OHIO AUDITOR OF STATE
KEITH FABER

BELMONT METROPOLITAN HOUSING AUTHORITY
BELMONT COUNTY
MARCH 31, 2025

TABLE OF CONTENTS

BELMONT METROPOLITAN HOUSING AUTHORITY
BELMONT COUNTY
MARCH 31, 2025

TABLE OF CONTENTS
(Continued)

TITLE	PAGE

OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Belmont Metropolitan Housing Authority
Belmont County
PO Box 398
Martins Ferry, Ohio 43935

To the Board of Commissioners:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Belmont Metropolitan Housing Authority, Belmont County, Ohio (the Authority), as of and for the year ended March 31, 2025, 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 Belmont Metropolitan Housing Authority, Belmont County, Ohio as of March 31, 2025, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedules required by the Department of Housing and Urban Development 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 the 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 December 11, 2025, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

December 11, 2025

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BELMONT METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED MARCH 31, 2025

It is a privilege to present for you the financial condition of Belmont Metropolitan Housing Authority, as described in this "Management's Discussion and Analysis" (MD&A). The Belmont Metropolitan Housing Authority's ("the Authority") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify other issues or concerns.

Since the Management's Discussion and Analysis is designed to focus on the current year's activities, resulting in changes and currently known facts, please read it in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The Authority's Net Position, defined as Assets and Deferred Outflows, net of Liabilities and Deferred Inflows, was $24.7 million for fiscal 2024 and $27.2 million for fiscal 2025.

- The Authority-wide financial statements reflect a $2.5 million increase in total Net Position. The increase was due to revenues substantially exceeding expenses during fiscal 2025.

- Total Revenue, Authority-wide, increased by $0.6 million (6%) during fiscal 2025, and was $9.3 million and $9.9 million for fiscal 2024 and fiscal 2025 respectively.

- Total Expenses, Authority-wide, remained somewhat steady during fiscal 2025, and were $7.3 million for fiscal 2024 and $7.4 million for fiscal 2025.

USING THIS ANNUAL REPORT

The following chart outlines the format of this report:

MD&A ~ Management Discussion and Analysis ~
Basic Financial Statements ~ Statement of Net Position ~ ~ Statement of Revenues, Expenses, and Changes in Fund Net Position ~ ~ Statement of Cash Flows ~ ~ Notes to the Basic Financial Statements ~
Required Supplementary Information ~ Pension and OPEB Schedules ~
Other Supplementary Information ~ Financial Data Schedules ~ ~ Schedule of Expenditures of Federal Awards ~

Basic Financial Statements

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

These statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, plus deferred outflows, minus liabilities, minus deferred inflows, equals "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "non-current".

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

> Invested in Capital Assets: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
>
> Restricted Net Position: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.
>
> Unrestricted Net Position: Consists of Net Position that do not meet the definition of "Invested in Capital Assets", or "Restricted Net Position".

The basic financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Position (similar to an Income Statement). This Statement includes Operating Revenues, such as operating subsidies and tenant revenue, Operating Expenses, such as administrative, utilities, maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as capital grant revenue and interest revenue.

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

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

Fund Financial Statements

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

The Department of Housing and Urban Development requires the funds be maintained by the Authority.

Business Type Funds:

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

Capital Fund Program (CFP) – This is the current primary funding source for the Authority's physical (i.e., capital) and management improvements. Funds are provided by formula allocation and based on size and age of the units.

Housing Choice Voucher Program (HCVP) – Under the Housing Choice Voucher Program, the Authority subsidizes rents to independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides funding to enable the Authority to structure a lease that requires the participant to pay a rent based on a percentage of their adjusted gross household income, typically 30%, and the Housing Authority subsidizes the balance.

BASIC STATEMENTS

Statement of Net Position

The following table reflects the condensed Statement of Net Position for this fiscal year compared to the prior fiscal year. The Authority is engaged only in Business-Type Activities.

TABLE 1
STATEMENT OF NET POSITION

	Fiscal 2024 (in millions of dollars)	Fiscal 2025 (in millions of dollars)
Current and Other Assets	$ 16.6	$ 18.6
Capital Assets	10.4	10.8
Total Assets	27.0	29.4
Deferred Outflows of Resources	0.5	0.3
Total Assets and Deferred Outflows of Resources	27.5	29.7
Current Liabilities	0.7	0.6
Long-Term Liabilities	1.8	1.7
Total Liabilities	2.5	2.3
Deferred Inflows of Resources	0.3	0.2
Total Liabilities and Deferred Inflows of Resources	2.8	2.5
Net Position:		
Invested in Capital Assets	10.4	10.8
Restricted	0.0	0.0
Unrestricted	14.3	16.4
Total Net Position	$24.7	$27.2

For more detailed information see the Statement of Net Position.

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

Current and other assets increased by $2.0 million. This reflects the positive net operating results of the Authority during fiscal 2025.

Capital assets increased by $0.4 million, due to capital improvements of $1.6 million primarily from the Authority's Capital Fund Program, minus Depreciation Expense of $1.1 million.

Deferred Outflows and Deferred Inflows reflect items related to the Housing Authority's defined benefit pension plan, OPERS, as well as Other Post Employment Benefits, to account for changes in expense that under GASB 68 and GASB 75 should not be recognized in the current period but should be spread out over 3-5 years.

Liabilities decreased slightly.

Net Position increased by $2.5 million. This increase in Net Position was caused by revenue exceeding expenses.

TABLE 2

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Business-Type Activities.

	Fiscal 2024 (Millions of dollars)	Fiscal 2025 (Millions of dollars)
Revenues		
Tenant Revenue – Rents and Other	$ 1.8	$ 1.8
Operating Subsidies and Grants	5.4	6.0
Capital Grants	1.6	1.5
Investment and Other Income	0.5	0.6
Total Revenue	9.3	9.9
Expenses		
Administrative	1.0	1.1
Utilities	1.4	1.5
Maintenance and Tenant Services	1.9	1.8
General and Insurance	0.3	0.3
Pension & OPEB Expense	0.1	0.0
Housing Assistance Payments	1.4	1.6
Depreciation	1.2	1.1
Total Expenses	7.3	7.4
Net Increase (Decrease)	$ 2.0	$ 2.5
Beginning Net Position	$ 22.7	$ 24.7
Ending Net Position	$ 24.7	$ 27.2

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

Tenant Revenue was stable during fiscal 2025. The Authority's occupancy at its properties remained strong. Operating Subsidies and Grants increased in comparison to fiscal 2024, due to higher levels of Operating Subsidies. Capital Grants decreased slightly during fiscal 2025.

Expenses remained about the same in Fiscal 2025.

The Authority's revenue exceeded expenses by approximately $2.5 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of fiscal year end, the Authority had $10,830,038 invested in a variety of capital assets as reflected in the following schedule.

TABLE 3

CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION)

	Fiscal 2024	Fiscal 2025
Land and land rights	$ 1,446,016	$ 1,446,016
Buildings	49,144,070	51,057,635
Leasehold Improvements	208,408	208,408
Equipment	889,479	929,479
Less: Accumulated Depreciation	(42,268,632)	(43,373,451)
Construction In Progress	950,030	561,951
Total	$ 10,369,371	$10,830,038

The following reconciliation summarizes the changes in Capital Assets.

TABLE 4

CHANGES IN CAPITAL ASSETS

Beginning Balance, April 1, 2024	$ 10,369,371
Additions and Disposals, Net	1,565,486
Less: Current Year Depreciation	(1,104,819)
Ending Balance, March 31, 2024	$10,830,03

This year's major additions are:

Business – Type Activities

Capital improvements and Equipment Acquisitions on a variety of the Authority's complexes, net of disposals	$1,565,486

Debt Administration

The Authority's has no debt other than normal accounts payable, accrued expenses, and accrued compensated absences.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

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

IN CONCLUSION

Belmont Metropolitan Housing Authority takes great pride in its financial management and is pleased to report on the sound financial condition of the Authority.

