



Single Audit Report

For the Year Ended December 31, 2017





Dave Yost • Auditor of State

Members of the Board
Akron Metropolitan Housing Authority
100 W. Cedar St.
Akron, OH 44307

We have reviewed the *Independent Auditor's Report* of the Akron Metropolitan Housing Authority, Summit County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 14, 2018

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*Akron Metropolitan Housing Authority
Summit County
For the Year Ended December 31, 2017*

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Akron Metropolitan Housing Authority
Summit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017

Federal Grantor/Pass Through Grantor/ Program Title	CFDA Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>		
<u>Direct Programs:</u>		
Low Rent Public Housing Program	14.850	\$ 17,754,812
Resident Opportunity and Self-Sufficiency (ROSS)		
Service Coordinators	14.870	332,955
Capital Fund Program	14.872	6,261,332
Family Self-Sufficiency (ROSS)	14.896	312,696
 <u>Section 8</u>		
Section 8 Housing Choice Voucher Program	14.871	31,210,008
<u>Section 8 Project Cluster</u>		
Section 8 New Construction	14.182	1,094,649
Section 8 Moderate Rehabilitation	14.856	47,538
<i>Total Section 8 Project Cluster</i>		<u>1,142,187</u>
Shelter Care Plus	14.238	<u>525,616</u>
 Total Section 8		 <u>32,877,811</u>
 Total U.S. Department of Housing and Urban Development		 <u>57,539,606</u>
 <u>U.S. Department of Education</u>		
<u>Passed through the Ohio Department of Education:</u>		
Twenty-First Century Community Learning Centers	84.287	<u>534,057</u>
 Total U.S. Department of Education		 <u>534,057</u>
 <i>Total Expenditures of Federal Awards</i>		 <u><u>\$ 58,073,663</u></u>

This schedule is prepared on the accrual basis of accounting.

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Akron Metropolitan Housing Authority
Summit County
Notes to the Schedule of Expenditures of Federal Awards
2 CFR 200.510(b)(6)
For the Year Ended December 31, 2017

Note A – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Akron Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended December 31, 2017. 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 reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Authority has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Akron Metropolitan Housing Authority
Summit County
100 West Cedar Street
Akron, OH 44307

Regional Inspector General of Audit
Department of Housing and Urban
Development

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Akron Metropolitan Housing Authority, Summit County, (the Authority) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 27, 2018.

Our report refers to other auditors who audited the financial statements of Eastland Woods, LLC, Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC, and Marian Hall Building, LLC, all of the Authority's discretely presented component units and Wilbeth-Arlington Homes, Limited Partnership, one of the three of the Authority's blended component units, as described in our report on the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported. The financial statements of the aggregate discretely presented component units and the blended component unit were not audited in accordance with *Government Auditing Standards*.

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) to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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 determination of financial statement amounts. 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.



Charles E. Harris & Associates, Inc.
June 27, 2018

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Cleveland OH 44113-1306
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Charles E. Harris & Associates, Inc.
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Akron Metropolitan Housing Authority
Summit County
100 West Cedar Street
Akron, OH 44307

Regional Inspector General of Audit
Department of Housing and Urban
Development

To the Board of Directors:

Report on Compliance for the Major Federal Program

We have audited the Akron Metropolitan Housing Authority's (the Authority) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended December 31, 2017. The Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Major Federal Program

In our opinion, the Akron Metropolitan Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2017.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program, to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Akron Metropolitan Housing Authority, Summit County (the Authority) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated June 27, 2018, which contained unmodified opinions on those financial statements. Our report refers to other auditors who audited the financial statements of Eastland Woods, LLC, Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC, and Marian Hall Building, LLC, all of the Authority's discretely presented component units and Wilbeth-Arlington Homes, Limited Partnership, one of the three of the Authority's blended component units, as described in our report on the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported. The financial statements of the aggregate discretely presented component units and the blended component unit were not audited in accordance with *Government Auditing Standards*.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purpose of additional analysis as required by the Uniform Guidance and is 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 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Charles E. Harris and Associates, Inc.
June 27, 2018

Akron Metropolitan Housing Authority

Summit County

Schedule of Findings

2 CFR § 200.515

December 31, 2017

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies reported at the financial statement level statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs:	Section 8 Housing Choice Voucher Program - CFDA #14.871
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$1,742,210 Type B: all others
(d)(1)(ix)	Low Risk Auditee 2 CFR § 200.520?	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017**



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Comprehensive Annual Financial Report

For the Year Ended December 31, 2017

Prepared by:

Anthony O'Leary, Executive Director

Cathy Watson, Finance Director

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*Introductory
Section*

*Akron Metropolitan Housing Authority
Summit County
For the Year Ended December 31, 2017*

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Summit County
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100 W. Cedar Street
Akron, Ohio 44307

Anthony W. O’Leary	Executive Director
John C. Fickes	Board Chairperson
Leonard M. Foster	Board Vice Chairperson
Thomas L. Harnden	Board Member
Stephanie N. Norris	Board Member
Roberta E. Aber	Board Member

June 27, 2018

The Board of Trustees
Akron Metropolitan Housing Authority
Akron, Ohio 44307

We are pleased to present the Akron Metropolitan Housing Authority (“Authority”) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2017. This is the Authority’s second CAFR and was prepared by the Authority’s staff and audited by the public accounting firm of Charles E. Harris & Associates, Inc.

The U.S. Department of Housing and Urban Development’s (HUD) Real Estate Assessment Center (REAC) requires public housing authorities to annually publish a complete set of financial statements presented in conformity with United States of America (U.S.) generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the U.S. The Auditor of the State of Ohio is responsible for auditing over 5,900 governmental entities; however, the Auditor’s Office may elect to outsource the audit to a licensed certified public accounting firm. Charles E. Harris & Associates, Inc. of Cleveland, Ohio is the firm the State selected to audit the Authority for the fiscal periods January 1, 2016 through December 31, 2020.

Management of the Authority assumes full responsibility for the completeness and reliability of all the information presented in this report, and has established a comprehensive internal control framework that is designed to protect its assets from loss, theft, or misuse. Because the cost of internal controls should not outweigh their benefits, the Authority’s internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The purpose of the independent audit is to provide reasonable assurance that the financial statements of the Authority are free of any material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

The independent auditors issued an unqualified opinion on the Authority’s financial statements for the fiscal year ended December 31, 2017. The independent auditors’ report is presented as the first component of the financial section of this report.

More in-depth audit review and testing is required of entities that receive federal funds including states, local governments, and not-for-profit organizations and is commonly referred to as “Single Audits”. The Single Audit Act of 1984, as amended in 1996 and updated for the new U.S. Office, was enacted to standardize the requirements for auditing federal programs. Uniform Guidance provides that grantees are subject to one audit of all of their federal programs versus separate audits of each federal program, hence the term “Single Audit”. Special emphasis is placed on internal controls, legal requirements, and compliance associated with the administration of federal awards. The Authority received federal funds in 2017 from both the U.S. Department of Housing and Urban Development and the U.S. Department of Education passed through the State of Ohio. The Authority’s Single Audit Report is available under separate cover.

The Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A. The Authority’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Authority

The Authority was established January 27, 1938 as a political subdivision of the State of Ohio, pursuant to the Housing Act of 1937, and was initially created as a part of President Franklin Roosevelt’s “New Deal” initiative in response to those in need of help during the Great Depression. However, as the economy began to improve and the defense industry took off during WWII, the focus moved to defense housing to address these new housing demands. Over time, the priorities have fluctuated to address various program needs expressed by the federal government and eventually to where we are today—preserve the current housing stock, improve the quality of life for elderly and disabled individuals and provide a platform to assist those that are able to reach self sufficiency.

The Authority operates several housing programs with HUD assistance, including Low-Income Public Housing (4,322 units), Housing Choice Voucher (4,915 units), Shelter Plus Care (122 units), Veteran Affairs Supportive Housing (66 units), Mod Rehab (6 units), and Section 8 Project-Based Rental Assistance (525 units). The Authority is also a partner in several mixed finance transactions involving federal income tax credits used in the acquisition and construction of housing units. See Note 1 of the Notes to the Financial Statements for more detail related to blended and discretely presented component units associated with these developments.

Relevant Accounting and Financial Issues

The Authority is required to use the enterprise fund type to account for “business-type activities” similar to those found in the private sector. Business-type activities include services primarily funded through user charges. It is important to note that the total cost of the activity does not have to be paid for by the user charges; the government (i.e., HUD) may subsidize a significant portion of the costs of the enterprise fund. The full accrual basis of accounting is used, and the Authority’s basic financial statements include the statement of net position (formerly balance sheet), statement of revenues, expenses and changes in net position (formerly income statement), and statement of cash flows.

Supplemental enterprise information includes combining program statements of net position and revenues, expenses and changes in net position for the following programs:

Low-Income Public Housing
Family Self-Sufficiency
Resident Opportunity and Supportive Services
Housing Choice Voucher Program
Shelter Plus Care
State/Local Grants
Business Activities
Twenty-First Century Community Learning Centers
Section 8 Moderate Rehab Program
Central Office Cost Center (COCC)

The Authority implemented project-based accounting following the issuance of HUD's asset management model in 2007 which provides the basic framework for compliance in financial reporting. Project-based accounting also provides the Authority with the ability to track key financial and operational performance indicators at the project level.

The CAFR also includes the HUD-required Financial Data Schedule (FDS) created to standardize financial information reported by Public Housing Authorities (PHAs). REAC analyzes the FDS to assess the financial condition, viability, and effectiveness of overall resource management of PHAs compared to industry peers. The FDS discloses federal, state, and locally funded activities reported to HUD. These activities are the basis of the Authority's enterprise fund program schedules, which are combined in the basis financial statements.

The Authority is required by HUD to adopt annual operating budgets for its programs that receive federal funding. The Authority's Finance Department prepares an annual operating budget that is reviewed by executive management and approved by the Authority's Board of Trustees. Spending plans related to multi-year capital improvement projects are created by the Authority's Construction Department and also reviewed by executive management and approved by the Authority's Board of Trustees. Also required by HUD is an Annual Plan that is submitted to HUD after public hearings and approval by the Board of Trustees.

Economic Condition

The Bureau of Labor Statistics reports national unemployment at May 2018 at 3.8%, compared to 4.3% in May 2017. Although economic growth and unemployment show signs of continued improvement, the current and projected need for public housing and related services is significant. The Authority serves more than 9,000 households through its public housing and housing choice voucher programs; however, the current waitlist is more than 20,000 and has been at that level for several years. The need for public housing is greater than ever.

Long-Term Financial Planning

The success of the Authority's programs is dependent on congressional housing legislation and federal government appropriations. The Budget Control Act of 2011 (BCA) had established spending caps on defense and non-defense spending, which were first applied in the federal government's fiscal year (FY) 2013 and were to continue to 2021. Subsequently, in October 2015, Republican and Democratic leaders reached an agreement and passed the Bipartisan Budget Act of 2015 to increase the budget caps imposed by the BCA by \$50 billion in FY 2016 and \$30 billion in FY 2017. In January 2018, Congress passed the

Bipartisan Budget Act of 2018 to increase non-defense domestic discretionary spending caps by \$63 billion in FY 2018 and \$68 billion in FY 2019. As a result of these congressional actions, HUD's housing budget increased a little over 2% in 2017 from the prior year and nearly 9% in 2018. The FY 2019 federal budget has not been passed as of this date; however, even at the increased levels of funding, the amounts are insufficient for the industry's needs.

The Authority has made significant strides in cost-reduction efforts over the past several years through the cooperation of management and its workforces. We continue to provide safe, decent housing and are making the best of an uncertain future.

Awards and Acknowledgements

Last year was the first year that the Authority created and published a Comprehensive Annual Financial Report. The Government Finance Officers Association of the United States and Canada (GFOA) awards Certificates of Achievement for Excellence in Financial Reporting to eligible government agencies. In order to be awarded the certificate, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. GAAP and applicable legal requirements. The Authority is proud to have received the GFOA award for its first CAFR. The Authority is also proud that it has received the Ohio Auditor of State Award for Exemplary Financial Reporting in Accordance with GAAP for three consecutive years (FY 2014-FY 2016).

The preparation of the CAFR was accomplished through the dedicated efforts of the Finance Department's financial analysts: Steven Prange, Tammy Zents, and Jasna Nolze. The Authority also wants to thank our auditors, Charles E. Harris and Associates, for their encouragement in steering Akron Metropolitan Housing Authority to be the first housing authority in the State of Ohio to prepare a CAFR, resulting in the GFOA award, and in particular John Phillips for his industry expertise and Morell Mendiola for her valued technical assistance with this CAFR. Finally, we wish to acknowledge our Executive Director Anthony O'Leary and the members of the Board of Trustees for their ongoing support and guidance.

