percentage of Covered Payroll</u>										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
Combined Plan	12.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%

See accompanying notes to the required supplementary information.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's Proportion of the Net OPEB Liability/Asset	0.005369%	0.005908%	0.005618%	0.005392%	0.005339%	0.005490%	0.005610%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	\$ 33,853	\$ (185,048)	\$ (100,089)	\$ 744,775	\$ 696,080	\$ 596,174	\$ 566,629
Authority's Covered Payroll	\$ 893,536	\$ 921,235	\$ 849,714	\$ 814,622	\$ 774,386	\$ 715,031	\$ 681,617
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	3.79%	20.09%	11.78%	91.43%	89.89%	83.38%	83.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	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.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF AUTHORITY'S CONTRIBUTIONS - OPEB
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,150	\$ 13,632	\$ 14,962	\$ 13,906
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(7,150)</u>	<u>(13,632)</u>	<u>(14,962)</u>	<u>(13,906)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Authority Covered Payroll	\$ 1,013,081	\$ 893,536	\$ 921,235	\$ 849,714	\$ 814,622	\$ 774,386	\$ 715,031	\$ 681,617	\$ 748,075	\$ 695,300
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%

See accompanying notes to the required supplementary information.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

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 2014-2023.

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%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2023.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (Continued)

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2023.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035. For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75%. (b) the municipal bond rate changed from 2.00% to 1.84% (c) the health care cost trend rate changed from 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034. For 2023, the following changes in assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22% (b) the municipal bond rate changed from 1.84% to 4.05% (c) the health care cost trend rate changed from 5.50% initial and 3.50% ultimate in 2034 to 5.50% initial and 3.50% ultimate in 2036.

**Warren Metropolitan Housing Authority
(OH049) LEBANON, OH
Entity Wide Balance Sheet Summary**

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$954,112	\$18,557	\$0	\$0	\$0	\$148,573	\$1,034,498	\$2,155,740		\$2,155,740
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
113 Cash - Other Restricted	\$0	\$0	\$9,349	\$0	\$0	\$25,659	\$0	\$35,008		\$35,008
114 Cash - Tenant Security Deposits	\$23,631	\$0	\$0	\$0	\$0	\$0	\$0	\$23,631		\$23,631
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
100 Total Cash	\$977,743	\$18,557	\$9,349	\$0	\$0	\$174,232	\$1,034,498	\$2,214,379	\$0	\$2,214,379
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
122 Accounts Receivable - HUD Other Projects	\$100,078	\$1,312	\$0	\$90,978	\$0	\$206,110	\$0	\$398,478		\$398,478
124 Accounts Receivable - Other Government	\$0	\$0	\$89,846	\$0	\$124,074	\$0	\$0	\$213,920		\$213,920
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
126 Accounts Receivable - Tenants	\$6,363	\$0	\$0	\$0	\$0	\$0	\$0	\$6,363		\$6,363
126.1 Allowance for Doubtful Accounts - Tenants	(\$1,591)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,591)		(\$1,591)
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
128 Fraud Recovery	\$25,354	\$0	\$0	\$0	\$0	\$0	\$0	\$25,354		\$25,354
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$130,204	\$1,312	\$89,846	\$90,978	\$124,074	\$206,110	\$0	\$642,524	\$0	\$642,524
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
132 Investments - Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
142 Prepaid Expenses and Other Assets	\$30,725	\$0	\$0	\$4,849	\$0	\$9,474	\$16,567	\$61,615		\$61,615
143 Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
144 Inter Program Due From	\$0	\$0	\$0	\$0	\$0	\$0	\$226,047	\$226,047	(\$226,047)	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
150 Total Current Assets	\$1,138,672	\$19,869	\$99,195	\$95,827	\$124,074	\$389,816	\$1,277,112	\$3,144,565	(\$226,047)	\$2,918,518
161 Land	\$1,633,715	\$0	\$0	\$0	\$0	\$0	\$0	\$1,633,715		\$1,633,715
162 Buildings	\$19,926,857	\$0	\$0	\$0	\$0	\$0	\$395,120	\$20,321,977		\$20,321,977
163 Furniture, Equipment & Machinery - Dwellings	\$1,270,323	\$0	\$0	\$0	\$0	\$0	\$2,213	\$1,272,536		\$1,272,536
164 Furniture, Equipment & Machinery - Administration	\$256,449	\$0	\$1,076	\$0	\$0	\$203,022	\$149,946	\$610,493		\$610,493
165 Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$18,368	\$0	\$18,368		\$18,368