FINANCIAL CONTACT

If you have any questions regarding this report, you may contact Summer Jenkins, Executive Director of the Belmont Metropolitan Housing Authority at (740) 633-5085.

Respectfully submitted,

Summer Jenkins
Executive Director

BELMONT METROPOLITAN HOUSING AUTHORITY
BELMONT COUNTY
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED MARCH 31, 2025

ASSETS		
Cash and cash equivalents	$	10,474,570
Cash and cash equivalents - restricted		8,737
Receivables - net of allowance		13,219
Investments- unrestricted		7,394,310
Investments - restricted, security deposits		175,690
Inventories - net of allowance		219,234
Prepaid expenses and other assets		157,832
TOTAL CURRENT ASSETS		18,443,592
NON-CURRENT ASSETS		
CAPITAL ASSETS		
Non-Depreciable Capital Assets		2,007,967
Depreciable Capital Assets		8,822,071
TOTAL CAPITAL ASSETS		10,830,038
OTHER ASSETS		
OPEB Asset		$149,491
TOTAL ASSETS	$	29,423,121
DEFERRED OUTFLOW OF RESOURCES	$	310,622
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$	29,733,743
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$	45,203
Accrued wages/payroll taxes		2,115
Accrued compensated absences - current		30,336
Accrued liablities - other		278,226
Intergovernmental payables		36,361
Tenant security deposits		175,690
Unearned Revenue		35,639
TOTAL CURRENT LIABILITIES		603,570
LONG-TERM LIABILITIES		
Accrued compensated absences - non-current		37,056
Accrued Pension Liability		1,629,548
TOTAL LONG-TERM LIABILITIES		1,666,604
TOTAL LIABILITIES	$	2,270,174
DEFERRED INFLOW OF RESOURCES	$	189,388
TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES	$	2,459,562
NET POSITION		
Net investment in capital assets		10,830,038
Restricted		8,737
Unrestricted		16,435,406
NET POSITION	$	27,274,181
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND EQUITY	$	29,733,743

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

BELMONT METROPOLITAN HOUSING AUTHORITY
BELMONT COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED MARCH 31, 2025

OPERATING REVENUES		
Tenant revenue	$	1,815,344
Operating subsidies		6,005,092
Other revenues		52,569
TOTAL OPERATING REVENUES		7,873,005
OPERATING EXPENSES		
Administrative		1,085,072
Tenant services		12,895
Utilities		1,494,975
Maintenance		1,807,916
Insurance		237,813
General		131,822
Housing assistance payments		1,565,537
Depreciation		1,104,819
TOTAL OPERATING EXPENSES		7,440,849
OPERATING INCOME		432,156
NON-OPERATING REVENUES		
Interest revenue		582,592
Capital grants		1,528,288
TOTAL NON-OPERATING REVENUE		2,110,880
CHANGE IN NET POSITION		2,543,036
NET POSITION, BEGINNING OF YEAR		24,731,145
NET POSITION, END OF YEAR	$	27,274,181

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

BELMONT METROPOLITAN HOUSING AUTHORITY
BELMONT COUNTY
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from HUD	$	6,005,497
Cash received from tenants		1,802,528
Cash received from other revenue		52,569
Cash paid to and on behalf of employees		(866,121)
Cash paid for administrative and other operating expenses		(4,182,987)
Cash paid for housing assistance payments		(1,565,537)
Cash paid to HUD and other government		(32,520)
NET CASH PROVIDED BY OPERATING ACTIVITIES		1,213,429
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital grants received		1,528,288
Acquisition of capital assets		(1,565,488)
NET CASH (USED) BY CAPITAL AND FINANCING ACTIVITIES		(37,200)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale of Investments		488,931
Investment Income		582,592
NET CASH (USED) BY INVESTING ACTIVITIES		1,071,523
CHANGE IN CASH AND CASH EQUIVALENTS		2,247,752
CASH AND CASH EQUIVALENTS, BEGINNING		8,235,555
CASH AND CASH EQUIVALENTS, ENDING	$	10,483,307
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	$	432,156
Adjustments to reconcile operating loss to net cash (used) by operating activities		
Depreciation		1,104,819
(Increase) decrease in:		
Receivables - net of allowance		2,942
Inventories - net of allowance		(100,105)
Prepaid expenses		(5,671)
OPEB Asset		(97,388)
Deferred Outflow of Resources		180,976
Increase (decrease) in:		
Accounts payable		(6,728)
Accrued wages/payroll taxes		(27,610)
Accrued compensated absences		(215,563)
Accrued Liabilities other		18,208
Accounts payable - other government		3,841
Tenant security deposits		(460)
Unearned Revenue		(12,033)
Accrued Pension Liabilities		51,393
Deferred Inflows		(115,348)
		(323,546)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	1,213,429

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

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

The definition of a 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 governing 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. The 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 the funds of the Authority over which the Authority is financially accountable.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus

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

Enterprise Fund

The Authority uses the proprietary fund to report on its financial position and the results of its operations for Section 8 and public housing 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. The following are the various programs which are included in the single enterprise fund:

Projects - Conventional Public Housing and Capital Fund Programs - Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the PHA to provide the housing at a rent that is based upon 30 percent of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical (i.e., capital) and management improvements to the Authority's properties. Funds are provided by formula allocation and based on size and age of the units.

Central Office Cost Center (COCC) – The Authority owns and operates more than 250 dwelling rentals and established a COCC to account for non-project specific costs. These costs are funded from management fees, asset management fees and bookkeeping fees.

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

Accounting and Reporting for Nonexchange Transactions

Nonexchange transactions occur when the Public Housing Authority (PHA) receives (or gives) value without directly giving equal value in return. GASB Statement NO. 33 identifies four classes of nonexchange transactions as follows:

- Derived tax revenues: result from assessments imposed on exchange transactions (i.e., income taxes, sales taxes and other assessments on earnings or consumption).
- Imposed nonexchange revenues: result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (i.e., property taxes and fines).
- Government-mandated nonexchange transactions: occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (i.e., federal programs that state or local governments are mandated to perform).
- Voluntary nonexchange transactions: result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (i.e., certain grants and private donations).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Authority grants and subsidies will be defined as government-mandated or voluntary nonexchange transactions.

GASB Statement No. 33 establishes two distinct standards depending upon the kind of stipulation imposed by the provider.

- Time requirements specify (a) the period when resources are required to be used or when use may begin (for example, operating or capital grants for a specific period) or (b) that the resources are required to be maintained intact in perpetuity or until a specified date or event has occurred (for example, permanent endowments, term endowments, and similar agreements). Time requirements affect the timing of recognition of nonexchange transactions.
- Purpose restrictions specify the purpose for which resources are required to be used, (i.e., capital grants used for the purchase of capital assets). Purpose restrictions do not affect when a nonexchange transaction is recognized. However, PHAs that receive resources with purpose restrictions should report resulting net position, equity, or fund balance as restricted.

The Authority will recognize assets (liabilities) when all applicable eligibility requirements are met or resources received, whichever is first. Eligibility requirements established by the provider may stipulate the qualifying characteristics of recipients, time requirements, allowable costs, and other contingencies.

The Authority will recognize revenues (expenses) when all applicable eligibility requirements are met. For transactions that have a time requirement for the beginning of the following period, PHAs should record resources received prior to that period as unearned revenue and the provider of those resources would record an advance.

The Authority receives government-mandated or voluntary nonexchange transactions, which do not specify time requirements. Upon award, the entire subsidy should be recognized as a receivable and revenue in the period when applicable eligibility requirements have been met.

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.

Investments
Investments are restricted by the provisions of the HUD Regulations (See Note 2). Investments are valued at market value. Interest income earned in fiscal year ending March 31, 2025 totaled $582,592.

Receivables – Net of Allowance
Bad debts are provided on the allowance method based on management's evaluation of the collectability of outstanding tenant receivable balances at the end of the year. The allowance for doubtful accounts was $10,909 at March 31, 2025.

Prepaid Expenses
Payments made to vendors for services that will benefit periods beyond March 31, 2025, 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory
The Authority's inventory is comprised of maintenance materials and supplies. Inventory is valued at cost and uses the first-in, first-out (FIFO) flow assumption in determining cost.