Respectfully submitted,



Cathy Watson
Finance Director

Akron Metropolitan Housing Authority

LIST OF PRINCIPAL OFFICERS

December 31, 2017

Anthony O'Leary
Executive Director

Leslie Schmeltzer
Deputy Director for Administration

John Fickes
Board Chairman

Cathy Watson
Finance Director

Leonard Foster
Board Vice-Chairman

Laura Williams
Construction Director

Stephanie Norris
Board Member

Erin Wojno
Real Estate Development Manager

Thomas Harnden
Board Member

Darrin Toney
Director of Human Resources & General Counsel

Roberta Aber
Board Member

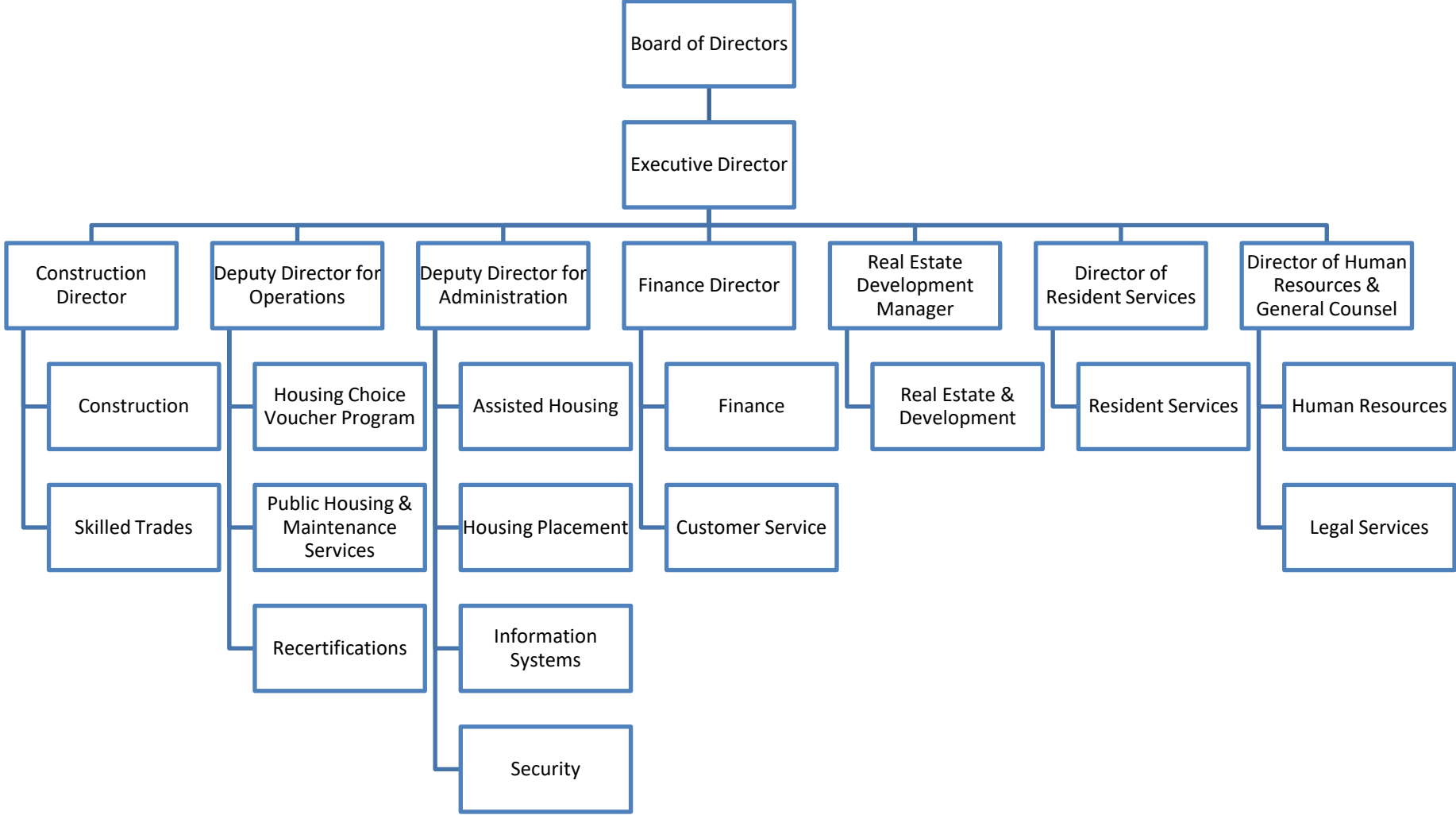
Christina Hodgkinson
Director of Resident Services

Deborah Barry
Deputy Director for Operations

Akron Metropolitan Housing Authority

ORGANIZATIONAL CHART

December 31, 2017





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Akron Metropolitan Housing Authority
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

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*Financial
Section*

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Akron Metropolitan Housing Authority
Summit County
100 West Cedar Street
Akron, OH 44307

Regional Inspector General of Audit
Department of Housing and Urban
Development

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Akron Metropolitan Housing Authority, Summit County, Ohio (the Authority), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Eastland Woods, LLC, Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC, and Marian Hall Building, LLC, all of the Authority's five discretely presented component units and the Wilbeth-Arlington Homes, Limited Partnership, one of the Authority's three blended component units. This blended component unit represents 3.29 percent of assets, (1.21) percent of net position, and 4.02 percent of revenues of the business-type activities of the primary government. The statements of the discretely presented component units and the blended component units were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amount included for Akron Metropolitan Housing Authority, is based solely on the report of other auditors. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The other auditors audited the financial statements of the aggregate discretely presented component units and the blended component unit in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate discretely presented component units of the Akron Metropolitan Housing Authority, Summit County, Ohio, as of December 31, 2017, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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 liabilities and pension contributions listed in the table of contents be presented to supplement the basic financial statements. Such information, 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, to 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.

Other 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 introductory section, combining statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Statements of ROSS Grant Costs-Completed and Modernization Costs-Completed and the Financial Data Schedules as listed in the table of contents are presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development and are also not a required part of the basic financial statements.

The combining statements, Statements of ROSS Grant Costs-Completed and Modernization Costs-Completed and the Financial Data Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 combining statements, Statements of ROSS Grant Costs-Completed and Modernization Costs-Completed and the Financial Data Schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2018, on our consideration of the Authority's internal control over financial reporting and on 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.



Charles E. Harris & Associates, Inc.
June 27, 2018

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

The Akron Metropolitan Housing Authority's (the Authority) Management Discussion and Analysis (MD&A) is designed to assist the reader on significant financial issues and activities and to identify changes in the Authority's financial position. This analysis is also designed to address the subsequent year's challenges and to identify individual fund issues.

The data presented in the following pages should be read in conjunction with the audited consolidated financial statements and related footnote disclosures.

Financial Highlights – Primary Government

- The Authority's net position decreased by \$8,200,866 or 4.0% during the year ended December 31, 2017. Net position was \$198,694,537 and \$206,895,403 at December 31, 2017 and 2016, respectively.
- Total operating and non-operating revenue activity decreased by \$1,998,063 or 2.5% during the year ended December 31, 2017. Total revenues were \$77,834,810 and \$79,832,873 for the years ended December 31, 2017 and 2016, respectively.
- Total operating and non-operating expenses of all Authority programs increased by \$642,785 or 0.8% during the year ended December 31, 2017. Total expenses were \$86,035,676 and \$85,392,891 for the years December 31, 2017 and 2016, respectively.

Financial Statements

The financial statements are designed to provide the reader with a corporate-like overview of a consolidation for the entire Authority. The component units of the Authority have been included in the financial statements but not in this MD&A. The statements include the following:

Statement of Net Position: This statement, which is similar to a balance sheet, reports all financial and capital resources for the Authority. The statement is presented in the format where assets plus deferred outflows of resources minus liabilities and deferred inflows of resources equals "Net Position". Both assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year) and "Non-Current". Over time, changes in net position may serve as a useful indication of whether the financial position of the Authority is improving or deteriorating.

Statement of Revenues, Expenses, and Changes in Net Position: This statement, similar to an income statement, includes Operating Revenues, such as grant revenue and rental income; Operating Expenses, such as administrative, utilities, maintenance, and depreciation; and Non-Operating Revenue and Expenses, such as investment income and interest expense.

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

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

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

Restricted: This component of net position consists of restricted assets in which constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted: This component of net position consists of net position that do not meet the definition of “Net Investment in Capital Assets” or “Restricted”.

The focus of the *Statement of Revenues, Expenses, and Changes in Net Position* is the “Change in Net Position”, which is similar to net income and loss.

Statement of Cash Flows: This statement discloses net cash provided by or used for operating activities, investing activities, capital and related financing activities and from non-capital financing activities.

Programs

Low-Income Public Housing

The Low-Income Public Housing (LIPH) Program consists of approximately 4,300 units leased to qualified low-income households, the elderly and persons with disabilities. The Authority operates under an Annual Contributions Contract (ACC) with HUD. Rent is based upon 30 percent of household income and HUD provides an annual operating subsidy.

Capital Fund Program (CFP)

The Capital Fund Program is the source for funding the physical and management improvements of the low-income public housing units.

Shelter Plus Care

The Authority receives HUD funding for the purpose of housing low-income individuals recovering from drug addiction, those who have contracted the AIDS virus, and individuals who have been homeless for an excessive amount of time. The Shelter Plus Care Program consists of 122 vouchers.

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For the Year Ended December 31, 2017
(Unaudited)

Central Office Cost Center

In fiscal year 2007, the Authority implemented and successfully converted to HUD's Asset Management and Project-Based Accounting model. With the conversion, a new Central Office Cost Center (COCC) was established. With the new accounting format, all central office costs are tracked as a separate entity, and revenue is generated through fees for services (e.g., skilled trades) and management, bookkeeping, and asset management fees charged to the individual projects in the Low-Income Housing Program, as well as fees charged to the Housing Choice Voucher Program and other programs.

Housing Choice Voucher Program

Under the Housing Choice Voucher (HCV) Program, the Authority administers contracts with independent landlords who own rental property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. This program is administered under a Consolidated Annual Contributions Contract (CACC) with HUD. HUD provides funding to enable the Authority to structure the tenant leases that sets the rent at 30 percent of household income. The Authority operates with a baseline of 4,915 vouchers.

Family Self-Sufficiency (FSS) Program

This program enables families living in low-income public housing and rental properties under HCV to increase their earned income and reduce their dependency on public assistance and rental subsidies. Under the FSS program, families are provided opportunities for education, job training, counseling and other forms of social service assistance so they can obtain skills necessary to achieve self-sufficiency. HUD funding is provided for the salary of FSS coordinators. This program has a requirement of an escrow account for its participants and provides one-year funding.

Moderate Rehabilitation Program

Under this program, project-based rental assistance is provided to low-income families. The program was repealed in 1991 and no new projects are authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a HAP contract between an owner and a public housing agency. The Authority's existing program consists of 6 units.

Veterans Affair Supportive Housing (VASH)

The HUD VASH program combines HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs. The Authority's program consists of 66 vouchers.

Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinators Program

Under this program, the Authority receives grant funds from HUD for the purpose of providing a service coordinator to coordinate supportive services and other activities designed to help public housing residents attain economic and housing self-sufficiency. This program provides three-year funding and includes administrative expenses and training as eligible uses of funds.

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(Unaudited)

Section 8 New and Substantial Rehab Program

Under this program, the Authority is the Contract Administrator for four (4) privately owned low-income housing apartment properties that receive HUD funding under the Section 8 Project-Based Rental Assistance Program. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the owner/landlord. All four contracts with HUD were terminated June 30, 2017.

Local Housing Authority (LHA)/Other Business Activities

Under this program, the Authority has approximately 200 units that are owned by the Local Housing Authority (LHA) and are under the HUD Section 8 Project-Based Rental Assistance Program. Housing Assistance Payments (HAP) are received from HUD to offset the difference between the contract rents and the tenants' rental payments.

Component Units

The Authority has five discretely presented component units as a result of tax credit financing activities. One multifamily project funded under the HUD Section 8 Project-Based Rental Assistance Program includes the rental of 100 units at Eastland Woods. A mixed finance project at Edgewood Village composed of four phases and entities contains 128 public housing units and 98 tax credit units. In 2015, the Authority determined a previous discretely-presented component unit—Wilbeth-Arlington Homes Limited Partnership—would be more properly classified as a blended component unit after the tax credit period expired and since the Authority became 100% owner. In addition, Building for Tomorrow--a non-profit entity that is considered a blended component unit--has a primary focus on early childhood education services for the Authority's residents. The most recent incorporated Authority affiliated non-profit—Summit Akron Development Corporation (SADC)—was created to assist with the development of a 12-unit public housing complex for homeless, disabled youth. SADC is also considered a blended component unit.