**Warren Metropolitan Housing Authority
(OH049) LEBANON, OH
Entity Wide Balance Sheet Summary**

166 Accumulated Depreciation	(\$16,610,962)	\$0	(\$1,076)	\$0	\$0	(\$118,761)	(\$349,982)	(\$17,080,781)		(\$17,080,781)
167 Construction in Progress	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
168 Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$6,476,382	\$0	\$0	\$0	\$0	\$102,629	\$197,297	\$6,776,308	\$0	\$6,776,308
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
174 Other Assets	\$15,846	\$0	\$0	\$0	\$0	\$10,008	\$15,844	\$41,698		\$41,698
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
180 Total Non-Current Assets	\$6,492,228	\$0	\$0	\$0	\$0	\$112,637	\$213,141	\$6,818,006	\$0	\$6,818,006
200 Deferred Outflow of Resources	\$309,452	\$0	\$0	\$0	\$0	\$195,444	\$309,453	\$814,349	\$0	\$814,349
290 Total Assets and Deferred Outflow of Resources	\$7,940,352	\$19,869	\$99,195	\$95,827	\$124,074	\$697,897	\$1,799,706	\$10,776,920	(\$226,047)	\$10,550,873
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
312 Accounts Payable <= 90 Days	\$17,231	\$0	\$42,969	\$1,072	\$24,236	\$339	\$877	\$86,724		\$86,724
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
321 Accrued Wage/Payroll Taxes Payable	\$15,879	\$0	\$4,973	\$3,439	\$0	\$9,105	\$48,016	\$81,412		\$81,412
322 Accrued Compensated Absences - Current Portion	\$2,095	\$0	\$426	\$251	\$0	\$1,481	\$3,210	\$7,463		\$7,463
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
325 Accrued Interest Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
333 Accounts Payable - Other Government	\$43,158	\$0	\$0	\$0	\$0	\$0	\$0	\$43,158		\$43,158
341 Tenant Security Deposits	\$23,631	\$0	\$0	\$0	\$0	\$0	\$0	\$23,631		\$23,631
342 Unearned Revenue	\$13,842	\$0	\$9,349	\$0	\$0	\$0	\$0	\$23,191		\$23,191
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
345 Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
346 Accrued Liabilities - Other	\$4,660	\$0	\$0	\$239	\$0	\$384	\$207	\$5,490		\$5,490
347 Inter Program - Due To	\$0	\$0	\$37,644	\$88,565	\$99,838	\$0	\$0	\$226,047	(\$226,047)	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
310 Total Current Liabilities	\$120,496	\$0	\$95,361	\$93,566	\$124,074	\$11,309	\$52,310	\$497,116	(\$226,047)	\$271,069
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
353 Non-current Liabilities - Other	\$0	\$0	\$0	\$0	\$0	\$25,659	\$0	\$25,659		\$25,659
354 Accrued Compensated Absences - Non Current	\$18,857	\$0	\$3,834	\$2,261	\$0	\$13,329	\$28,894	\$67,175		\$67,175
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
357 Accrued Pension and OPEB Liabilities	\$602,076	\$0	\$0	\$0	\$0	\$380,259	\$602,075	\$1,584,410		\$1,584,410
350 Total Non-Current Liabilities	\$620,933	\$0	\$3,834	\$2,261	\$0	\$419,247	\$630,969	\$1,677,244	\$0	\$1,677,244

**Warren Metropolitan Housing Authority
(OH049) LEBANON, OH
Entity Wide Balance Sheet Summary**

300 Total Liabilities	\$741,429	\$0	\$99,195	\$95,827	\$124,074	\$430,556	\$683,279	\$2,174,360	(\$226,047)	\$1,948,313
400 Deferred Inflow of Resources	\$16,056	\$0	\$0	\$0	\$0	\$10,141	\$16,055	\$42,252	\$0	\$42,252
508.4 Net Investment in Capital Assets	\$6,476,382	\$0	\$0	\$0	\$0	\$102,629	\$197,297	\$6,776,308		\$6,776,308
511.4 Restricted Net Position	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
512.4 Unrestricted Net Position	\$706,485	\$19,869	\$0	\$0	\$0	\$154,571	\$903,075	\$1,784,000		\$1,784,000
513 Total Equity - Net Assets / Position	\$7,182,867	\$19,869	\$0	\$0	\$0	\$257,200	\$1,100,372	\$8,560,308	\$0	\$8,560,308
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$7,940,352	\$19,869	\$99,195	\$95,827	\$124,074	\$697,897	\$1,799,706	\$10,776,920	(\$226,047)	\$10,550,873