The consumption method is used to record inventory. Under this method, the acquisition of materials and supplies is recorded initially in inventory accounts and charges as expenditures when used. The allowance for obsolete inventory was $24,358 on March 31, 2025.

Capital Assets
Capital assets are stated at cost and depreciation is computed using the straight-line method over an estimated useful life of the assets. The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend the asset life are expensed as incurred. The Authority's capitalization policy is $5,000. The following are the useful lives used for depreciation purposes:

Buildings	27.5 – 40 years
Subsequent Modernization to Buildings	10 – 20 years
Dwelling and Non-Dwelling Equipment	5 – 7 years

Due From/To Other Programs
On the basic financial statements, inter-program receivables and payables listed on the FDS are eliminated.

Accrued Liabilities
All payables and accrued liabilities are reported in the basic financial statements.

Compensated Absences

The Authority accounts for compensated absences in accordance with GASB Statement No. 101. Vacation leave and other compensated absences are accrued as a liability as the benefits are earned by the employees if all three of the following conditions are met: 1) The leave is attributable to services already rendered, 2) the leave accumulates and carries over to the next reporting period, 3) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a liability. The following is a summary of changes in the compensated absence liability. The large decrease in accrued compensated absences is due to the implementation of GASB 101 in the current year.

	Balance 3/31/2024	Increases	Decreases	Balance 3/31/2025	Due Within One Year
Compensated Absences	$ 282,955	$ -0-	$ 215,563	$ 67,392	$ 30,336

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Net Position
Net position represents the difference between assets and liabilities. Net position investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is recorded as restricted when there are limitations imposed on their use by internal or external restrictions.

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

Operating expenses are those expenses that are expended directly for the primary activity of the proprietary fund. For the Authority, these expenses are administrative, tenant services, utilities, maintenance, insurance, general, housing assistance payments, and depreciation.

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

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

Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

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

	Balance 3/31/2024	Increases	Decreases	Balance 3/31/2025	Due Within One Year
Net Pension Liability	$1,578,155	51,393		$1,629,548	-
Net OPEB Liability (Asset)	($52,103)	(97,388)		($149,491)	-

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows or 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/expenditure) 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 pensions and OPEB are explained in Notes 5 and 6.

In addition to liabilities, the statements of financial position report 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 include pension and OPEB. Deferred inflow of resources related to pension and OPEB are reported on the Statement of Net Position. (see related explanations at Notes 5 and 6).

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 withdrawable 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 requited for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

At fiscal year end March 31, 2025, the carrying amount of the Authority's deposits totaled $10,483,307 (including $2,913,373 in investments treated as cash equivalents with maturities of three months or less, and $300 petty cash) and its bank balance was $7,573,799. Based on the criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of March 31, 2025, $7,323,799 was exposed to custodial risk as discussed below, while the remainder, $250,000, was covered by the Federal Depository Insurance Corporation.

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the Federal Reserve Banks or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds, or as specific collateral held at the Federal Reserve Bank in the name of the Authority.

Investments

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

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

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

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

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

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

The carrying amount of the Authority's investments was $7,570,000 at March 31, 2025 with the same corresponding bank balance. $175,690 if the Authorities investments is classified on the Statement of Net Position as Security Deposits (part of Restricted Investments). The remainder, $7,394,310 is classified on the Statement of Net Position as Investments.

Description	Total Fair Value/ Carrying Value	Credit Quality Rating	Level	Maturity
Money Market Funds^	$330,786	n/a	1	6 months or less
Federal Mutual Funds^	$1,186,587	n/a	1	6 months or less
Total Certificates of Deposit, FHLB Bonds, and Treasury Notes:^^	$2,391,000	n/a	1	6 months or less
	$1,500,000	n/a	1	7 to 12 months
	$3,450,000	n/a	1	1 to 2 years
	$1,625,000	n/a	1	2 to 3 years
Total Certificates of Deposit, FHLB Bonds, and Treasury Notes	$8,966,000	n/a	1	
Total Investments	$10,483,373			

^ Reported as cash and cash equivalents
^^ $1,396,000 in CDs with maturities of less than 90 days are reported as cash and cash equivalents

A reconciliation of cash and investments as shown on the Statement of Net Position at March 31, 2025 to the deposits and investments included in this note is as follows:

Cash and Cash Equivalents – Unrestricted	$ 10,474,570
Cash and Cash Equivalents – Restricted, Unspent Housing Assistance Payments Funding	8,737
Investments – Unrestricted	7,394,310
Investments – Restricted, Security Deposits	175,690
Total	$18,053,307
Carrying Amount of Deposits	$ 10,483,307
Carrying Amount of Investments	7,570,000
Total	$ 18,053,307

NOTE 3: CAPITAL ASSETS

The following is a summary of capital assets:

	Balance 3/31/24	Additions	Deletions	Balance 3/31/25
Capital Assets Not Depreciated:				
Land	$ 1,446,016	$ -	$ -	$ 1,446,016
Contruction in Progress	950,030	541,766	(929,845)	561,951
Total Capital Assets Not Depreciated	2,396,046	541,766	(929,845)	2,007,967
Capital Assets DepreciatedL:				
Buildings and Improvements	49,352,478	1,913,565		51,266,043
Furniture & Equipment	889,479	40,000		929,479
Total Capital Assets Depreciated	50,241,957	1,953,565	-	52,195,522
Accumulated Depreciation				
Buildings and Improvements	(41,390,781)	(1,042,125)		(42,432,906)
Furniture & Equipment	(877,851)	(62,694)		(940,545)
Accumulated Depreciation	(42,268,632)	(1,104,819)	-	(43,373,451)
Capital Assets Depreciated, Net	7,973,325	848,746	-	8,822,071
Total Capital Assets, Net	$ 10,369,371	$ 1,390,512	$ (929,845)	$ 10,830,038

NOTE 4: RISK MANAGEMENT

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. There was no significant reduction in coverage and no settlements exceeded insurance coverage during the past three years.

NOTE 5: DEFINED BENEFIT PENSION PLAN

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability 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 because of employment exchanges that have already occurred.

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

The proportionate share of each plan's unfunded benefits is presented as long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual basis of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description- Authority employees' participant in the Ohio Public Employees Retirement System (OPERS). OPERS administers two 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. While members (e.g., Authority employees) may elect the member-directed plan substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan. The Traditional Pension Plan also includes members of the legacy Combined Plan, a hybrid defined benefit/defined contribution plan referred to as the Combined Plan division of the Traditional Pension Plan throughout this report. Prior to January 1, 2024, the Combined Plan was a separate pension plan. Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on of after January 7, 2013
State and Local Age and Service Requirements:	**State and Local Age and Service Requirements:**	**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 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit of Age 62 with 5 years of service credit
Formula:	**Formula:**	**Formula:**
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in access of 30	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	State and Local
Fiscal 2025 Statutory Maximum Contribution Rates:	
Employer	14.0%
Employee	10.0%
Fiscal 2025 Actual Contribution Rates:	
Employer:	
Pension	14.0%
Post Employment Health Care Benefits	0.0%
Total Employer	14.0%
Employee	10.0%

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

Employee contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's share of contractually required contributions was $166,824 for the 2024 OPERS plan year.