Statement of Net Position

The following table represents the condensed statement of net position compared to the prior year for all the Authority's programs combined.

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

Table 1 - Statement of Net Position - Primary Government

	12/31/2017	12/31/2016	Change
<u>Assets</u>			
Current Assets	\$ 49,249,896	\$ 49,459,655	\$ (209,759)
Other Non-Current Assets	42,027,404	43,080,826	(1,053,422)
Capital Assets, Net of Accumulated Depr.	147,327,620	156,869,930	(9,542,310)
<i>Deferred Outflows of Resources</i>	8,920,454	7,007,769	1,912,685
<i>Total Assets and Deferred Outflows of Resources</i>	<u>\$ 247,525,374</u>	<u>\$ 256,418,180</u>	<u>\$ (8,892,806)</u>
<u>Liabilities and Net Position</u>			
<u>Liabilities</u>			
Current Liabilities	\$ 8,201,010	\$ 6,554,133	\$ 1,646,877
Non-Current Liabilities	39,827,780	39,537,572	290,208
<i>Deferred Inflows of Resources</i>	802,047	3,431,072	(2,629,025)
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>\$ 48,830,837</u>	<u>\$ 49,522,777</u>	<u>\$ (691,940)</u>
<u>Net Position</u>			
Net Investment in Capital Assets	115,605,270	123,154,377	(7,549,107)
Restricted	13,242,089	13,047,254	194,835
Unrestricted	69,847,178	70,693,772	(846,594)
<i>Total Net Position</i>	<u>198,694,537</u>	<u>206,895,403</u>	<u>(8,200,866)</u>
<i>Total Liabilities and Net Position</i>	<u>\$ 247,525,374</u>	<u>\$ 256,418,180</u>	<u>\$ (8,892,806)</u>

Total Assets and Deferred Outflows of Resources decreased approximately \$8.9 million from the prior period. Current assets decreased by \$200 thousand, primarily from lower cash balances for the public housing program. Capital assets decreased nearly \$9.5 million as a result of a decrease in construction-in-progress. Other non-current assets decreased about \$1.1 million from the prior period, the majority of which is attributable to accrued interest on the component unit receivables. Also, deferred outflows of resources increased by \$1.9 million due to an increase in the net pension liability. This amount was computed by taking the Authority's share of the net difference between projected and actual earnings on pension plan investments and adding the Authority's contributions subsequent to OPERS' measurement date.

Total net position decreased \$8.2 million due to the decrease in net investments in capital assets caused by the depreciation expense.

Akron Metropolitan Housing Authority
Summit County
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Non-current liabilities increased approximately \$300 thousand due to an increase in the net pension liability. Deferred inflows of resources decreased \$2.6 million due mostly to the recognition of unearned revenue for the housing choice voucher program.

Statement of Revenues, Expenses and Changes in Net Position

The following table compares the revenues and expenses for the current year and previous year for all the Authority's programs:

Table 2 - Statement of Revenues and Expenses - Primary Government

	12/31/2017	12/31/2016	Change
<i>Operating and Non-Operating Revenues</i>			
Tenant Revenue	\$ 14,647,403	\$ 14,269,067	\$ 378,336
Operating and Capital Grants	58,075,848	60,451,119	(2,375,271)
Investment Income	1,382,248	1,372,016	10,232
Other Revenues	3,729,311	3,740,671	(11,360)
<i>Total Operating and Non-Operating Revenues</i>	77,834,810	79,832,873	(1,998,063)
<i>Operating Expenses</i>			
Administrative	15,914,427	15,343,439	570,988
Tenant Services	2,589,183	2,579,753	9,430
Utilities	5,359,576	5,496,676	(137,100)
Maintenance/Security	14,889,990	14,319,823	570,167
Housing Assistance Payments	29,931,106	29,522,423	408,683
Depreciation/Amortization Expense	12,221,902	12,510,404	(288,502)
Other General Expenses	3,845,634	4,203,013	(357,379)
<i>Total Operating Expenses</i>	84,751,818	83,975,531	776,287
<i>Non-Operating Expenses</i>			
Interest Expense	1,045,794	1,126,064	(80,270)
Casualty Loss (Gain)	238,064	291,296	(53,232)
<i>Total Other Expenses</i>	1,283,858	1,417,360	(133,502)
<i>Total Expenses</i>	86,035,676	85,392,891	642,785
Change in Net Position	(8,200,866)	(5,560,018)	(2,640,848)
Net Position, Beginning of Period	206,895,403	212,455,421	(5,560,018)
Net Position, End of Period	\$ 198,694,537	\$ 206,895,403	\$ (8,200,866)

Akron Metropolitan Housing Authority
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(Unaudited)

Total operating and non-operating revenues decreased by 2.5% and total operating and non-operating expenses increased by 0.8% due to the Authority's efforts to control expenditures to the extent feasible within another non-fully funded fiscal year.

In 2015, the Authority implemented the accounting standard for pension plans. As a result of implementing the new accounting standard, the Authority is reporting a significant net pension liability, related deferred inflows of resources and an increase in expenses related to pension for this fiscal year which have a negative effect on net position. In addition, the Authority is reporting deferred outflows of resources, which has a positive consequence on net position. The increase in pension expense is the difference between the contractually required contributions and the pension expense resulting from the change in the net pension liability that is not reported as deferred inflows or outflows. To further explain the impact of this new accounting standard on the Authority's net position, additional information is presented below.

	2017	2016
Deferred outflows of resources - pension	8,920,454	7,007,769
Deferred inflow of resources - pension	(802,047)	(871,252)
Net pension liability	(23,199,937)	(18,485,769)
Impact of GASB 68 on net position, end of year	\$ (15,081,530)	\$ (12,349,252)

Note 8 to the financial statements provides additional information regarding the net pension liability.

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

The following table reflects operating revenues and expenses by program, but excludes depreciation:

Table 3 - Revenue and Expenses by Program

	Revenue	Expenses
Low-Income Public Housing (LIPH)	\$ 31,343,595	\$ 31,341,589
Central Office Cost Center	7,871,669	7,843,754
Section 8 Housing Choice Voucher Program (excludes HAP)	2,891,871	3,318,174
Section 8 Moderate Rehab Program (excludes HAP)	9,696	9,696
Section 8 New Constr. and Substantial Rehab Program (excludes HAP)	130,098	3,244
LHA Business Activities	4,519,145	3,571,906
Resident Opportunity and Supportive Services (ROSS)	332,955	333,001
Twenty-First Century Community Learning Centers	534,057	534,057
Family Self-Sufficiency under ROSS	312,696	312,696
Shelter Plus Care (excludes HAP)	47,556	47,556
Resident Services/Early Childhood Initiatives (State/Local)	30,012	30,012
Building for Tomorrow	598,487	522,315
Wilbeth-Arlington Homes Limited Partnership	3,128,691	2,953,063
Summit Akron Development Corporation (Spicer Terrace)	75,333	73,285
Totals	<u>\$ 51,825,861</u>	<u>\$ 50,894,348</u>

Capital Assets

During the year ended December 31, 2017, the change in capital assets amounted to a net increase of \$2,208,690, due to an increase in assets capitalized for building improvements and modernization. The following table represents the changes in the asset accounts by category as follows:

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

	12/31/2017	12/31/2016	Change
Land	\$ 26,609,119	\$ 26,762,158	\$ (153,039)
Buildings	356,817,825	353,471,078	3,346,747
Equipment	5,052,984	5,335,832	(282,848)
Construction-in-Progress	20,737,269	21,439,438	(702,169)
Total Capital Assets	409,217,197	407,008,506	2,208,691
Accumulated Depreciation	(261,889,577)	(250,138,576)	(11,751,001)
Total Capital Assets (Net)	<u>\$ 147,327,620</u>	<u>\$ 156,869,930</u>	<u>\$ (9,542,310)</u>

See Note 4 to the financial statements for additional information regarding capital assets.

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

Debt

Excluding the internal blended component unit debt and the net pension liability, during the year ended December 31, 2017, approximately \$2.3 million of principal was repaid on all general obligations and capital leases and a net amount of approximately \$125,196 of compensated absences was increased. New general obligation debt added in 2017 is an Ohio Housing Finance Agency loan for the Spicer Terrace project which had an outstanding principal balance at December 31, 2017 of \$1,146,900. The following table compares outstanding debt for the current and previous fiscal periods.

Table 5 - Outstanding Debt at Year End

	12/31/2017	12/31/2016
Outstanding Debt	\$ 19,550,875	\$ 21,816,795
Less: Current Portion	(4,718,238)	(2,350,834)
Long-Term Debt	\$ 14,832,637	\$ 19,465,961

See Note 5 to the financial statements for additional information regarding long-term debt obligations.

Unrestricted Net Position

The following table shows the changes in unrestricted net position for the year ended December 31, 2017:

Table 6 - Change in Unrestricted Net Position

Unrestricted Net Position at December 31, 2016		\$ 70,693,772
Change in Net Position	(8,200,866)	
Adjustments:		
Depreciation (a)	12,221,902	
Adjusted Results from Operations		4,021,036
Debt Expenditures		(2,350,835)
Capital Grants and Contributions		(3,306,382)
Adjustment to Operations		789,587
Unrestricted Net Position at December 31, 2017		\$ 69,847,178

(a) Depreciation is treated as an expense and reduces the results of the operations, but does not have an impact on unrestricted net position.

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2017
(Unaudited)

Economic Factors and Budgets

The preparation of the fiscal year 2017 budget was difficult due to uncertainty with several significant economic and regulatory factors. The continued loss of Federal funding has contributed to a decline in AMHA's net position in 2017, and while the current forecast for 2018 should see slight improvement, 2019 and beyond is questionable.

Proration of funding for the Low-Income Public Housing Program by the U.S. Department of Housing and Urban Development over the past decade has ranged from a low of 81.86 percent to a high of 103 percent. A downward spiral began after 2011 when proration peaked at 103 percent. During 2013-2015, proration percentages stayed in the 80's, and although the rate increased to 93.1% for calendar year 2017, funding was still not sufficient to cover the needs for sustaining the program. Actual dollars received in 2017 were less than those received in 2016 when proration was only 90.21% due to a decline in our eligibility based on HUD assumptions for various factors used in their formula. The proration rate is currently at 93.28% in 2018, and we anticipate an increase in operating subsidy since our eligibility increased by \$600,000 provided the rate is maintained at its current level.

The Authority continues to receive HUD funding for the capital needs of public housing but at declining amounts over the past six years. Our Capital Fund Program was authorized \$9,045,567 for improvements under the Federal government's 2008 budget, and in 2017 only \$7,068,961, was authorized. However, the good news is we are awarded a substantial increase in 2018 (budget total of \$10,800,045), but the bad news is there has been discussion in Washington to reduce the amount to zero next year. While we don't believe Congress will approve the elimination of the capital budget entirely, there is still concern that it may be approved at a significant reduced level.

The administrative fees for running the Section 8 Housing Choice Voucher Program have not been adequate for many years and sank to an all-time low in 2013 when the proration rate dropped to 69 percent. In 2016, proration was around 84% and then declined in 2017 to 77.988%. Administrative fees are currently at 76% in 2018.

With insufficient funding and funding uncertainty in all HUD programs, it has become vital to analyze the annual budget and determine where cuts are necessary. However, with any reduction, the Authority remains committed to its residents and maintaining high housing standards. As in all organizations, there is a limit in absorbing cuts in funding and being able to sustain high levels of service. Funding predictability and timely action on federal appropriations are also important.

This financial report is designed to provide a general overview of the finances of the Akron Metropolitan Housing Authority for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Anthony O'Leary, Executive Director, Akron Metropolitan Housing Authority, 100 West Cedar Street, Akron, Ohio 44307.