**Warren Metropolitan Housing Authority
(OH049) LEBANON, OH
Entity Wide Revenue and Expense Summary**

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.267 Continuum of Care Program	14.231 Emergency Shelter Grants Program	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$517,845	\$0	\$0	\$10,343	\$0	\$0	\$0	\$528,188		\$528,188
70400 Tenant Revenue - Other	\$6,457	\$0	\$0	\$0	\$0	\$0	\$0	\$6,457		\$6,457
70500 Total Tenant Revenue	\$524,302	\$0	\$0	\$10,343	\$0	\$0	\$0	\$534,645	\$0	\$534,645
70600 HUD PHA Operating Grants	\$865,857	\$180,178	\$0	\$908,266	\$922,978	\$6,464,900	\$0	\$9,342,179		\$9,342,179
70610 Capital Grants	\$545,101					\$0	\$0	\$545,101		\$545,101
70710 Management Fee							\$328,098	\$328,098	(\$328,098)	\$0
70720 Asset Management Fee							\$24,840	\$24,840	(\$24,840)	\$0
70730 Book Keeping Fee							\$87,683	\$87,683	(\$87,683)	\$0
70740 Front Line Service Fee							\$0	\$0		\$0
70750 Other Fees							\$0	\$0		\$0
70700 Total Fee Revenue							\$440,621	\$440,621	(\$440,621)	\$0
70800 Other Government Grants	\$0	\$0	\$185,308	\$0	\$0	\$0	\$0	\$185,308		\$185,308
71100 Investment Income - Unrestricted	\$6,666	\$24	\$0	\$240	\$0	\$615	\$1,270	\$8,815		\$8,815
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$1,280	\$0	\$41,158	\$0	\$42,438		\$42,438
71500 Other Revenue	\$2,993	\$0	\$0	\$0	\$0	\$20,565	\$0	\$23,558		\$23,558
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
70000 Total Revenue	\$1,944,919	\$180,202	\$185,308	\$920,129	\$922,978	\$6,527,238	\$441,891	\$11,122,665	(\$440,621)	\$10,682,044
91100 Administrative Salaries	\$143,945	\$5,640	\$816	\$40,667	\$8,665	\$184,716	\$225,205	\$609,654		\$609,654
91200 Auditing Fees	\$4,076	\$0	\$0	\$2,630	\$245	\$10,710	\$1,127	\$18,788		\$18,788
91300 Management Fee	\$175,909	\$3,191	\$0	\$0	\$9,829	\$139,169		\$328,098	(\$328,098)	\$0
91310 Book-keeping Fee	\$18,195	\$1,688	\$0	\$0	\$0	\$67,800		\$87,683	(\$87,683)	\$0
91400 Advertising and Marketing	\$1,061	\$0	\$0	\$0	\$0	\$0	\$0	\$1,061		\$1,061
91500 Employee Benefit contributions - Administrative	\$134,090	\$3,758	\$322	\$20,561	\$18,279	\$127,740	\$129,586	\$434,336		\$434,336
91600 Office Expenses	\$41,256	\$0	\$18	\$17,507	\$7,198	\$55,981	\$43,164	\$165,124		\$165,124
91700 Legal Expense	\$1,197	\$0	\$0	\$0	\$0	\$1,127	\$115	\$2,439		\$2,439
91800 Travel	\$459	\$0	\$0	\$972	\$0	\$0	\$0	\$1,431		\$1,431
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
91900 Other	\$10,741	\$0	\$0	\$138	\$2	\$1,464	\$24,053	\$36,398		\$36,398
91000 Total Operating - Administrative	\$530,929	\$14,277	\$1,156	\$82,475	\$44,218	\$588,707	\$423,250	\$1,685,012	(\$415,781)	\$1,269,231