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

The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportionate of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

Proportionate Share of the Net Pension Liability	$1,629,548
Proportion of the Net Pension Liability	0.006647%
Change in Proportion from Prior Measurement Date	0.000619%
Pension Expense	$235,842

At March 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	
Contributions subsequent to measurement date	$ 45,601
Change in Proportion	38,527
Difference between expected and actual experience	31,179
Net difference between project and actual investment earnings	192,237
Total Deferred Outflows of Resources	$307,544
Deferred Inflows of Resources	
Change in Proportion	146,512
Total Deferred Outflows of Resources	$146,512

$45,601 reported as deferred outflows of resources related to pension resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the next pension liability in the year ending March 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	
2025	$ 112,527
2026	209,213
2027	(74,170)
2028	(24,154)
Total	$223,416

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions-OPERS

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

Projections of 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, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation at 2.75%
COLA or Ad Hoc COLA	Pre 1/7/2013 Retirees: 3 percent, simple Post 1/7/2013 Retirees: 2.9 percent, simple through 2025, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

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

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighing the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2024, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, including the defined benefit component of the Combined Plan division, 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 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

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

benefit pension plans. The table below displays the Board-approved asset allocation policy for 2024, and the long term expected real rates of return.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	**24.00%**	**2.42%**
Domestic Equities	**21.00%**	**5.70%**
Real Estate	**13.00%**	**4.17%**
Private Equity	**15.00%**	**8.40%**
International Equities	**20.00%**	**6.10%**
Risk Parity	**2.00%**	**4.40%**
Other Investments	**5.00%**	**2.54%**
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 statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the Authority's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

Authority's proportionate share of the net pension liability	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
	$ 2,665,870	**$ 1,629,548**	**$ 768,368**

NOTE 6: POST EMPLOYMENT BENEFITS

Net OPEB Asset

The net OPEB Asset reported on the statement of net position represents an overfunding of the 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.

NOTE 6: POST EMPLOYMENT BENEFITS (Continued)

The net OPEB Asset represents the Authority's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB Asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually. The Ohio Revised Code limits the Authority's obligation for the OPEB liability to annually required payments. The Authority cannot control benefit terms or the manner in which OPEB are financed; however, the Authority does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB Asset. Resulting adjustments to the net OPEB Asset would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. The proportionate share of each plan's unfunded benefits is presented as a long-term net OPEB Asset on the accrual basis of accounting. Any liability for the contractually required OPEB contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Authority employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers two 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. The Traditional Pension Plan also includes members of the legacy Combined Plan, a hybrid defined benefit/defined contribution plan referred to as the Combined Plan division of the Traditional Pension Plan throughout this report. Prior to January 1, 2024, the Combined Plan was a separate pension plan. Effective January 1, 2022, the Combined Plan is no longer available for member selection. 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.

As of December 2016, OPERS maintains one health care trust, the 115 Health Care Trust (115 Trust), which was established in 2014 to initially provide a funding mechanism for a health reimbursement arrangement (HRA), as the prior trust structure could not support the HRA. In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate health care assets into the 115 Trust. The 401(h) Health Care Trust (401(h) Trust) was a pre-funded trust that provided health care funding for eligible members of the Traditional Pension Plan and the Combined Plan through December 31, 2015, when plans funded through the 401(h) Trust were terminated. The Voluntary Employees' Beneficiary Association Trust (VEBA Trust) accumulated funding for retiree medical accounts for participants in the Member-Directed Plan through June 30, 2016. The 401(h) Trust and the VEBA Trust were closed as of June 30, 2016 and the net positions transferred to the 115 Trust on July 1, 2016. Beginning in 2016, the 115 Trust, established under Internal Revenue Code (IRC) Section 115, is the funding vehicle for all health care plans.

NOTE 6: POST EMPLOYMENT BENEFITS (continued)

The OPERS health care plans are reported as other post-employment benefit plans (OPEB) based on the criteria established by the Governmental Accounting Standards Board (GASB). Periodically, OPERS modifies the health care program design to improve the ongoing solvency of the plans. Eligibility requirements for access to the OPERS health care options have changed over the history of the program for Traditional Pension Plan and Combined Plan members. Prior to January 1, 2015, 10 or more years of service were required to qualify for health care coverage. Beginning January 1, 2015, generally, members must be at least age 60 with 20 years of qualifying service credit to qualify for health care coverage or 30 years of qualifying service at any age. Beginning 2016, Traditional Pension Plan and Combined Plan retirees enrolled in Medicare A and B were eligible to participate in the OPERS Medicare Connector (Connector). The Connector, a vendor selected by OPERS, assists eligible retirees in the selection and purchase of Medicare supplemental coverage through the Medicare market. Retirees that purchase supplemental coverage through the Connector may receive a monthly allowance in their HRA that can be used to reimburse eligible health care expenses. Upon termination or retirement, Member-Directed Plan participants can use vested retiree medical account funds for reimbursement of qualified medical expenses. Members who elect the Member-Directed Plan after July 1, 2015 will vest in health care over 15 years at a rate of 10% each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in health care over a five-year period at a rate of 20% per year. Health care coverage is neither guaranteed nor statutorily required. The ORC permits, but does not require, OPERS to offer post-employment health care coverage. The ORC allows a portion of the employers' contributions to be used to fund health care coverage.

Prior to January 1, 2015, the System provided comprehensive health care coverage to retirees with 10 or more years of qualifying service credit and offered coverage to their dependents on a premium deduction or direct bill basis. Beginning January 1, 2015, the service eligibility criteria for health care coverage increased from 10 years to 20 years with a minimum age of 60, or 30 years of qualifying service at any age. Beginning with January 2016 premiums, Medicare-eligible retirees could select supplemental coverage through the Connector and may be eligible for monthly allowances deposited to an HRA to be used for reimbursement of eligible health care expenses. Coverage for non-Medicare retirees includes hospitalization, medical expenses and prescription drugs. The System determines the amount, if any, of the associated health care costs that will be absorbed by the System and attempts to control costs by using managed care, case management, and other programs. Additional details on health care coverage can be found in the Plan Statement in the OPERS 2017 Comprehensive Annual Financial Report.

Participants in the Member-Directed Plan are not eligible for health care coverage offered to benefit recipients in the Traditional Pension Plan and Combined Plan. A portion of employer contributions for these participants is allocated to a retiree medical account. Upon separation or retirement, participants may be reimbursed for qualified medical expenses from these accounts.

An additional retiree medical account (RMA) was also established several years ago when three health care coverage levels were available to retirees. Monthly allowance amounts in excess of the cost of the retiree's selected coverage were notionally credited to the retiree's RMA. Retirees and their dependents could seek reimbursements from the RMA balances for qualified medical expenses. In 2013, the number of health care options available to retirees was reduced from three to one, eliminating the majority of deposits to the RMA.

NOTE 6: POST EMPLOYMENT BENEFITS (continued)

Wellness incentive payments were the only remaining deposits made to this RMA. Wellness incentives are no longer awarded starting with the 2017 plan year. These RMA balances were transferred to the HRA for retirees with both types of accounts. In addition, OPERS initiated an automatic claims payment process for reimbursements for retiree health care costs paid through pension deduction. This process will reimburse members for eligible health care premiums paid to OPERS, currently through pension deduction, up to the member's available RMA balance.

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

State and Local
Fiscal 2025 Statutory Maximum Contribution Rates
(Pension and OPEB combined)
Employer 14.0 %
Employee 10.0 %

With the assistance of the System's actuary and Board approval, a portion of each employer contribution to OPERS may be set aside for the funding of post-employment health care coverage. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

Other Post Employment Benefit (OPEB) Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net Other Post Employee Benefits (OPEB) asset was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB Asset was determined by an actuarial valuation as of December 31, 2023. The Authority's proportionate share of the net OPEB Asset was based on the Authority's share of contributions to the plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

Proportionate Share of the Net OPEB Asset	$149,491
Proportion of the Net OPEB Asset	0.006377%
Change in Proportion from Measurement Date	0.000604%
OPEB Expense	$(47,401)

At March 31, 2025 the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Outflows of Resources	
Net difference between projected and actual investment earnings	$ 3,078
Total Deferred Outflows of Resources	$ 3,078
Deferred Inflows of Resources	
Change in Proportion	$ 14,030
Differences between expected and actual experience	7,276
Change of assumptions	21,570
Totals	$ 42,876

NOTE 6: POST EMPLOYMENT BENEFITS (continued)

Change in proportionate share, is amortized over 5 years. Other amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	
2025	$ 15,385
2026	(13,982)
2027	18,018
2028	6,347
Total	$ 25,768

Actuarial Assumptions – OPERS OPEB

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

Projections of health care costs for financial reporting purposes are based on the substantive Plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. The total OPEB Asset was determined by an actuarial valuation as of December 31, 2023 rolled forward to the measurement date of December 31, 2024. The total OPEB Asset was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 74. In 2021, the Board of Trustees' actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical view and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Single Discount Rate	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.08 percent
Wage Inflation	2.75 percent
Projected Salary Increases	2.75 percent to 10.75 percent
Health Care Cost Trend Rate	5.5% initial, 3.50% ultimate in 2039
Actuarial Cost Method	Individual Entry Age Normal

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.