Akron Metropolitan Housing Authority
Statement of Net Position
Proprietary Fund Type
December 31, 2017

	Primary Government	Component Units
<u>Assets</u>		
Current Assets		
Cash and Cash Equivalents	\$ 13,369,329	\$ 973,584
Investments - Unrestricted	9,938,337	-
Restricted Cash and Cash Equivalents	7,680,870	4,141,072
Investments - Restricted	8,688,254	-
Accrued Interest Receivable	6,464,134	-
Other Receivables, Net	1,578,459	53,010
Inventories, Net	476,448	-
Prepaid Expenses and Other Assets	1,054,065	174,185
Total Current Assets	49,249,896	5,341,851
Noncurrent Assets		
Capital Assets, Not Being Depreciated	47,346,388	1,009,800
Capital Assets, Net of Depreciation	99,981,232	44,722,631
Notes Receivable from Component Units and Other	41,198,561	-
Other Noncurrent Assets	828,843	649,907
Total Noncurrent Assets	189,355,024	46,382,338
Deferred Outflows of Resources	8,920,454	-
Total Assets and Deferred Outflows of Resources	247,525,374	51,724,189
<u>Liabilities</u>		
Current Liabilities		
Accounts Payable	857,872	572,762
Accrued Liabilities	1,016,777	2,370,541
Tenant Security Deposits	371,862	127,956
Unearned Revenue	119,057	848,554
Bonds, Notes, and Loans Payable	4,718,362	298,007
Other Current Liabilities	1,117,080	-
Total Current Liabilities	8,201,010	4,217,820
Non-Current Liabilities		
Bonds, Notes, and Loans Payable	14,832,637	3,550,723
Accrued Compensated Absences, Non-Current	1,536,154	-
Notes Payable to Primary Government	-	31,031,610
Non-Current Liabilities - Other	259,052	-
Net Pension Liability	23,199,937	-
Total Non-Current Liabilities	39,827,780	34,582,333
Deferred Inflows of Resources		
Pension	802,047	-
Total Deferred Inflows of Resources	802,047	-
Total Liabilities and Deferred Inflows of Resources	48,830,837	38,800,153
<u>Net Position</u>		
Net Investment in Capital Assets	115,605,270	10,852,091
Restricted	13,242,089	4,006,001
Unrestricted	69,847,178	(1,934,056)
Total Net Position	\$ 198,694,537	\$ 12,924,036

See accompanying notes to the financial statements

Akron Metropolitan Housing Authority
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund Type
For the Year Ended December 31, 2017

	Primary Government	Component Units
<u>Operating Revenue:</u>		
Tenant Revenue	\$ 14,647,403	\$ 2,837,169
Government Operating Grants	54,769,466	-
Other Revenue	2,967,498	126,054
Total Operating Revenue	<u>72,384,367</u>	<u>2,963,223</u>
<u>Operating Expenses:</u>		
Administrative	15,914,427	765,141
Tenant Services	2,589,183	-
Utilities	5,359,576	425,738
Maintenance	13,220,975	767,517
Protective Services	1,669,015	-
General	2,516,995	219,668
Housing Assistance Payment	29,931,106	-
Insurance	1,328,639	168,747
Depreciation and Amortization	12,221,902	2,768,941
Total Operating Expenses	<u>84,751,818</u>	<u>5,115,752</u>
Operating Income (Loss)	(12,367,451)	(2,152,529)
<u>Non-Operating Revenues(Expenses):</u>		
Interest and Investment Revenue	1,382,248	8,455
Casualty Gain/(Loss)	(238,064)	-
Interest Expense and Amortization Cost	(1,045,794)	(402,637)
Gain (Loss) on Sale of Capital Assets	761,813	-
Total Non-Operating Revenues (Expenses)	<u>860,203</u>	<u>(394,182)</u>
Income(Loss) Before Capital Contributions	(11,507,248)	(2,546,711)
<u>Capital Revenue</u>		
Capital Contributions	3,306,382	273,018
Total Capital Revenue	<u>3,306,382</u>	<u>273,018</u>
Change in Net Position	(8,200,866)	(2,273,693)
Net Position, Beginning of Period	<u>206,895,403</u>	<u>15,197,729</u>
Total Net Position, End of Period	<u>\$ 198,694,537</u>	<u>\$ 12,924,036</u>

See accompanying notes to the financial statements

*Akron Metropolitan Housing Authority
Statement of Cash Flows
Proprietary Fund Type
For the Year Ended December 31, 2017*

	Primary Government	Component Units
<u>Cash Flows from Operating Activities</u>		
Cash Received from HUD	\$ 54,233,224	-
Cash Received from Tenants and Other	14,614,704	\$ 2,801,109
Cash Received from Other Revenue	3,017,354	64,779
Cash Payments for Housing Assistance Payment	(29,931,106)	-
Cash Payments for Administrative	(15,914,427)	(544,434)
Cash Payments for Ordinary Maintenance	(13,395,852)	(763,621)
Cash Payments for Other Operating Expenses	(15,550,442)	(1,157,234)
Net Cash Provided (Used) by Operating Activities	(2,926,545)	400,599
<u>Cash Flows from Capital and Related Financing Activities</u>		
Debt Principal and Interest	(2,903,601)	(1,250,097)
Acquisition and Construction of Capital Assets	(3,580,751)	(7,871)
Payment of Development Fee	-	(20,000)
Notes to/(From) Primary Government	1,292,009	-
Proceeds from Capital Grants and Contributions	3,306,382	-
Collection of Member Receivables	-	273,018
Net Cash Provided (Used) by Capital and Other Related Financing Activities	(1,885,961)	(1,004,950)
<u>Cash Flows from Noncapital Financing Activities</u>		
Casualty loss - Noncapitalized	(238,064)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(238,064)	-
<u>Cash Flows from Investing Activities</u>		
Notes Receivable	1,039,321	-
Purchase of Investments	2,957,555	-
Redemption of Investments	(2,971,855)	-
Reclassification of Investment Cash and Cash Equivalents	4,815,065	-
Investment Income	1,382,248	8,455
Net Cash Provided (Used) by Investing Activities	7,222,334	8,455
Change in Cash	2,171,764	(595,896)
Cash and Cash Equivalents, Beginning of Year	18,878,435	5,710,552
Cash and Cash Equivalents, End of Year	\$ 21,050,199	\$ 5,114,656
Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities:		
Operating Income/(Loss)	\$ (12,367,451)	\$ (2,152,529)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	12,221,902	2,768,941
(Gain) Loss on Disposal of Assets	-	161
(Increase)/Decrease in Deferred Outflows of Resources	(1,912,685)	-
Increase/(Decrease) in Deferred Inflows of Resources	(2,629,025)	-
Increase/Decrease in Operating Assets and Liabilities:		
Accounts Receivable - Tenant and Other	(574,075)	(18,047)
Accrued Interest Receivable	(671,820)	-
Inventory	(174,877)	3,862
Prepays and Other Assets	(1,021,395)	(174,185)
Accounts Payable	(195,895)	17,485
Accrued Payroll and Compensated Absences	134,169	-
Unearned Revenue	54,990	(42,512)
Other Liabilities	(579,746)	(2,577)
Other Non-Current Liabilities	75,195	-
Net Pension Liability	4,714,168	-
Total Adjustments	9,440,906	2,553,128
Net Cash Provided (Used) by Operating Activities	\$ (2,926,545)	\$ 400,599

See accompanying notes to the financial statements

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 – Description of the Entity

The Akron Metropolitan Housing Authority (the Authority) is a political subdivision organized under the laws of the State of Ohio. The Authority is responsible for operating certain low-income housing programs in Summit County under programs administered by the U.S. Department of Housing and Urban Development (HUD). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

Reporting Entity

The reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus and Amendment of GASB Statements No. 14 and No. 34* and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The reporting entity is composed of the primary government and component units. The primary government consists of all organizations, activities, and functions that are not legally separate from the Authority. For the Authority, this includes general operations.

Component units are legally separate organizations for which the Authority is financially accountable. The Authority is financially accountable for an organization if the Authority appoints a voting majority of the organization's Governing Board and a) the Authority is able to significantly influence the programs or services performed or provided by the organization; or b) the Authority is legally entitled to or can otherwise access the organization's resources; or c) the Authority is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or d) the Authority is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Authority in that the Authority approves the budget or the issuance of debt. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the Authority has three blended component units and five discretely presented component units, which are discussed below.

Blended Component Units

Building for Tomorrow (BFT) was established in 2010 as a non-profit, 501(c)(3) tax exempt organization. BFT receives fundraising support from programs grants, contributions from various charitable organizations, individual contributions and in-kind support from the Authority. The funds are used to reimburse the Authority for the program costs for educational programming, social services, education services, and financial assistance to low income residents in the Authority's housing developments and/or participants in certain federal, state or local voucher programs. BFT has no employees; all programs and functions are provided by employees of the Authority. BFT is considered a blended component unit since it has substantially the same governing body as the Authority and which approves the respective annual budgets. The Authority is able to impose its will on BFT because the Authority can significantly influence the programs, projects and activities.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 – Description of the Entity (continued)

Summit Akron Development Corporation (SADC) was incorporated in 2014 as an instrumentality of the Authority to assist with development of a housing project that focuses on homeless, disabled youth. SADC is considered a blended component unit since its governing body is the same as the governing body of the Authority, and the financing provided for the project benefits the Authority through housing additional clients with specific needs.

Wilbeth-Arlington Homes, Limited Partnership was formed in 1996 for the purchase, rehabilitation and operation of a 328-unit mutli-family complex. Prior to 2015, the Partnership was composed of 99% limited partners (the Ohio Equity Fund for Housing L.P VI at 83.73% and Ohio Equity Fund for Housing L.P. VII at 15.27%) and 1% general partner (Arlington Housing Partners, Inc., of which the Authority held 79% ownership and indirect control). Tenants are assisted with their rent through a HUD Section 8 Housing Assistance Payment (HAP) Contract. During 2015, the Authority became 100% owner of Arlington Housing Partners, Inc. and the sole member of Wilbeth-Arlington Homes, Limited Partnership. Subsequently, the Authority determined that this Partnership no longer qualified as a discrete component unit since the Authority has 100% direct control and reclassified the Partnership as a blended component unit.

These entities are included in the primary government column of the financial statements. The financial statements for the blended component units are for the year ending December 31, 2017.

Discretely Presented Component Units

Per GASB Statement No. 61, *The Financial Reporting Entity: Omnibus and Amendment of GASB Statements No. 14 and No. 34* and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14*, the five Limited Liability Companies (LLC) described below are considered discretely presented component units of the Authority since none of these component units meet the blending criteria.

The following five component units were formed to participate in the Low-Income Housing Tax Credit (LIHTC) Program under Section 42 of the Internal Revenue Code:

Eastland Woods, LLC was formed in 2004 to acquire, rehabilitate and operate 100 affordable rental homes. The Authority indirectly controls the sole general partner (Eastland TECB FP Corporation) through 79% ownership. Two members of the Authority’s Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Eastland Woods, LLC has obtained loans through the Authority and the Authority is the property manager for the rental units. Tenants are assisted with their rent through a HUD Section 8 HAP Contract.

Akron Edgewood Homes, LLC was formed in 2007 to acquire, construct and lease 80 units of affordable housing in 35 buildings. The Authority controls the general partner (Akron Edgewood Management Corporation). Two members of the Authority’s Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Akron Edgewood Homes, LLC leased the land from the Authority on which the property is situated and has obtained loans through the Authority. In addition, the Authority is the property manager for the rental units. Of the 80 units, 49 units are considered low-rent and receive an operating subsidy that is passed through the Authority under its Annual Contributions Contract with HUD.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 – Description of the Entity (continued)

Edgewood Village, LLC was formed in 2008 to acquire, construct and lease 48 units of affordable rental housing in 29 buildings. The Authority controls the general partner (Edgewood Village Management Corporation). Two members of the Authority's Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Edgewood Village, LLC leased the land from the Authority on which the property is situated and has obtained loans through the Authority. In addition, the Authority is the property manager for the rental units. Of the 48 units, 23 units are considered low-rent and receive an operating subsidy that is passed through the Authority under its Annual Contributions Contract with HUD.

Edgewood Village South, LLC was formed in 2010 to acquire, construct and lease 50 units of affordable rental housing in 19 buildings. The Authority controls the general partner (Edgewood Village South Management Corporation). Two members of the Authority's Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Edgewood Village South, LLC leased the land from the Authority on which the property is situated and has obtained loans through the Authority. In addition, the Authority is the property manager for the rental units. Of the 50 units, 20 units are low-rent and receive an operating subsidy that is passed through the Authority under its Annual Contributions Contract with HUD.

Marian Hall Building, LLC was formed in 2011 to acquire, construct and lease an affordable 48 unit, mid-rise apartment building. The Authority controls the general partner (Edgewood Village V Management Corporation). Two members of the Authority's Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Marian Hall Building, LLC leased the land from the Authority on which the property is situated and has obtained loans through the Authority. In addition, the Authority is the property manager for the rental units. Of the 48 units, 36 units are low-rent and receive an operating subsidy that is passed through the Authority under its Annual Contributions Contract with HUD. In addition, the 12 remaining units are under a Project-Based Voucher HAP Contract with HUD.

These five entities are reported in the component unit column of the financial statements. The financial statements for the discretely presented component units are for the year ending December 31, 2017.