**Warren Metropolitan Housing Authority
(OH049) LEBANON, OH
Entity Wide Revenue and Expense Summary**

92000 Asset Management Fee	\$24,840	\$0	\$0	\$0	\$0	\$0	\$0	\$24,840	(\$24,840)	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$11,589	\$60,043	\$61,259	\$0	\$0	\$132,891		\$132,891
92200 Relocation Costs	\$3,160	\$0	\$0	\$0	\$0	\$0	\$0	\$3,160		\$3,160
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$6,560	\$15,304	\$54,596	\$0	\$0	\$76,460		\$76,460
92400 Tenant Services - Other	\$974	\$0	\$166,003	\$0	\$762,128	\$0	\$0	\$929,105		\$929,105
92500 Total Tenant Services	\$4,134	\$0	\$184,152	\$75,347	\$877,983	\$0	\$0	\$1,141,616	\$0	\$1,141,616
93100 Water	\$48,362	\$0	\$0	\$1,329	\$0	\$2,570	\$1,023	\$53,284		\$53,284
93200 Electricity	\$30,621	\$0	\$0	\$1,282	\$0	\$1,496	\$1,282	\$34,681		\$34,681
93300 Gas	\$7,280	\$0	\$0	\$299	\$0	\$598	\$224	\$8,401		\$8,401
93400 Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
93600 Sewer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
93800 Other Utilities Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
93000 Total Utilities	\$86,263	\$0	\$0	\$2,910	\$0	\$4,664	\$2,529	\$96,366	\$0	\$96,366
94100 Ordinary Maintenance and Operations - Labor	\$230,686	\$0	\$0	\$0	\$0	\$0	\$0	\$230,686		\$230,686
94200 Ordinary Maintenance and Operations - Materials and Other	\$114,266	\$0	\$0	\$0	\$0	\$2,763	\$0	\$117,029		\$117,029
94300 Ordinary Maintenance and Operations Contracts	\$110,068	\$0	\$0	\$604	\$0	\$611	\$129	\$111,412		\$111,412
94500 Employee Benefit Contributions - Ordinary Maintenance	\$141,799	\$0	\$0	\$0	\$0	\$0	\$0	\$141,799		\$141,799
94000 Total Maintenance	\$596,819	\$0	\$0	\$604	\$0	\$3,374	\$129	\$600,926	\$0	\$600,926
95100 Protective Services - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
95200 Protective Services - Other Contract Costs	\$5,816	\$0	\$0	\$0	\$0	\$0	\$0	\$5,816		\$5,816
95300 Protective Services - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
95000 Total Protective Services	\$5,816	\$0	\$0	\$0	\$0	\$0	\$0	\$5,816	\$0	\$5,816
96110 Property Insurance	\$104,187	\$0	\$0	\$0	\$0	\$6,129	\$12,258	\$122,574		\$122,574
96120 Liability Insurance	\$4,675	\$0	\$0	\$834	\$0	\$2,029	\$7,650	\$15,188		\$15,188
96130 Workmen's Compensation	\$1,324	\$0	\$0	\$546	\$777	\$1,491	\$1,386	\$5,524		\$5,524
96140 All Other Insurance	\$5,699	\$0	\$0	\$1,081	\$0	\$703	\$1,245	\$8,728		\$8,728
96100 Total insurance Premiums	\$115,885	\$0	\$0	\$2,461	\$777	\$10,352	\$22,539	\$152,014	\$0	\$152,014
96200 Other General Expenses	\$0	\$0	\$0	\$0	\$0	\$1,565	\$0	\$1,565		\$1,565
96210 Compensated Absences	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
96300 Payments in Lieu of Taxes	\$43,158	\$0	\$0	\$0	\$0	\$0	\$0	\$43,158		\$43,158
96400 Bad debt - Tenant Rents	\$30,793	\$0	\$0	\$0	\$0	\$0	\$0	\$30,793		\$30,793
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
96600 Bad debt - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
96800 Severance Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
96000 Total Other General Expenses	\$73,951	\$0	\$0	\$0	\$0	\$1,565	\$0	\$75,516	\$0	\$75,516
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0