NOTE 6: POST EMPLOYMENT BENEFITS (continued)

During 2024, 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.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	**37.00%**	**2.37%**
Domestic Equities	**26.00%**	**5.70%**
Real Estate	**5.00%**	**5.00%**
International Equities	**26.00%**	**6.10%**
Risk Parity	**3.00%**	**4.40%**
Other Investments	**4.00%**	**2.50%**
Total	**100.00%**	

Discount Rate – A single discount rate of 6.00% was used to measure the OPEB Asset on the measurement date of December 31, 2024; however, the single discount rate used at the beginning of the year was 5.70%. 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% and a municipal bond rate of 4.08%. 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 OPEB plan’s fiduciary net position and future contributions were sufficient to finance the health care costs through the year 2124. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2124, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

The following table presents the Authority’s proportionate share of the net OPEB Asset calculated using the single discount rate of 6.00 percent, as well as what the Authority’s proportionate share of the net OPEB Asset would be if it were calculated using a discount rate that is one percentage point lower (5.00 percent) or one percentage point higher (7.00 percent) than the current rate:

Authority's proportionate share of the net OPEB Liability (Asset)	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
	($74,200)	($149,491)	($212,304)

NOTE 6: POST EMPLOYMENT BENEFITS (continued)

Changes in the health care cost trend rate may also have a significant impact on the net OPEB Asset. The following table presents the net OPEB Asset calculated using the assumed trend rates, and the expected net OPEB Asset if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

Sensitivity of Net OPEB Asset to Changes in the Health Care Cost Trend Rate

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2025 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

Authority's proportionate share of the net OPEB Liability (Asset)	1% Decrease	Current Health Care Cost Rate Assumption	1% Increase
	($ 151,768)	($ 149,491)	($146,922)

NOTE 7: FDS SCHEDULE SUBMITTED TO HUD

For the fiscal year ended March 31, 2025, the Authority electronically submitted an unaudited version of the balance sheet, statement of revenues, expenses and changes in net assets and other data to HUD as required on the GAAP basis. The schedules are presented in the manner prescribed by Housing and Urban Development.

NOTE 8: ECONOMIC DEPENDENCY

Both the Low Rent Public Housing Program and the Voucher Program are economically dependent on annual contributions and grants from HUD.

NOTE 9: RESTRICTED NET POSITION

For the fiscal year ended March 31, 2024, the Authority had $8,737 in Restricted Net Position, related to Housing Choice Voucher restricted reserve funds on hand.

NOTE 10: CONTINGENCIES

Grants

The amounts grantor agencies pay to the Authority are subject to audit and adjustments by the grantor, principally the federal government. Grantors may require a refunding of any disallowed costs or excess reserve balances. Management cannot presently determine amounts grantors 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 on March 31, 2025.

NOTE 10: CONTINGENCIES (Continued)

Commitments and Contingencies

The Authority has, under its normal operations, entered into commitments for the purchase of maintenance, cleaning, and other services. Such commitments are monthly and annually.

Litigations

In the normal course of operations, the Authority may be subject to litigations and claims. On March 31, 2025, the Authority was not aware of any such matters.

NOTE 11: CHANGES IN ACCOUNTING PRINCPLE

GASB Statement No. 91, "Conduit Debt Obligations": The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

The Belmont Metropolitan Housing Authority does not have conduit debt, and therefore is not subject to this new standard.

GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements": The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs).

The Belmont Metropolitan Housing Authority does not participate in Public-Private nor Public-Public Partnerships and therefore is not subject to this standard. Furthermore, the Housing Authority does not participate in APA's.

GASB Statement No. 99, "Omnibus 2022": The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The Statement has been reviewed and does not have a material impact on the Belmont Metropolitan Housing Authority.

NOTE 11: CHANGES IN ACCOUNTING PRINCPLE (Continued)

GASB Statement No. 101, "Compensated Absences": The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Belmont Metropolitan Housing Authority implemented GASB 101 beginning with the fiscal year that ended March 31, 2025.

BELMONT METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Authority's Proportion of the Net Pension Liability	0.006647%	0.006028%	0.005688%	0.005885%	0.005962%	0.006401%	0.006111%	0.007433%	0.008003%	0.007324%
Authority's Proportionate Share of the Net Pension Liability	$1,629,548	$1,578,155	$1,680,238	$512,019	$882,842	$1,265,201	$1,673,679	$ 1,166,094	$ 1,817,346	$1,268,543
Authority's Covered-Employee Payroll	$1,191,600	$1,059,640	$931,340	$863,092	$897,678	$855,386	$834,671	$ 951,212	$ 1,024,673	$ 932,525
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	136,75%	148.93%	180.41%	59.32%	98.34%	147.91%	200.51%	122.50%	177.36%	136.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.99%	79.01%	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%

Amounts presented as reported on the Authority's fiscal year end.

The balances are based upon the plan measurement date which is the prior calendar year end.

BELMONT METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contributions	$166,824	$148,350	$130,388	$120,833	$125,675	$119,745	$116,854	$123,657	$122,960	$111,903
Contributions in Relation to the Contractually Required Contribution	($166,824)	($148,350)	($130,388)	($120,833)	($125,675)	($119,745)	($116,854)	($123,657)	($122,960)	($111,903)
Contribution Deficiency / (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Employee Payroll	$1,191,600	$1,059,640	$931,340	$863,092	$897,678	$855,386	$834,671	$951,212	$1,024,673	$932,525
Contributions as a Percentage of Covered- Employee Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%

Amounts presented as reported on the Authority's fiscal year end.

The balances are based upon the plan measurement date which is the prior calendar year end.

BELMONT METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS (1)

	2025	2024	2023	2022	2021	2020	2019	2018
Authority's Proportion of the Other Post-Employment Benefits Liability (OPEB)	.006377%	.005773%	.005451%	0.005617%	0.005679%	0.005691%	0.005691%	0.006940%
Authority's Proportionate Share of the OPEB Liability (Asset)	($149,491)	($52,103)	$ 34,370	($175,933)	($101,176)	$823,369	$741,972	$753,633
Authority's Covered-Employee Payroll	$1,191,600	$1,059,640	$931,340	$863,092	$897,678	$855,386	$834,671	$951,212
Authority's Proportionate Share of the OPEB Liability (Asset) as a Percentage of its Covered Employee Payroll	(12.55%)	(4.92%)	3.69%	(20.38%)	(11.27%)	96.25%	88.89%	79.23%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	121.55%	107.76%	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%

(1) Information prior to 2018 is not available.

Amounts presented as of the Authority's fiscal year end.

The plan measurement date is the prior calendar year end.

BELMONT METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$9,512	$20,493	$18,651
Contributions in Relation to the Contractually Required Contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -	($9,512)	($20,493)	($18,651)
Contribution Deficiency / (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Employee Payroll	$1,191,600	$1,059,640	$931,340	$863,092	$897,678	$855,386	$834,671	$951,212	$1,024,673	$932,525
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%

BELMONT METROPOLITAN HOUSING AUTHORITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED MARCH 31, 2025

Ohio Public Employees' Retirement System

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014- 2025.

Changes in assumptions: There was no change in assumptions in the current year for investment rate of return. For the OPERS plan years 2023 and 2024 the investment rate of return was assumed to be 6.90 percent for purposes of discounting the pension liability. There was no change in assumptions in the current year for wage inflation. For OPERS plan years 2023 and 2024 the wage inflation was assumed to be 2.75 percent. For both the 2023 and 2024 OPERS plan years, the projected salary increases were 2.75 percent to 10.75 percent including wage inflation at 2.75 percent. For both the 2023 and 2024 OPERS plan years, the cost of living adjustments were 3.00 percent simple for pre 1/7/2013 retirees, and 2.90 percent simple through 2023 and 2024 respectively, then 2.05 percent simple for 2025, for post 1/7/2013 retirees.