Programs

The following programs are operated under the Annual Contributions Contract, C959:

Low-Income Public Housing Program – Under this program, the Authority owns and manages approximately 4,300 public housing units for eligible low-income families, the elderly and persons with disabilities. The Authority operates the program with rents received from tenants and subsidies received from HUD.

Public Housing Capital Fund Program – Under this program, the Authority receives assistance for modernization and development of public housing. A portion of these funds is also used for management improvement activities and assisting with operations of the sites and administration of the capital fund program.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 – Description of the Entity (continued)

Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinators Program – Under this program, the Authority receives grant funds from HUD for the purpose of providing a service coordinator to coordinate supportive services and other activities designed to help public housing residents attain economic and housing self-sufficiency. This program provides three-year funding and includes administrative expenses and training as eligible uses of funds.

The following programs are operated under the Annual Contributions Contract, C10003:

Housing Choice Voucher (HCV) Program – Under this HUD Section 8 Program, the Authority contracts with private landlords and subsidizes the rental of 4,915 authorized units. HCV payments are made to the landlord on behalf of the tenant for the difference between the contract rent amount and the amount the tenant is obligated to pay under the program.

Veterans Affairs Supportive Housing (VASH) Program – The HUD VASH program combines HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs. The Authority's existing program consists of 66 vouchers.

Moderate Rehabilitation Program – Under this program, project-based rental assistance is provided to low-income families. The program was repealed in 1991 and no new projects are authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a HAP contract between an owner and a public housing agency. The Authority's existing program consists of 6 units.

Shelter Plus Care Program – This program is funded in five-year increments through a Community Development Block Grant. The Authority receives funds for the purpose of providing housing for those individuals who have contracted the AIDS virus, are recovering drug addicts, or have been homeless for an excessive amount of time. The Authority's existing program consists of 122 units.

The Authority also operates the following program separate from the above Annual Contribution Contracts:

Housing Assistance Payment (HAP) Program – Under this HUD Section 8 Program, the Authority receives rental subsidies for approximately 200 dwelling units. Project-based rental assistance payments are received by the Authority from HUD for the difference between the contract rent amount and the amount the tenant is able to pay.

Family Self-Sufficiency (FSS) Program – This program enables families living in low-income public housing and housing choice voucher programs to increase their earned income and reduce their dependency on public assistance and rental subsidies. Under the FSS program, families are provided opportunities for education, job training, counseling and other forms of social service assistance so they can obtain skills necessary to achieve self-sufficiency. HUD funding is provided for salaries of FSS coordinators. This program has a requirement of an escrow account for its participants and provides one-year funding.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Pursuant to GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance*, the Authority follows GASB guidance as applicable to proprietary funds.

The Authority's financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. The Authority uses a single proprietary fund to maintain its financial records on an accrual basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Proprietary fund reporting focuses on the determination of the changes in net position, financial position and cash flows. A proprietary fund may be used to account for any activity for which a fee is charged to external users for goods and services.

Measurement Focus and Basis of Accounting

The proprietary fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. 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 changes in net position presents increases (revenues) and decreases (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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Authority's proprietary fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the proprietary fund include the costs of facility maintenance, housing assistance payments, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Investments

Cash and cash equivalents include investments with original maturities of three months or less at the time of purchase. Cash equivalents are carried at fair value. Investments with an initial maturity of more than three months are reported as investments. An analysis of the Authority's investment account at year end is provided in Note 3.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 – Summary of Significant Accounting Policies (continued)

Capital Assets

All capital assets (including land, structures and equipment) are capitalized at cost and updated for additions and retirements during the fiscal period. Donated capital assets are recorded at their acquisition values as of the date received. The Authority maintains a capitalization threshold of \$5,000. The Authority does not possess any infrastructure. Improvements are capitalized, but the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated using the straight-line method. Improvements are depreciated over the remaining useful lives of the related capital assets. Buildings are depreciated over 40 years and equipment is depreciated over 3 to 5 years.

Compensated Absences

The Authority reports compensated absences in accordance with the provision of GASB Statement No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Authority will compensate the employees for the benefits through paid time off or some other means. The Authority records a liability for accumulated unused vacation time when earned for all employees.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the Authority's past experience of making termination payments.

The entire compensated absence liability is reported as a fund liability. The current portion of compensated absence liability is included in current liabilities in the financial statements.

Recognition of Revenues and Expenses

The Authority accounts for transactions using the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred.

Contributions and subsidies received from HUD are generally recognized as revenues in the Annual Contributions Contract year, except for HAP payments received under the Project-Based Rental Assistance Program which are recognized as dwelling rental revenues when earned. Tenant rents are recognized as revenues in the month of occupancy.

Contributions under the Capital Fund Program (CFP) are recognized as revenues in the period in which expenses related to CFP projects were incurred. Rentals and grants received in advance of the period in which they are recognized are recorded as deferred inflows of resources.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 – Summary of Significant Accounting Policies (continued)

Indirect Costs

The Authority began operating with a central office cost center (COCC) in 2010 for reporting all of its indirect costs, eliminating the requirement of an indirect cost allocation plan.

The COCC is funded from fees charged to the various programs as authorized by HUD.

Inventory

Inventory is valued using an average costing method. The expenses are recorded upon consumption.

Budgetary Accounting

The Authority annually prepares its budget as prescribed by HUD. This budget is adopted by the Board of the Authority and the Board resolution approving the budget is submitted to HUD annually.

Use of Estimates

The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Interprogram Balances

Receivables and payables resulting from short-term interprogram loans are classified as “Interprogram Due From/To” in the respective program financial statements. These amounts are eliminated in the Authority’s statements of net position in the financial statements.

Net Pension Liability and Pension Expense

For purposes of measuring the net pension liability, 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 current accounting standard requires the Authority to report their proportionate share of the net pension liability using the earning approach to pension accounting instead of the funding approach as previously used. The funding approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s net pension liability. Under the new standards, the net pension liability equals the Authority proportionate share of the pension plan’s collective present value of estimated future pension benefits attributable to active and inactive employees’ past service minus plan assets available to pay these benefits.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 – Summary of Significant Accounting Policies (continued)

Pension obligations, whether funded or unfunded, are part of the employment exchange. The employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. The unfunded portion of this benefit of exchange is a liability of the Authority. However, the Authority is not responsible for key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Benefit provisions and both employer and employee contribution rates are determined by State statute. The employee and employer enter the employment exchange with the knowledge that the exchange is limited by law. The pension system is responsible for the administration of the plan.

There is no repayment schedule for the net pension liability. The Authority has no control over the changes in the pension benefits, contributions rate, and return on investments affecting the balance of the net pension liability. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not identify the responsible party for the unfunded portion. Due to the unique nature of how the pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net position component “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed by creditors, grantors or laws or regulations of other governments. The Authority applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Note 3 – Deposits and Investments

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

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

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

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

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 3 – Deposits and Investments (continued)

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

Investments in stripped principal or interest obligation, reverse repurchase agreement and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Authority and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Payment for investments may only be made upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of the confirmation of transfer from the custodian.

Unrestricted Cash and Cash Equivalents

Cash on Hand

At December 31, 2017, the Authority had \$1,900 in undeposited cash on hand, which is included on the Statement of Net Position as part of “Equity in Pooled Cash and Cash Equivalents”.

Deposits

At December 31, 2017, the carrying amount of the Authority’s deposits was \$23,284,909 (including \$2,236,612 of negotiable CDs) and the bank balance was \$24,454,372. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of December 31, 2017, none of the Authority’s bank balance was exposed to custodial credit risk.

Custodial credit risk is the risk that, in the event of bank failure, the Authority’s deposits may not be returned. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Authority to a successful claim by the FDIC.

The Authority has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by:

Eligible securities pledged to the Authority and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 3 – Deposits and Investments (continued)

Investments

The Authority has a formal investment policy; however, the Authority’s investments were limited to U.S. Treasury/Agency securities, money market accounts backed by U.S. Treasury/Agency securities, and private debt securities at December 31, 2017.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the Authority’s investment policy limits investment portfolio maturities to five years or less.

Credit Risk: U.S. Government money market mutual funds carry a rating of AAAM by Standard & Poor’s. The Authority’s investments in federal agency securities were rated AA+ and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. The Authority’s investment policy does not specifically address credit risk beyond requiring the Authority to invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty’s trust department or agent, but not in the Authority’s name. The Authority has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk: The Authority places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Authority at December 31, 2017:

	Fair Value	Percentage of Total
FHLB	\$ 7,120,129	43.44%
FHLMC	3,189,403	19.46%
FNMA	6,080,449	37.10%
	16,389,981	100.00%
Deposits and Cash on Hand	23,286,809	
Total Cash and Investments	\$ 39,676,790	

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 3 – Deposits and Investments (continued)

As of December 31, 2017, the Authority has the following investments and maturities:

	Fair Value	Investment Maturities (in Years)		
		Less Than One Year	1 -3 Years	4 - 5 Years
FHLB	\$ 7,120,129	\$ 990,005	\$ -	\$ 6,130,124
FHLMC	3,189,403	372,474	494,760	2,322,169
FNMA	6,080,449	746,415	3,184,485	2,149,549
	<u>\$ 16,389,981</u>	<u>\$ 2,108,894</u>	<u>\$ 3,679,245</u>	<u>\$ 10,601,842</u>

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the Authority’s recurring fair value measurements as of December 31, 2017. All of the Authority’s investments measured at fair value are valued using quoted market prices (Level 1 inputs).

Restricted Cash and Investments

The Authority has restricted cash and investment at December 31, 2017 as follows:

Proceeds from Norton Homes Sale	\$ 9,116,695
Unspent HAP Funding Provided for Housing Choice Voucher Program	189,535
Tenant Security Deposits	383,629
Other Purposes	6,679,265
	<u>\$ 16,369,124</u>

Akron Metropolitan Housing Authority
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For the Year Ended December 31, 2017

Note 4 – Capital Assets

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balance 1/1/2017	Additions	Deletions	Transfers	Balance 12/31/2017
<u>Capital Assets Not Being Depreciated</u>					
Land	\$ 26,762,158	\$ -	\$ (153,039)	\$ -	\$ 26,609,119
Construction in Progress	21,439,438	2,727,758	-	(3,429,927)	20,737,269
<i>Total Capital Assets Not Being Depreciated</i>	48,201,596	2,727,758	(153,039)	(3,429,927)	47,346,388
<u>Capital Assets Being Depreciated</u>					
Buildings and Building Improvements	353,471,078	-	(83,180)	3,429,927	356,817,825
Furniture, Equipment and Machinery	5,335,832	164,975	(447,823)	-	5,052,984
<i>Total Capital Assets Being Depreciated</i>	358,806,910	164,975	(531,003)	3,429,927	361,870,809
<u>Less: Accumulated Depreciation</u>					
Buildings and Building Improvements	(245,582,714)	(12,048,536)	20,965	-	(257,610,285)
Furniture, Equipment and Machinery	(4,555,862)	(162,356)	438,926	-	(4,279,292)
<i>Capital Assets Being Depreciated, Net</i>	108,668,334	(12,045,917)	(71,112)	3,429,927	99,981,232
Primary Government Capital Assets, Net	<u>\$ 156,869,930</u>	<u>\$ (9,318,159)</u>	<u>\$ (224,151)</u>	<u>\$ -</u>	<u>\$ 147,327,620</u>

Akron Metropolitan Housing Authority
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For the Year Ended December 31, 2017

Note 5 – Long-Term Obligations

Changes in the Authority’s long-term obligations during the year ended December 31, 2017 are as follows:

	Balance 1/1/2017	Additions	Deletions	Balance 12/31/2017	Due Within One Year
General Obligations					
Central Office Variable Rate Bonds	\$ 2,880,000	\$ -	\$ (355,000)	\$ 2,525,000	\$ 2,525,000
Energy Conservation Note 4.40%	318,891	-	(318,891)	-	-
Energy Conservation Note 3.79%	978,074	-	(479,785)	498,289	498,289
OHFA NSP Loan	1,877,922	-	-	1,877,922	-
Summit County NSP Loan	400,000	-	(25,000)	375,000	25,000
Capital Fund Financing Program	10,300,001	-	(715,000)	9,585,001	755,000
Premium on Bond	232,315	-	(21,120)	211,195	21,120
OHFA CFEH1 Spicer Loan	1,061,985	84,915	-	1,146,900	38,230
Total General Obligations	18,049,188	84,915	(1,914,796)	16,219,307	3,862,639
Capital Lease					
Phase III Bank of America 3.45%	3,767,607	-	(436,039)	3,331,568	855,599
Blended Component Unit Obligations					
Wilbeth-Arlington Note 3.00%	9,736,332	-	(41,683)	9,694,649	-
Authority Funds Note 0.00%	2,162,426	64,207	(916,830)	1,309,803	-
Total Blended Component Unit	11,898,758	64,207	(958,513)	11,004,452	-
Net Pension Liability	18,485,769	4,714,168	-	23,199,937	-
Compensated Absences	1,694,711	498,411	(373,215)	1,819,907	283,753
Total Primary Government	\$ 53,896,033	\$ 5,361,701	\$ (3,682,563)	\$ 55,575,171	\$ 5,001,991

On April 1, 1998, the Authority issued \$7,000,000 of variable rate demand bonds. The proceeds were used for the construction and furnishing of the Authority’s central office building and are being repaid from non-federal funds. The rate varies weekly, and the last reported rate for the year ended December 31, 2017 was 1.227%.