**Warren Metropolitan Housing Authority
(OH049) LEBANON, OH
Entity Wide Revenue and Expense Summary**

96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$1,438,637	\$14,277	\$185,308	\$163,797	\$922,978	\$608,662	\$448,447	\$3,782,106	(\$440,621)	\$3,341,485
97000 Excess of Operating Revenue over Operating Expenses	\$506,282	\$165,925	\$0	\$756,332	\$0	\$5,918,576	(\$6,556)	\$7,340,559	\$0	\$7,340,559
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$10,760	\$0	\$0	\$0	\$0	\$0	\$0	\$10,760	\$0	\$10,760
97300 Housing Assistance Payments	\$0	\$164,225	\$0	\$756,332	\$0	\$5,789,634	\$0	\$6,710,191	\$0	\$6,710,191
97350 HAP Portability-In	\$0	\$0	\$0	\$0	\$0	\$22,433	\$0	\$22,433	\$0	\$22,433
97400 Depreciation Expense	\$464,426	\$0	\$0	\$0	\$0	\$15,346	\$16,467	\$496,239	\$0	\$496,239
97500 Fraud Losses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds										
97700 Debt Principal Payment - Governmental Funds										
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
90000 Total Expenses	\$1,913,823	\$178,502	\$185,308	\$920,129	\$922,978	\$6,436,075	\$464,914	\$11,021,729	(\$440,621)	\$10,581,108
10010 Operating Transfer In	\$78,129	\$0	\$0	\$0	\$0	\$0	\$0	\$78,129	(\$78,129)	\$0
10020 Operating transfer Out	(\$78,129)	\$0	\$0	\$0	\$0	\$0	\$0	(\$78,129)	\$78,129	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds										
10060 Proceeds from Property Sales										
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0							\$0		\$0
10092 Inter Project Excess Cash Transfer Out	\$0							\$0		\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$31,096	\$1,700	\$0	\$0	\$0	\$91,163	(\$23,023)	\$100,936	\$0	\$100,936
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$7,151,771	\$18,169	\$0	\$0	\$0	\$166,037	\$1,123,395	\$8,459,372	\$0	\$8,459,372
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance										
11060 Changes in Contingent Liability Balance										
11070 Changes in Unrecognized Pension Transition Liability										
11080 Changes in Special Term/Severance Benefits Liability										
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents										
11100 Changes in Allowance for Doubtful Accounts - Other										
11170 Administrative Fee Equity						\$257,200		\$257,200		\$257,200
11180 Housing Assistance Payments Equity						\$0		\$0		\$0

**Warren Metropolitan Housing Authority
(OH049) LEBANON, OH
Entity Wide Revenue and Expense Summary**

11190 Unit Months Available	2484	300	0	598	0	9594	0	12976	12976
11210 Number of Unit Months Leased	2426	226	0	528	0	9040	0	12220	12220
11270 Excess Cash	\$867,565							\$867,565	\$867,565
11610 Land Purchases	\$0						\$0	\$0	\$0
11620 Building Purchases	\$559,145						\$0	\$559,145	\$559,145
11630 Furniture & Equipment - Dwelling Purchases	\$21,170						\$0	\$21,170	\$21,170
11640 Furniture & Equipment - Administrative Purchases	\$0						\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0						\$0	\$0	\$0
11660 Infrastructure Purchases	\$0						\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0						\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0						\$0	\$0	\$0

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>				
<i>Direct Programs:</i>				
Continuum of Care Program	14.267			\$908,266
Public Housing Capital Fund	14.872			545,101
Public and Indian Housing	14.850			865,857
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14,871			6,464,900
Mainstream Vouchers	14.879			180,178
Total Housing Voucher Cluster				6,645,078
<i>Total Direct Awards</i>				8,964,302
<i>Pass Through Programs</i>				
<i>Pass Through from the State of Ohio</i>				
Emergency Solutions Grants Program	14.231	N-L-20-8AE-4	533,986	922,978
<i>Total Pass Through Awards</i>			533,986	922,978
Total U.S. Department of Housing and Urban Development			533,986	9,887,280
Total Expenditures of Federal Awards			\$533,986	\$9,887,280

The accompanying notes are an integral part of this schedule.

**WARREN METROPOLITAN HOUSING AUTHORITY
WARREN COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Warren Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial positions, changes in net position, or cash flows of the Authority.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3: INDIRECT COST RATE

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

NOTE 4: SUBRECIPIENTS

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

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



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

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

To the Board of Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Warren Metropolitan Housing Authority, Warren County, (the Authority) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 8, 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
June 8, 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**

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

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Warren Metropolitan Housing Authority's, Warren County, (Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Warren Metropolitan Housing Authority's major federal program for the year ended December 31, 2023. Warren 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, Warren Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2023.

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.

Warren Metropolitan Housing Authority
Warren County

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

Page 3

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.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.
Circleville, Ohio
June 8, 2024

Warren Metropolitan Housing Authority
Warren County
Schedule of Findings
2 CFR § 200.515
December 31, 2023

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, Mainstream Vouchers – ALN 14.879
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE KEITH FABER



WARREN METROPOLITAN HOUSING AUTHORITY

WARREN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 8/15/2024

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

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