Net OPEB Asset

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2025.

Changes in assumptions: The single discount rate used to determine the net OPEB liability (asset) was 5.70 percent for OPERS plan year 2023, and 6.00 percent for OPERS plan year 2024. The investment rate of return was assumed to be 6.00 percent for both the 2023 and 2024 OPERS plan years. The municipal bond rate used to determine the net OPEB liability (asset) was 3.77 percent for OPERS plan year 2023, and 4.08 percent for OPERS plan year 2024. For OPERS plan years 2023 and 2024 the wage inflation was assumed to be 2.75 percent. For both the 2023 and 2024 OPERS plan years, the projected salary increases were 2.75 percent to 10.75 percent including wage inflation at 2.75 percent. For both the 2023 and 2024 OPERS plan years, the Health Care Cost Trend Rate was 5.50 percent initial, 3.5 percent ultimate in 2038 and 2039 respectively.

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Belmont Metropolitan Housing Authority (OH020)
MARTINS FERRY, OH
Entity Wide Balance Sheet Summary
Fiscal Year End: 3/31/2025

	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$5,388,088	$470,713	$5,973	$4,609,796	$10,474,570		$10,474,570
113 Cash - Other Restricted		$8,737			$8,737		$8,737
114 Cash - Tenant Security Deposits	$175,690				$175,690		$175,690
100 Total Cash	$5,563,778	$479,450	$5,973	$4,609,796	$10,658,997	$0	$10,658,997
122 Accounts Receivable - HUD Other Projects			$4,909		$4,909		$4,909
126 Accounts Receivable - Tenants	$10,995				$10,995		$10,995
126.1 Allowance for Doubtful Accounts -Tenants	-$2,685				-$2,685		-$2,685
126.2 Allowance for Doubtful Accounts - Other	-$8,224		$0		-$8,224		-$8,224
127 Notes, Loans, & Mortgages Receivable - Current	$8,224				$8,224		$8,224
120 Total Receivables, Net of Allowances for Doubtful Accounts	$8,310	$0	$4,909	$0	$13,219	$0	$13,219
131 Investments - Unrestricted	$4,477,759			$2,916,551	$7,394,310		$7,394,310
142 Prepaid Expenses and Other Assets	$131,473	$6,629		$19,730	$157,832		$157,832
143 Inventories	$243,592				$243,592		$243,592
143.1 Allowance for Obsolete Inventories	-$24,358				-$24,358		-$24,358
144 Inter Program Due From				$25,453	$25,453	-$25,453	$0
150 Total Current Assets	$10,400,554	$486,079	$10,882	$7,571,530	$18,469,045	-$25,453	$18,443,592
161 Land	$1,446,016				$1,446,016		$1,446,016
162 Buildings	$51,057,636				$51,057,636		$51,057,636
164 Furniture, Equipment & Machinery - Administration	$833,954	$1,188		$94,336	$929,478		$929,478
165 Leasehold Improvements				$208,409	$208,409		$208,409
166 Accumulated Depreciation	-$43,159,830	-$1,188		-$212,434	-$43,373,452		-$43,373,452
167 Construction in Progress	$561,951				$561,951		$561,951
160 Total Capital Assets, Net of Accumulated Depreciation	$10,739,727	$0	$0	$90,311	$10,830,038	$0	$10,830,038
174 Other Assets	$108,234	$7,070		$34,187	$149,491		$149,491
180 Total Non-Current Assets	$10,847,961	$7,070	$0	$124,498	$10,979,529	$0	$10,979,529
200 Deferred Outflow of Resources	$226,583	$14,121		$69,918	$310,622		$310,622
290 Total Assets and Deferred Outflow of Resources	$21,475,098	$507,270	$10,882	$7,765,946	$29,759,196	-$25,453	$29,733,743
312 Accounts Payable <= 90 Days	$44,685	$518			$45,203		$45,203
321 Accrued Wage/Payroll Taxes Payable				$2,115	$2,115		$2,115
322 Accrued Compensated Absences - Current Portion	$25,689	$106	$1,593	$2,948	$30,336		$30,336
333 Accounts Payable - Other Government	$36,361				$36,361		$36,361
341 Tenant Security Deposits	$175,690				$175,690		$175,690
342 Unearned Revenue	$35,639				$35,639		$35,639
346 Accrued Liabilities - Other	$248,526	$2,336		$27,364	$278,226		$278,226
347 Inter Program - Due To		$18,112	$7,341		$25,453	-$25,453	$0
310 Total Current Liabilities	$566,590	$21,072	$8,934	$32,427	$629,023	-$25,453	$603,570
354 Accrued Compensated Absences - Non Current	$31,398	$107	$1,948	$3,603	$37,056		$37,056
357 Accrued Pension and OPEB Liabilities	$1,179,815	$77,071		$372,662	$1,629,548		$1,629,548
350 Total Non-Current Liabilities	$1,211,213	$77,178	$1,948	$376,265	$1,666,604	$0	$1,666,604
300 Total Liabilities	$1,777,803	$98,250	$10,882	$408,692	$2,295,627	-$25,453	$2,270,174
400 Deferred Inflow of Resources	$140,306	$8,648		$40,434	$189,388		$189,388
508.4 Net Investment in Capital Assets	$10,739,727			$90,311	$10,830,038		$10,830,038
511.4 Restricted Net Position		$8,737			$8,737		$8,737
512.4 Unrestricted Net Position	$8,817,262	$391,635	$0	$7,226,509	$16,435,406		$16,435,406
513 Total Equity - Net Assets / Position	$19,556,989	$400,372	$0	$7,316,820	$27,274,181	$0	$27,274,181
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$21,475,098	$507,270	$10,882	$7,765,946	$29,759,196	-$25,453	$29,733,743

Belmont Metropolitan Housing Authority (OH020)
MARTINS FERRY, OH
Entity Wide Revenue and Expense Summary
Fiscal Year End: 03/31/2025