On August 12, 2004, the Board authorized the Authority to proceed with Phase I of HUD’s Energy Incentive Program, financed by a \$4,809,191 tax-exempt municipal 12 year note at an interest rate of 4.44%. Principal and interest payments of \$43,141 were paid monthly to the financing bank, Fifth Third Bank. Phase I of this program encompassed water and electric energy conservation measures (ECM) throughout the Authority. The note was refinanced with PNC Bank at an interest rate of 4.40% on March 12, 2010, with reduced monthly payments of \$40,528. The loan was paid in full August 12, 2017.

On September 20, 2005, the Board authorized the Authority to proceed with Phase II of HUD’s Energy Incentive Program, which was financed by a \$4,897,502 tax-exempt municipal 12 year note at an interest rate of 3.79%. Principal and interest payments of \$42,381 are paid monthly to the financing bank, PNC. Phase II of this program provided for the design, installation and financing of energy conservation measures to reduce natural gas consumption throughout the low-income public housing properties.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 5 – Long-Term Obligations (continued)

On July 17, 2007, the Authority obtained Series 2007A Capital Fund Revenue Bonds payable to Ohio Housing Finance Agency at an interest rate ranging from 3.90% to 4.67%. The principal amount of the combined bond issue for four housing authorities was \$40,532,000, and \$15,605,000 of the principal amount is Akron Metropolitan Housing Authority's share. Payments are due semi-annually from October 2007 to April 2027. The bonds are repaid from the Capital Fund Program and were issued to make capital improvements to several of the sites. Premium on the bonds of \$422,393 was added to the debt in fiscal year 2009 and is being amortized over the life of the bonds.

The Authority assumed a Neighborhood Stabilization Program (NSP) First Priority Cash Flow Mortgage in an amount totaling \$1,877,922 from the Ohio Housing Finance Agency to fund the rehabilitation of the Washington Square Project to be repaid over a 20 year term. The annual cash flow payment is due and payable calculated on 25% of available cash flow. Any outstanding principal at the end of the 20 year term will be forgiven provided that the Authority adheres to the rent and occupancy requirements, reporting requirements and monitoring requirements in compliance with OHFA standards. In addition, the Authority signed a \$500,000 promissory note with Summit County also derived from NSP funds, that is secured by a 20 year mortgage to be repaid in equal annual payments of \$25,000. The County has agreed to forgive the payment annually as long as the Authority complies with the terms and conditions of the note.

In 2014, the Authority refinanced the three outstanding mortgages and the note payable outstanding totaling \$19,170,364 related to the Wilbeth-Arlington Homes Limited Partnership classified as a blended component unit by the Authority. The Authority forgave an amount equaling the carryover tax loss that would have been reported for tax purposes of \$9,255,027. The remaining balance was consolidated into a note payable to the Authority totaling \$9,915,337 bearing a 3.00% interest rate. This balance is to be repaid in annual installments based on the surplus cash balance at the end of each year. Due to the uncertainty of the surplus cash balance, no amortization schedule is available. The balance of this outstanding issue was eliminated on the financial statements as an intercompany transaction.

On April 28, 2015, the Authority issued an Authority Funds Note payable to the Authority at an interest rate of 0.00% for an amount not to exceed \$2,158,800. The principal balance outstanding at December 31, 2017 was \$1,309,803. Payment is due in full at maturity on April 28, 2055. This note was issued for capital improvements at the Spicer Terrace property. The balance of this outstanding issue was eliminated on the financial statements as an intercompany transaction.

On May 1, 2016, the Authority signed a loan agreement with the Ohio Housing Finance Agency for a maximum amount of \$1,146,900 of Capital Funding to End Homelessness Initiative (CFEHI) funds. The Authority in turn loaned the proceeds to the Summit Akron Development Corporation (SADC), its blended component unit and owner entity of the 12-unit housing project constructed in 2016 that focuses on homeless, disabled youth. The loan has a 0% interest rate, 30-year term, and is reduced by 3.33% each full year SADC maintains the property in accordance with HUD's Declaration of Restrictive Covenants. The loan is secured by a mortgage to AMHA, which is assigned to OHFA. This loan will be forgiven over a period of 30 years as long as the OHFA requirements are fully met.

Compensated absences liability will be paid from the programs where employee salaries are paid.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 5 – Long-Term Obligations (continued)

The following is a summary of the Authority’s future debt service requirements for long-term debt as of December 31, 2017:

Year	Principal	Interest	Total
2018	\$ 3,841,520	\$ 476,408	\$ 4,317,928
2019	853,230	421,750	1,274,980
2020	898,230	201,000	1,099,230
2021	943,230	360,250	1,303,480
2022	988,230	293,125	1,281,355
2023-2027	5,716,150	702,750	6,418,900
2028-2032	2,194,072	-	2,194,072
2033-2037	191,150	-	191,150
2038-2042	191,150	-	191,150
2043-2047	191,150	-	191,150
Total	<u>\$ 16,008,112</u>	<u>\$ 2,455,283</u>	<u>\$ 18,463,395</u>

Note 6 – Capital Leases

In 2011, the Authority entered into a capitalized lease agreement for the acquisition of various building improvements and equipment. The terms of each agreement provide options to purchase the items. The leases meet the criteria of capital leases as one which transfers all benefits and risks of ownership to the lessee. Capital assets acquired by lease have been capitalized as equipment in the amount of \$4,676,586 equal to the present value of the future minimum lease payments at the time of acquisition. Principal payments in the current fiscal year totaled \$436,039.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments at December 31, 2017:

Year	Principal	Interest	Total
2018	\$ 855,599	\$ 123,643	\$ 979,242
2019	1,195,961	81,229	1,277,190
2020	1,280,008	27,955	1,307,963
Total	<u>\$ 3,331,568</u>	<u>\$ 232,827</u>	<u>\$ 3,564,395</u>

Note 7 – Other Employee Benefits

Compensated Absences

Sick Leave is earned at a rate of 4.6 hours for each 80 hours worked and up to 960 hours of accumulated, unused sick leave is paid upon retirement.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 7 – Other Employee Benefits (continued)

Vacation leave is earned at a rate ranging from 8 hours to 16.66 hours per month based on years of service. Vacation time may be carried over from year to year up to two years for a cumulative maximum of 96 hours. Accumulated, unused vacation time is due and payable to employees upon separation from the Authority.

Note 8 – 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 as a result of employment exchanges that already have occurred.

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

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 adjustment to the net pension liability would be effective when the changes are legally enforceable.

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

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
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Note 8 – Defined Benefit Pension Plan (continued)

Ohio Public Employees Retirement System

The Authority’s employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost sharing, multiple employer defined benefit pension plan with defined contribution features. While members may elect the member-directed plan and the combined plan, the majority of employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

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

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Note 8 – Defined Benefit Pension Plan (continued)

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, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	<u>State and Local</u>
2017 Statutory maximum contribution rates	
Employer	14.00 %
Employee	10.00 %
 2017 Actual contribution rates	
Employer:	
Pension	13.00 %
Post-employment health care benefits	1.00
Total employer	14.00 %
 Employee	 10.00 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority’s contractually required contribution was \$1,754,206 for 2017. Of this amount, \$240,520 is reported as an accrued liability.

Akron Metropolitan Housing Authority
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Note 8 – Defined Benefit Pension Plan (continued)

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

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>
Proportion of the net pension liability - prior year	0.106723%
Proportion of the net pension liability - current year	0.102165%
Change in proportionate share	0.004558%
Proportionate share of the net pension liability	\$ 23,199,937
Pension expense	\$ 4,486,483

At December 31, 2017, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>
Deferred outflows of resources	
Differences between expected and actual experience	\$ 31,446
Changes of assumptions	3,679,794
Net difference between projected and actual earnings on pension plan investments	3,455,008
Authority contributions subsequent to the measurement date	1,754,206
Total deferred outflows of resources	\$ 8,920,454
Deferred inflows of resources	
Differences between expected and actual experience	\$ 138,074
Changes in proportion and differences between Authority contributions and proportionate share of contributions	663,973
Total Deferred Inflows of Resources	\$802,047

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Note 8 – Defined Benefit Pension Plan (continued)

A total of \$1,754,206 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 net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>
Year ending December 31:	
2018	\$ 2,476,194
2019	2,776,987
2020	1,212,294
2021	<u>(101,276)</u>
Total	<u>\$ 6,364,199</u>

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, 2016 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Wage inflation		3.25%
Future salary increases, including inflation	3.25% to 10.75%	including wage inflation
COLA or Ad Hoc COLA		3%, simple
Investment rate of return		7.50%
Actuarial cost method		Individual entry age

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Akron Metropolitan Housing Authority
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Note 8 – Defined Benefit Pension Plan (continued)

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

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	23.00 %	2.75 %
Domestic equities	20.70	6.34
Real estate	10.00	4.75
Private equity	10.00	8.97
International equities	18.30	7.95
Other investments	<u>18.00</u>	<u>4.92</u>
Total	<u>100.00 %</u>	<u>5.66 %</u>

Akron Metropolitan Housing Authority
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Note 8 – Defined Benefit Pension Plan (continued)

Discount Rate The discount rate used to measure the total pension liability was 7.5 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 benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Authority’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease <u>(6.50%)</u>	Current discount rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
Authority’s proportionate share of the net pension liability	\$ 35,443,082	\$ 23,199,937	\$ 12,997,431

Note 9 – Post-Employment Benefits

Ohio Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

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Notes to the Financial Statements
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Note 9 – Post-Employment Benefits (continued)

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority requiring employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2017, the Authority contributed at a rate of 14.0 percent. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017. As recommended by the OPERS' actuary, the portion of employer contribution allocated to health care beginning January 1, 2018 decreased to 0.0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2017 was 4.0%.

Actual employer contributions which were used to fund postemployment benefits for the years ended December 31, 2017, 2016 and 2015 were \$145,096, \$285,164 and \$287,994 respectively; 87.25% has been contributed for 2017 and 100% for 2016 and 2015. \$18,502 representing the unpaid contribution for fiscal year 2017 is recorded as an intergovernmental payable. The actual contribution and the actuarially required contribution amounts are the same.

Note 10 – Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended December 31, 2017, the Authority contracted with the Housing Authority Risk Retention Group, Inc. (HAARG).

The Authority is covered for property damage, general liability, automobile liability, law enforcement liability, public officials liability and other crime liabilities through membership in the Housing Authority Risk Retention Group, Inc. (HARRG) which is an insurance risk-sharing and purchasing pool comprised of housing authorities. Property and personal property coverage is provided with a \$150,000,000 coverage limit and \$10,000 deductible. General liability is provided with a \$5,000,000 coverage limit and \$25,000 deductible. Public official liability is provided with a \$4,000,000 coverage limit and \$0 deductible. Other Crime liability is provided with a \$1,000,000 coverage limit and \$10,000 deductible. Settled claims have not exceeded this coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Akron Metropolitan Housing Authority
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For the Year Ended December 31, 2017

Note 11 – Payments in Lieu of Taxes

The Authority has cooperation agreements with certain municipalities under which it makes payments in lieu of real estate taxes for various public services. The Authority's expense recognized for payments in lieu of taxes totaled \$532,530 for the year ended December 31, 2017.

Note 12 – Capital Contributions

Capital contributions of \$3,306,382 represent the portion of grants that are used for capital improvements under the Authority's public housing program.

Note 13 – Restricted Net Position

The Housing Choice Voucher Program and the Veteran's Affairs Supportive Housing Program require the equity portion attributable to the excess housing assistance payments be reflected as restricted net position. The corresponding funds are reflected in the cash and investment accounts. In addition, proceeds from the sale of the Norton Homes public housing project are also restricted in usage and are shown as restricted investments and net position.

Housing Assistance Payments - Section 8	\$ 70,635
Operating Reserve Fund	1,921,905
Replacement Reserve	769,157
Debt Service Reserve	1,363,697
Capital Outlay	9,116,695
<i>Total Restricted Net Position</i>	<u><u>\$ 13,242,089</u></u>

Note 14 – Contingencies

Grants

The Authority received financial assistance from HUD in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the Authority.

Litigation

The Authority is party to various legal proceedings. In the opinion of the Authority, the ultimate disposition of these proceedings will not have a materially adverse effect on the Authority's financial position. No provision has been made in the financial statements for the effect, if any, of such contingencies.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 15 – Commitments

As of December 31, 2017, the Authority had the following significant contractual commitments:

Republic Waste Services	\$ 468,200
Thyssenkrupp Elevator Maintenance	45,289
518 Greenwood Renovation	96,750
969 Winton Renovation	83,660
Total Commitments	\$ 693,899

Note 16 – Notes and Mortgages Receivable

The Authority loaned funds to the respective properties listed below for the purpose of development, rehabilitation and new construction of LIHTC and public housing units. The principal and interest obligations are payables based on the cash flow generated by the properties. The notes are secured by a mortgage lien on the subject property.

Outstanding notes and mortgages receivables as of December 31, 2017 are as follows:

Partnership Name	Original Loan Date	Maturity Date	Original Balance	Balance at 12/31/17	Interest Rate
Eastland Woods, LLC	October 29, 2004	November 1, 2045	\$ 6,057,226	\$ 5,496,492	1.5%-2%
Cascade Village North	September 30, 2005	December 31,2046-2050	5,091,702	5,001,989	0-5%
Cascade South	September 26, 2007	September 26,2047	2,993,864	2,933,864	5.09%
Akron Edgewood Homes, LLC	November 8, 2007	November 8, 2057	11,489,282	11,489,282	0%-2%
Cascade Village East/West	August 7, 2008	August 7, 2049	845,649	266,649	4.58%
Edgewood Village, LLC	December 10, 2009	December 10, 2049	3,667,709	3,609,512	0.50%
Marian Hall Building, LLC	March 9, 2012	March 9, 2057	7,136,332	7,136,332	0.10%
Edgewood Village South, LLC	June 1, 2011	June 1, 2056	3,012,075	3,007,568	0.10%
Green Retirement Partnership	August 1, 2003- February 18, 2014	January 1, 2020- August 1, 2033	1,862,530	1,681,873	5.5%-7.65%
Other Notes Receivable			-	575,000	-
Due from Blended Component Units:					
Wilbeth Arlington Homes, LP	December 31, 2014	December 31, 2044	9,915,337	9,694,649	3%
Spicer	April 28, 2015	April 30, 2046-2055	3,305,700	2,456,703	0%
Total Notes and Mortgages Receivable			\$ 55,377,406	\$ 53,349,913	

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 17 – Component Units

Eastland Woods, LLC, Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC and Marian Hall Building, LLC (the “component units”) have been determined to be discretely presented component units as described in Note 1. The Authority’s management has determined that they are significant; therefore they have been included as part of the Authority’s financial statements. The component units each issue a publicly available, stand-alone financial report that includes financial statements and supplementary information. The reports may be obtained by writing to the Finance Director of the Akron Metropolitan Housing Authority, 100 West Cedar Street, Akron, Ohio 44307.

A. Significant Accounting Policies

Accounting Basis – The financial statements of the component units have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) is the accepted standard-setting body for establishing financial accounting and reporting principles. The component units’ significant accounting policies are described below.

Basis of Presentation – Operating revenues are those that are generated directly from the primary activity of the component units. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the component units. All revenues and expenses not meeting this definition are reported as non-operating.

Cash and Cash Equivalents – Cash received by the component units is maintained in demand deposit accounts and is presented in the financial statements as “cash and cash equivalents”.

Capital Assets and Depreciation – Capital assets are capitalized at cost or estimated historical cost and updated for additions and deletions during the year. The component units do not have any infrastructure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized.

All capital assets are depreciated. Depreciation is computed using the straight-line method.

Net Position – Net position represents the difference between assets and liabilities. The net position component “investment in capital assets” consists of capital assets, net of accumulated depreciation and related debt. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

The component units apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 17 – Component Units (continued)

B. Deposits and Investments

At December 31, 2017, the carrying amount of all the component units' deposits was \$5,114,656. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the component units to a successful claim by the FDIC.

C. Receivables

Receivables at December 31, 2017 consist of tenant rent receivables totaling \$53,010.

D. Capital Assets

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balance 1/1/2017	Additions	Deletions	Balance 12/31/2017
<u>Capital Assets Not Being Depreciated</u>				
Land	\$ 1,009,800	\$ -	\$ -	\$ 1,009,800
<i>Total Capital Assets Not Being Depreciated</i>	1,009,800	-	-	1,009,800
<u>Capital Assets Being Depreciated</u>				
Buildings and Building Improvements	65,511,010	-	-	65,511,010
Furniture, Equipment, Machinery	1,594,105	-	(4,028)	1,590,077
<i>Total Capital Assets Being Depreciated</i>	67,105,115	-	(4,028)	67,101,087
<u>Less: Accumulated Depreciation</u>				
Capital Assets Being Depreciated, Net	(19,698,133)	(2,684,351)	4,028	(22,378,456)
Component Unit Capital Assets, Net	\$ 48,416,782	\$ (2,684,351)	\$ -	\$ 45,732,431

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 17 – Component Units (continued)

E. Long-Term Debt

Debt activity for the year ended December 31, 2017 was as follows:

	Balance 1/1/2017	Additions	Deletions	Balance 12/31/2017	Due Within One Year
<u>General Obligations</u>					
Eastland Woods, LLC	\$ 2,369,579	\$ -	\$ (48,614)	\$ 2,320,965	\$ 46,734
Edgewood Village, LLC	492,000	-	-	492,000	-
Edgewood Village South, LLC	1,282,092	-	(246,327)	1,035,765	251,273
<i>Total Component Units</i>	<u>\$ 4,143,671</u>	<u>\$ -</u>	<u>\$ (294,941)</u>	<u>\$ 3,848,730</u>	<u>\$ 298,007</u>

On November 1, 2004, Eastland Woods, LLC obtained a mortgage loan in the amount of \$2,424,200 to acquire and rehabilitate a 100 unit affordable rental housing project in Akron, Ohio. The loan is payable in monthly installments of \$15,323 from December 1, 2004 to November 1, 2034 at an interest rate of 6.50%. The note was refinanced with P/R Mortgage at an interest rate of 3.48% on October 20, 2015 with a current monthly payment of \$10,859 and will mature October 20, 2045.

A note payable is due to Edgewood Village Development Corporation on a \$492,000 construction loan secured by a mortgage from the Ohio Housing Finance Agency to fund construction of the Edgewood Village Phase 4 Project. This project debt is at an interest rate of 2.00% compounded semi-annually. Principal and interest are payable from cash flow and due December 10, 2049.

Edgewood Village South, LLC obtained a Construction bridge loan from Ohio Housing Finance Agency in the amount of \$2,000,000. The bridge loan bears no interest for the first two years and then bears interest at 2.00% for the remainder of the term. Principal and interest are payable in eight annual installments in the amount of \$273,020 beginning on April 15, 2014 and continuing through April 15, 2021.

F. Contingencies

Management believes there are no pending legal matters which would materially affect the component units' financial statements.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 17 – Component Units (continued)

G. Condensed Financial Statement Information

	Akron Edgewood Homes, LLC	Edgewood Village, LLC	Edgewood Village South, LLC	Marian Hall Building, LLC	Eastland Woods, LLC	Total Discretely Presented Component Units
<u>Balance Sheet</u>						
Current Assets	\$ 1,397,300	\$ 727,966	\$ 1,243,946	\$ 758,078	\$ 1,214,561	\$ 5,341,851
Capital Assets, Net	14,199,269	7,261,772	6,817,266	7,351,884	10,102,240	45,732,431
Other Non-Current Assets	91,037	153,314	162,680	214,524	28,352	649,907
Current Liabilities	1,576,112	1,507,947	395,087	81,712	656,962	4,217,820
Non-Current Liabilities	11,481,592	4,101,512	4,192,060	7,136,332	7,670,837	34,582,333
Net Position	2,629,902	2,533,593	3,636,745	1,106,442	3,017,354	12,924,036
<u>Revenues, Expenses and Changes in Equity</u>						
Revenues	536,072	401,078	355,938	319,041	1,359,549	2,971,678
Expenses	1,507,533	906,471	739,212	785,287	1,579,886	5,518,389
Capital Contributions	-	-	273,018	-	-	273,018
Excess of Revenue over Expenses	\$ (971,461)	\$ (505,393)	\$ (110,256)	\$ (466,246)	\$ (220,337)	\$ (2,273,693)

Akron Metropolitan Housing Authority
Required Supplementary Information
 Schedule of Akron Metropolitan Housing Authority Proportionate Share of the Net Pension Liability
 Last Four Years (1)

Ohio Public Employees Retirement System (OPERS) - Traditional Plan	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Authority's proportion of the net pension liability	0.106723%	0.106723%	0.113183%	0.113183%
Authority's proportionate share of the net pension liability	\$ 23,199,937	\$ 18,485,769	\$ 13,651,135	\$ 13,342,801
Authority's covered employee payroll	\$ 13,117,567	\$ 13,535,725	\$ 13,852,992	\$ 13,335,338
Authority's proportionate share of the net pension liability as a percentage of its covered employee payroll	176.86%	136.57%	98.54%	100.06%
Plan fiduciary net position as a percentage of total pension liability	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available and the amounts presented are as of the Authority's measurement date which is the prior year end.

Akron Metropolitan Housing Authority
Required Supplementary Information
 Schedule of Akron Metropolitan Housing Authority Contributions
 Last Five Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Ohio Public Employees Retirement System (OPERS) - Traditional Plan					
Contractually required contribution	\$ 1,754,206	\$ 1,574,108	\$ 1,624,287	\$ 1,662,359	\$ 1,733,594
Contributions in relation to contractually required contribution	<u>(1,754,206)</u>	<u>(1,574,108)</u>	<u>(1,624,287)</u>	<u>(1,662,359)</u>	<u>(1,733,594)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority covered employee payroll	\$ 13,493,892	\$ 13,117,567	\$ 13,535,725	\$ 13,852,992	\$ 13,335,338
Contributions as a percentage of covered employee payroll	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

Akron Metropolitan Housing Authority
Notes to Required Supplementary Information
For the Year Ended December 31, 2017

Ohio Public Employees Retirement System (OPERS) - Traditional Plan

Changes in benefit terms: There were no changes in benefit terms from the amounts reported.

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2017. See the notes to the basic financials for the methods and assumptions in this calculation.

Akron Metropolitan Housing Authority
Summit County
Combining Statement of Net Position
Primary Government
December 31, 2017

	Low Income Public Housing Program	PIH Family Self-Sufficiency Program	Resident Opportunity and Supportive Services	Housing Choice Voucher Program
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 1,176,491	\$ -	\$ -	\$ 759,301
Investments - Unrestricted	5,382,266	-	-	-
Restricted Cash and Cash Equivalents	1,626,088	-	23,980	219,260
Investments - Restricted	-	-	-	-
Accrued Interest Receivable	17,203	-	-	-
Other Receivables, Net	815,362	-	27,307	-
Inventories, Net	431,266	-	-	-
Prepaid Expenses and Other Assets	762,906	-	-	15,897
Interprogram Receivables	-	3,663	-	-
Total Current Assets	10,211,582	3,663	51,287	994,458
Noncurrent Assets				
Capital Assets, Not Being Depreciated	39,642,430	-	-	-
Capital Assets, Net of Depreciation	82,933,016	-	-	-
Notes Receivables from Component Units and Other	-	-	-	-
Other Noncurrent Assets	235,722	-	-	-
Total Noncurrent Assets	122,811,168	-	-	-
Deferred Outflows of Resources	4,274,802	-	-	816,924
Total Assets and Deferred Outflows of Resources	137,297,552	3,663	51,287	1,811,382
Liabilities				
Current Liabilities				
Accounts Payable	679,558	-	-	9,405
Accrued Liabilities	470,816	3,663	-	59,676
Tenant Security Deposits	262,391	-	-	-
Deferred Revenue	53,429	-	-	-
Bonds, Notes and Loans Payable	2,130,132	-	-	-
Interprogram Liabilities	-	-	27,307	-
Other Current Liabilities	711,908	-	23,980	-
Total Current Liabilities	4,308,234	3,663	51,287	69,081
Noncurrent Liabilities				
Bonds, Notes and Loans Payable	11,496,045	-	-	-
Accrued Compensated Absences, Noncurrent	674,882	-	-	120,097
Other Noncurrent Liabilities	110,427	-	-	148,625
Net Pension Liability	11,117,724	-	-	2,124,621
Total Noncurrent Liabilities	23,399,078	-	-	2,393,343
Deferred Inflows of Resources				
Pension	384,352	-	-	73,450
Total Deferred Inflows of Resources	384,352	-	-	73,450
Total Liabilities and Deferred Inflows of Resources	28,091,664	3,663	51,287	2,535,874
Net Position				
Net Investment in Capital Assets	108,949,269	-	-	-
Restricted	1,363,697	-	-	70,635
Unrestricted	(1,107,078)	-	-	(795,127)
Total Net Position	\$ 109,205,888	\$ -	\$ -	\$ (724,492)