	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$1,761,437				$1,761,437		$1,761,437
70400 Tenant Revenue - Other	$53,907				$53,907		$53,907
70500 Total Tenant Revenue	$1,815,344	$0	$0	$0	$1,815,344	$0	$1,815,344
70600 HUD PHA Operating Grants	$4,178,857	$1,765,713	$60,522		$6,005,092		$6,005,092
70610 Capital Grants	$1,528,288				$1,528,288		$1,528,288
70710 Management Fee				$707,640	$707,640	-$707,640	$0
70720 Asset Management Fee				$85,180	$85,180	-$85,180	$0
70730 Book Keeping Fee				$71,976	$71,976	-$71,976	$0
70700 Total Fee Revenue				$864,796	$864,796	-$864,796	$0
71100 Investment Income - Unrestricted	$403,309	$1,169		$178,114	$582,592		$582,592
71500 Other Revenue	$36,079	$14,730		$1,760	$52,569		$52,569
70000 Total Revenue	$7,961,877	$1,781,612	$60,522	$1,044,670	$10,848,681	-$864,796	$9,983,885
91100 Administrative Salaries	$140,337	$39,337	$34,265	$190,190	$404,129		$404,129
91200 Auditing Fees	$5,304	$283		$6,650	$12,237		$12,237
91300 Management Fee	$690,246	$17,394			$707,640	-$707,640	$0
91310 Book-keeping Fee	$63,279	$8,697			$71,976	-$71,976	$0
91500 Employee Benefit contributions - Administrative	$148,702	$34,667	$15,461	$183,716	$382,546		$382,546
91600 Office Expenses	$12,951	$522		$24,202	$37,675		$37,675
91700 Legal Expense	$46,284				$46,284		$46,284
91800 Travel	$5,029	$326		$18,143	$23,498		$23,498
91900 Other	$13,873	$32,441	$4,506	$127,883	$178,703		$178,703
91000 Total Operating - Administrative	$1,126,005	$133,667	$54,232	$550,784	$1,864,688	-$779,616	$1,085,072
92000 Asset Management Fee	$85,180				$85,180	-$85,180	$0
92400 Tenant Services - Other	$10,250		$2,645		$12,895		$12,895
92500 Total Tenant Services	$10,250	$0	$2,645	$0	$12,895	$0	$12,895
93100 Water	$594,738				$594,738		$594,738
93200 Electricity	$461,003				$461,003		$461,003
93300 Gas	$70,230				$70,230		$70,230
93500 Labor	$48,714				$48,714		$48,714
93600 Sewer	$320,290				$320,290		$320,290
93000 Total Utilities	$1,494,975	$0	$0	$0	$1,494,975	$0	$1,494,975
94100 Ordinary Maintenance and Operations - Labor	$461,992				$461,992		$461,992
94200 Ordinary Maintenance and Operations - Materials and Other	$659,425				$659,425		$659,425
94300 Ordinary Maintenance and Operations Contracts	$417,376				$417,376		$417,376
94500 Employee Benefit Contributions - Ordinary Maintenance	$269,123				$269,123		$269,123
94000 Total Maintenance	$1,807,916	$0	$0	$0	$1,807,916	$0	$1,807,916
96110 Property Insurance	$68,365				$68,365		$68,365
96120 Liability Insurance	$68,365	$4,420		$17,893	$90,678		$90,678
96130 Workmen's Compensation	$15,777	$4,420		$17,893	$38,090		$38,090
96140 All Other Insurance	$22,788			$17,892	$40,680		$40,680
96100 Total insurance Premiums	$175,295	$8,840	$0	$53,678	$237,813	$0	$237,813
96200 Other General Expenses							
96210 Compensated Absences	$64,077	$4,185	$3,645	$20,234	$92,141		$92,141
96300 Payments in Lieu of Taxes	$36,361				$36,361		$36,361
96400 Bad debt - Tenant Rents	$3,320				$3,320		$3,320
96000 Total Other General Expenses	$103,758	$4,185	$3,645	$20,234	$131,822	$0	$131,822
96900 Total Operating Expenses	$4,803,379	$146,692	$60,522	$624,696	$5,635,289	-$864,796	$4,770,493
97000 Excess of Operating Revenue over Operating Expenses	$3,158,498	$1,634,920	$0	$419,974	$5,213,392	$0	$5,213,392
97300 Housing Assistance Payments		$1,557,330			$1,557,330		$1,557,330
97350 HAP Portability-In		$8,207			$8,207		$8,207
97400 Depreciation Expense	$1,090,925			$13,894	$1,104,819		$1,104,819
90000 Total Expenses	$5,894,304	$1,712,229	$60,522	$638,590	$8,305,645	-$864,796	$7,440,849
10010 Operating Transfer In	$498,676				$498,676	-$498,676	$0
10020 Operating transfer Out	-$498,676				-$498,676	$498,676	$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$2,067,573	$69,383	$0	$406,080	$2,543,036	$0	$2,543,036
11030 Beginning Equity	$17,489,416	$330,989	$0	$6,910,740	$24,731,145		$24,731,145
11170 Administrative Fee Equity		$391,635			$391,635		$391,635
11180 Housing Assistance Payments Equity		$8,737			$8,737		$8,737
11190 Unit Months Available	8568	3300			11868		11868
11210 Number of Unit Months Leased	8437	2671			11108		11108
11270 Excess Cash	$9,107,001				$9,107,001		$9,107,001
11610 Land Purchases	$0			$0	$0		$0
11620 Building Purchases	$1,528,288			$0	$1,528,288		$1,528,288

Belmont Metropolitan Housing Authority
BELMONT COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2025

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	**Federal AL Number**	**Pass Through Entity Identifying Number**	**Total Federal Expenditures**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Programs:			
Public Housing Operating Fund	14.850	N/A	3,391,895
Resident Opportunity and Supportive Services - Service Coordinators	14.870	N/A	60,522
Housing Voucher - Cluster			
Section 8 Housing Choice Voucher	14.871	N/A	1,712,229
Total Housing Voucher - Cluster			1,712,229
Public Housing Capital Fund	14.872	N/A	2,315,250
Total U.S. Department of Housing and Urban Development			**7,479,896**
Total Expenditures of Federal Awards			**$7,479,896**

The accompanying notes are an integral part of this schedule.

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR § 200.510(b)(6)
FOR THE YEAR ENDED MARCH 31, 2025**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Belmont Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended March 31, 2025. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are presented on an accrual basis. 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 C – INDIRECT COST RATE

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

OHIO AUDITOR OF STATE
KEITH FABER

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

Belmont Metropolitan Housing Authority
Belmont County
PO Box 398
Martins Ferry, Ohio 43935

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 Belmont Metropolitan Housing Authority, Belmont County, Ohio (the Authority) as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated December 11, 2025.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2025-001 and 2025-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

December 11, 2025

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

Belmont Metropolitan Housing Authority
Belmont County
PO Box 398
Martins Ferry, Ohio 43935

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Qualified Opinion

We have audited Belmont Metropolitan Housing Authority's, Belmont 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 the Belmont Metropolitan Housing Authority's major federal program for the year ended March 31, 2025. Belmont Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

Qualified Opinion on Public Housing Operating Fund

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion* section of our report, Belmont Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Public Housing Operating Fund the for the year ended March 31, 2025.

Basis for Qualified Opinion

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.

Matter Giving Rise to Qualified Opinion on Public Housing Operating Fund

As described in finding 2025-003 in the accompanying Schedule of Findings, the Authority did not comply with requirements regarding Special Tests and Provision – UEL Formula applicable to its AL #14.850 Public Housing Operating Fund federal program.

Compliance with such requirement is necessary, in our opinion, for the Authority to comply with requirements applicable to that program

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.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's responses to the noncompliance findings identified in our compliance audit described in the accompanying Corrective Action Plan. The Authority's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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**.** We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings as item 2025-003 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's responses to the internal control over compliance findings identified in our audit described in the accompanying Corrective Action Plan. The Authority's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

December 11, 2025

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BELMONT METROPOLITAN HOUSING AUTHORITY
BELMONT COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
MARCH 31, 2025

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)?**	Yes
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	Yes
(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**	Qualified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	Yes
(d)(1)(vii)	**Major Programs (list):**	AL #14.850 – Public Housing Operating Fund
(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

FINDING NUMBER 2025-001

Significant Deficiency

Sound accounting practices require public officials to design and operate a system of internal control that is adequate to provide reasonable assurance over the reliability of financial reporting, effectiveness and efficiency of operations, compliance with applicable laws and regulations, and safeguarding of assets against unauthorized acquisition, use or disposition. In addition, management should develop monitoring procedures to assess the effectiveness of internal control performance over time. It involves assessing the effectiveness of controls on a timely basis and taking necessary remedial actions. Management accomplishes monitoring of controls through ongoing activities, separate evaluations, or a combination of the two.

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

FINDING NUMBER 2025-001 (Continued)

Significant Deficiency (Continued)

Ongoing monitoring activities often are built into the normal recurring activities of an entity and include regular management and supervisory activities. The measurement and review of financial performance are not the same as the monitoring of controls through their purposes may overlap.

Additionally, when designing the public office's system of internal control and the specific control activities, management should plan for adequate segregation of duties or compensating controls.

The Authority did not implement adequate segregation of duties related to posting of receipts, reconciling bank statements and posting/reconciling investment income. Due to lack of segregation of duties, this led to a lack of monitoring procedures such as management review of reports after processing and secondary review and approval of bank reconciliations and investment activity.

We also noted that the Authority lacked monitoring procedures over payroll processing. The Authority contracts with Assured Business Solutions, LLC to process payroll; however, the Authority lacks monitoring the output of the payroll reports and amounts being paid to employees.

Although the Authority has internal controls over purchasing, the Authority did not have monitoring procedures in place to verify that amounts were properly posted and classified to the accounting system.

Failing to ensure adequate segregation of duties and monitoring controls could result in errors occurring without detection.

The Authority should adopt and implement monitoring controls. This should include, but is not limited to, management review of reports, Board review and approval of financial reports, and secondary review and approval of bank reconciliations. Additionally, the Authority should take steps to include involvement of employees from another department handling one of the functions, levels of approval and review of the record keeping, authorization, custody, and reconciliation of accounts in regard to segregation of duties. These procedures will help to mitigate the risk of errors with the financial records of the Authority.

Officials' Response: See Corrective Action Plan.

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

FINDING NUMBER 2025-002

Significant Deficiency

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions. Further, when designing the public office's system of internal control and the specific control activities, management should consider ensuring adequate security of assets and records as well as verifying the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

In addition, the Belmont Metropolitan Housing Authority Capitalization and Depreciation of Assets Policy establishes the criteria for what assets will be recorded as fixed assets. The policy states, in part, that the Belmont Metropolitan Housing Authority will capitalize assets that are being used in operations, have a useful life extending beyond one year, have a physical substance, and have an original cost of $5,000 or more. The policy also states that assets must be depreciated over their useful lives and provides estimated useful life for subsequent modernization to buildings of ten to twenty years and dwelling and non-dwelling equipment will have a useful life of five to seven years.

As a result of audit procedures performed over capital assets, the Authority understated Nondepreciable Capital Assets and overstated Depreciable Capital Assets - Net by $561,951 due to improperly recording construction in progress with other depreciable assets on the financial statements.

Additionally, material changes to the note disclosure were required due to the Authority improperly calculating construction in progress, deletions to construction in progress, and building and improvement additions during the audit period. We noted the following:

- The Authority inappropriately reported $1,263,747 of additions to construction in progress, which should have been $541,766, a variance of $721,981.
- The Authority reported zero deletions to construction in progress but placed $332,346 in service during the year and did not appropriately report $597,499 of assets from the prior year construction in progress that were placed in service during the audit period, which resulted in a variance of $929,845 that should have been reported as deletions to construction in progress.
- The Authority reported $261,739 of additions to building and improvements; however, because of the errors in reporting of construction in progress, building and improvement additions were understated by $1,651,826.
- Accumulated depreciation for furniture and equipment as of March 31, 2024, additions to accumulated depreciation, and the balance as of March 31, 2025, were improperly included in the totals with buildings and improvements in the amount of $877,851, $62,694, and $940,545, respectively.

The above material reclassifications are reflected in the accompanying financial statements.

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

FINDING NUMBER 2025-002 (Continued)

Significant Deficiency (Continued)

As a result of audit procedures performed over capital assets, we noted the following significant reclassification with the Financial Data Schedule (reported as Supplementary Information as required by the Department of Housing and Urban Development):

- The Authority improperly classified $1,651,827 of assets that were placed in service as construction in progress, which resulted in construction in progress being overstated and buildings being understated by $1,651,827.

The above material reclassification is reflected in the Financial Data Schedule.

Furthermore, our testing over additions also identified that the Authority purchased two vehicles during the audit period totaling $52,860 that were improperly classified as maintenance expenses and should have been classified as depreciable capital assets. Also, due to errors in the calculations of depreciation expense, depreciable capital assets were overstated, and depreciation expense was understated by $70,081. These reclassifications were not significant and are not reflected in the accompanying financial statements.

Failure to maintain detailed, accurate and complete capital assets records could result in difficulties locating assets, monitoring useful lives, and ensuring adequate reporting of asset activity. This could also result in financial statement errors and increases the risk of undetected loss or misappropriation of Authority capital assets.

The Authority should take the necessary steps to ensure that depreciable and non-depreciable capital assets, depreciation, construction in progress, and additions and deletions are properly presented and disclosed in the Authority's financial statements. In addition, the Authority should establish internal control policies and procedures to ensure capital asset activity is being appropriately recorded and reported.

Officials' Response: See Corrective Action Plan.

3. FINDINGS FOR FEDERAL AWARDS

24 CFR § 990.170(f) Consumption of Utilities

Finding Number:	**2025-003**
Assistance Listing Number and Title:	**AL #14.850 Public Housing Operating Fund**
Federal Award Identification Number / Year:	**2025**
Federal Agency:	**U.S. Department of Housing and Urban Development (HUD)**
Compliance Requirement:	**Special Tests and Provision – UEL Formula**
Pass-Through Entity:	**N/A – Direct Program**
Repeat Finding from Prior Audit?	**No**

Noncompliance and Material Weakness

24 CFR § 990.170 states the utility expense level (UEL) for each PHA is based on its consumption for each utility, the applicable rates for each utility, and an applicable inflation factor. The UEL for a given funding period is the product of the utility rate multiplied by the payable consumption level multiplied by the inflation factor. The UEL is expressed in terms of PUM costs.

The Authority did not have the proper internal controls in place over reporting their UEL. During our testing of utility expense level calculations, we noted that six out of sixteen (38%) of utility records tested did not have the correct consumption recorded in the utility ledger as noted on the invoice.

In addition, we noted inconsistencies between the 4 AMPs relating to the consumption amounts reported on Form 52722.

Failure to properly record the consumption amount can lead to HUD not receiving accurate information for funding.

The Authority should implement procedures over the utility log to ensure that the proper consumption amount is being logged and reported to HUD on Form 52722.

Officials' Response: See Corrective Action Plan.

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Belmont Metropolitan Housing Authority

Administrative Office

Wayne L. Hays Tower · 100 South 3rd Street · P.O. Box 398 · Martins Ferry, OH 43935
Phone: (740) 633-5085 · Fax: (740) 633-9978 · TDD: 1-800-545-1833, EXT. 270

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
March 31, 2025

Finding Number:	2025-001
Planned Corrective Action:	The Housing Authority will be developing a new fiscal procedure manual which will address segregation of duties on receipt posting, bank reconciliation and posting of investments/reconciliation. Additionally, it will also address procedures for posting and classifying purchases to the accounting system. BMHA will also begin secondary approval of bank reconciliation effective immediately and review these with the board chair. Payroll control will begin also effective immediately with the Executive Director ensuring that reports are reviewed for accuracy after each payroll, including payroll rates. These will be marked as reviewed before final payroll processing by our 3rd party company.
Anticipated Completion Date:	March 31, 2026
Responsible Contact Person:	Summer Jenkins, Executive Director

Finding Number:	2025-002
Planned Corrective Action:	Belmont Metropolitan Housing Authority contracts with a fee accountant for capitalization and depreciation of assets as part of the preparation of the FDS, which the fee accountant also conducts. The Housing Authority will monitor construction in progress more closely and will check the FDS report for accuracy after being prepared by the fee accountant to ensure all construction in progress items are reported properly. Belmont Metropolitan Housing Authority will ensure purchases are classified properly by monitoring purchases more closely and checking classification of said purchases.
Anticipated Completion Date:	May 30, 2026 (Unaudited FDS due date for BMHA)
Responsible Contact Person:	Summer Jenkins, Executive Director

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
March 31, 2025
(Continued)

Finding Number:	2025-003
Planned Corrective Action:	The Housing Authority will appoint staff not already responsible for entering utility consumption and cost to check data entry for errors, and inform staff who enters this data what needs corrected on a monthly basis. For the inconsistencies relating to Form 52722, this form is prepared by our fee accountant with data provided by Belmont Metropolitan Housing Authority. Due to the retirement of both the Executive Director and the Finance Manager in October 2021 and January 2022 respectively, there was not proper explanation on preparing this form internally. Since then BMHA staff have gained a better understanding of this, particularly through this audit finding and will be checking form 52772 for accuracy after it is completed by the fee accountant more thoroughly and with a better understanding of what this form entails and requires.
Anticipated Completion Date:	October 2026 (submission due date for the next 52772)
Responsible Contact Person:	Summer Jenkins, Executive Director

OHIO AUDITOR OF STATE
KEITH FABER

BELMONT METROPOLITAN HOUSING AUTHORITY

BELMONT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 12/16/2025

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