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

N/C S/R Section 8 Programs	Shelter Plus Care	State/Local	Business Activities	Twenty-First Century Community Learning Centers	Section 8 Moderate Rehab	COCC
\$ 2,891,580	\$ -	\$ -	\$ 5,386,399	\$ -	\$ 134,276	\$ 2,384,513
1,992,997	-	-	2,563,074	-	-	-
-	-	20,801	3,931,924	-	-	-
-	-	-	8,688,254	-	-	-
6,497	-	-	6,658,251	-	-	-
-	-	-	477,569	-	-	49,900
-	-	-	12,132	-	-	33,050
-	-	-	74,128	-	-	30,030
-	-	36,943	27,307	-	-	-
4,891,074	-	57,744	27,819,038	-	134,276	2,497,493
-	-	-	7,090,872	-	-	14,154
-	-	-	9,194,762	-	-	1,370,687
-	-	-	53,369,912	-	-	-
-	-	-	-	-	-	-
-	-	-	69,655,546	-	-	1,384,841
-	-	-	1,530,470	-	-	2,298,258
4,891,074	-	57,744	99,005,054	-	134,276	6,180,592
125	-	-	61,554	-	2,165	19,354
-	-	-	207,537	-	-	282,598
-	-	-	60,360	-	-	-
-	-	57,744	4,198	-	-	-
-	-	-	2,588,230	-	-	-
-	-	-	40,606	-	-	-
-	-	-	162,923	-	-	270
125	-	57,744	3,125,408	-	2,165	302,222
-	-	-	3,336,592	-	-	-
-	-	-	93,686	-	-	647,248
-	-	-	-	-	-	-
-	-	-	3,980,381	-	-	5,977,211
-	-	-	7,410,659	-	-	6,624,459
-	-	-	137,607	-	-	206,638
-	-	-	137,607	-	-	206,638
125	-	57,744	10,673,674	-	2,165	7,133,319
-	-	-	10,360,812	-	-	1,384,841
-	-	-	10,009,818	-	-	-
4,890,949	-	-	67,960,750	-	132,111	(2,337,568)
\$ 4,890,949	\$ -	\$ -	\$ 88,331,380	\$ -	\$ 132,111	\$ (952,727)

Akron Metropolitan Housing Authority
Summit County
Combining Statement of Net Position
Blended Component Units
December 31, 2017

	Wilbeth-Arlington Homes, LP	Building for Tomorrow	Spicer Terrace
<u>Assets</u>			
Current Assets			
Cash and Cash Equivalents	\$ 386,423	\$ 201,143	\$ 49,203
Restricted Cash and Cash Equivalents	1,837,631	586	20,600
Receivables, Net	47,696	159,756	869
Prepaid Expenses and Other Assets	163,716	6,154	1,234
Total Current Assets	2,435,466	367,639	71,906
Noncurrent Assets			
Capital Assets, Not Being Depreciated	47,911	-	551,021
Capital Assets, Net of Depreciation	4,762,140	-	1,720,627
Other Noncurrent Assets	593,121	-	-
Total Noncurrent Assets	5,403,172	-	2,271,648
Total Assets	7,838,638	367,639	2,343,554
<u>Liabilities</u>			
Current Liabilities			
Accounts Payable	72,313	11,453	1,945
Accrued Liabilities	209,899	204	201
Tenant Security Deposits	48,511	-	600
Deferred Revenues	3,330	-	356
Other Current Liabilities	217,817	-	182
Total Current Liabilities	551,870	11,657	3,284
Noncurrent Liabilities			
Accrued Compensated Absences, Noncurrent	-	-	241
Notes Payable to Primary Government	9,694,649	20,000	2,456,702
Total Noncurrent Liabilities	9,694,649	20,000	2,456,943
Total Liabilities	10,246,519	31,657	2,460,227
<u>Net Position</u>			
Net Investment in Capital Assets	(4,904,598)	-	(185,054)
Restricted	1,461,957	335,982	-
Unrestricted	1,034,760	-	68,381
Total Net Position	\$ (2,407,881)	\$ 335,982	\$ (116,673)

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Akron Metropolitan Housing Authority
Summit County
Combining Statement of Net Position
Discretely Presented Component Units
December 31, 2017

	Akron Edgewood Homes	Edgewood Village	Edgewood Village South, LLC	Marian Hall Building, LLC	Eastland Woods
Assets					
Current Assets					
Cash and Cash Equivalents	\$ 208,083	\$ 51,552	\$ 268,078	\$ 146,261	\$ 299,610
Restricted Cash and Cash Equivalents	1,140,596	643,141	945,957	588,153	823,225
Receivables, Net	11,077	3,886	7,062	1,676	29,309
Inventories, Net	37,544	29,387	22,849	21,988	62,417
Total Current Assets	1,397,300	727,966	1,243,946	758,078	1,214,561
Noncurrent Assets					
Capital Assets, Not Being Depreciated	-	-	-	-	1,009,800
Capital Assets, Net of Depreciation	14,199,269	7,261,772	6,817,266	7,351,884	9,092,440
Other Noncurrent Assets	91,037	153,314	162,680	214,524	28,352
Total Noncurrent Assets	14,290,306	7,415,086	6,979,946	7,566,408	10,130,592
Total Assets	15,687,606	8,143,052	8,223,892	8,324,486	11,345,153
Liabilities					
Current Liabilities					
Accounts Payable	243,990	198,387	50,656	19,035	60,694
Accrued Liabilities	1,294,917	438,666	70,731	43,339	522,888
Tenant Security Deposits	37,205	23,456	21,796	19,082	26,417
Deferred Revenue	-	847,438	631	256	229
Bonds, Notes and Loans Payable	-	-	251,273	-	46,734
Total Current Liabilities	1,576,112	1,507,947	395,087	81,712	656,962
Noncurrent Liabilities					
Bonds, Notes and Loans Payable	-	492,000	784,492	-	2,274,231
Notes Payable to Primary Government	11,481,592	3,609,512	3,407,568	7,136,332	5,396,606
Total Noncurrent Liabilities	11,481,592	4,101,512	4,192,060	7,136,332	7,670,837
Total Liabilities	13,057,704	5,609,459	4,587,147	7,218,044	8,327,799
Net Position					
Net Investment in Capital Assets	2,717,677	3,160,260	2,373,933	215,552	2,384,669
Restricted	1,102,183	618,373	921,579	567,993	795,873
Unrestricted	(1,189,958)	(1,245,040)	341,233	322,897	(163,188)
Total Net Position	\$ 2,629,902	\$ 2,533,593	\$ 3,636,745	\$ 1,106,442	\$ 3,017,354

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Akron Metropolitan Housing Authority
Summit County
Combining Statements of Revenues, Expenses and Changes in Net Position
Primary Government
For the Year Ended December 31, 2017

	Low Income Public Housing Program	PIH Family Self-Sufficiency Program	Resident Opportunity and Supportive Services	Housing Choice Voucher Program
<u>Operating Revenue</u>				
Tenant Revenue	\$ 9,679,168	\$ -	\$ -	\$ -
Government Operating Grants	20,709,762	312,696	332,955	31,210,008
Other Revenue	862,300	-	-	102,417
Total Operating Revenue	31,251,230	312,696	332,955	31,312,425
<u>Operating Expenses</u>				
Administrative	9,313,036	-	23,209	2,979,967
Tenant Services	1,224,303	312,235	309,156	91,556
Utilities	4,443,071	-	-	-
Maintenance	11,671,609	-	-	57,176
Protective Services	1,309,898	-	-	131,683
General	1,735,855	-	-	13,157
Housing Assistance Payments	-	-	-	28,420,803
Insurance	895,511	461	590	44,635
Depreciation and Amortization	10,768,098	-	46	3,738
Total Operating Expenses	41,361,381	312,696	333,001	31,742,715
Operating Income (Loss)	(10,110,151)	-	(46)	(430,290)
<u>Nonoperating Revenues (Expenses)</u>				
Interest and Investment Revenue	91,182	-	-	249
Casualty Gain (Loss)	(238,064)	-	-	-
Interest Expense and Amortization Cost	(730,072)	-	-	-
Gain (Loss) on Sale of Capital Assets	1,183	-	-	-
Interprogram Transfer	88,465	-	-	-
Total Nonoperating Revenues (Expenses)	(787,306)	-	-	249
Income (Loss) Before Capital Contributions	(10,897,457)	-	(46)	(430,041)
<u>Capital Revenue</u>				
Capital Contributions	3,306,382	-	-	-
Total Capital Revenue	3,306,382	-	-	-
Change in Net Position	(7,591,075)	-	(46)	(430,041)
Net Position, Beginning of Period	116,796,963	-	46	(294,451)
Net Position, End of Period	\$ 109,205,888	\$ -	\$ -	\$ (724,492)

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

N/C S/R Section 8 Programs	Shelter Plus Care	State/Local	Business Activities	Twenty-First Century Community Learning Centers	Section 8 Moderate Rehab	COCC
\$ -	\$ -	\$ -	\$ 1,785,267	\$ -	\$ -	\$ -
1,094,649	525,616	2,185	-	534,057	47,538	-
-	-	27,823	713,642	-	-	7,871,241
1,094,649	525,616	30,008	2,498,909	534,057	47,538	7,871,241
3,223	47,556	12,488	1,607,290	-	9,696	5,384,911
-	-	17,488	147,149	534,057	-	21,418
-	-	-	413,768	-	-	30,794
20	-	-	978,259	-	-	2,009,664
-	-	-	88,927	-	-	3,493
-	-	-	245,344	-	-	231,221
994,371	478,060	-	-	-	37,872	-
1	-	36	66,286	-	-	162,253
-	-	-	697,316	-	-	40,254
997,615	525,616	30,012	4,244,339	534,057	47,568	7,884,008
97,034	-	(4)	(1,745,430)	-	(30)	(12,767)
29,820	-	4	1,256,741	-	30	428
-	-	-	-	-	-	-
-	-	-	(24,883)	-	-	-
-	-	-	763,495	-	-	-
-	-	-	(88,465)	-	-	-
29,820	-	4	1,906,888	-	30	428
126,854	-	-	161,458	-	-	(12,339)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
126,854	-	-	161,458	-	-	(12,339)
4,764,095	-	-	88,169,922	-	132,111	(940,388)
\$ 4,890,949	\$ -	\$ -	\$ 88,331,380	\$ -	\$ 132,111	\$ (952,727)

Akron Metropolitan Housing Authority
Summit County
Combining Statements of Revenues, Expenses and Changes in Net Position
Blended Component Units
For the Year Ended December 31, 2017

	Wilbeth-Arlington Homes, LP	Building for Tomorrow	Spicer Terrace
<u>Operating Revenue</u>			
Tenant Revenue	\$ 3,108,538	\$ -	\$ 74,430
Other Revenue	16,671	604,077	791
Total Operating Revenue	3,125,209	604,077	75,221
<u>Operating Expenses</u>			
Administrative	660,179	108,370	22,366
Tenant Services	12,650	406,901	2,710
Utilities	453,988	-	17,955
Maintenance	966,944	330	20,133
Protective Services	130,463	-	4,551
General	287,229	-	4,189
Insurance	150,772	6,712	1,382
Depreciation and Amortization	629,798	-	82,652
Total Operating Expenses	3,292,023	522,313	155,938
Operating Income (Loss)	(166,814)	81,764	(80,717)
<u>Nonoperating Revenues (Expenses)</u>			
Interest and Investment Revenue	3,482	200	112
Interest Expense and Amortization Cost	(290,839)	-	-
Gain (Loss) on Sale of Capital Assets	(2,865)	-	-
Total Nonoperating Revenues (Expenses)	(290,222)	200	112
Change in Net Position	(457,036)	81,964	(80,605)
Net Position, Beginning of Period	(1,950,845)	254,018	(36,068)
Net Position, End of Period	\$ (2,407,881)	\$ 335,982	\$ (116,673)

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Akron Metropolitan Housing Authority
Summit County
Combining Statements of Revenues, Expenses and Changes in Net Position
Discretely Presented Component Units
For the Year Ended December 31, 2017

	Eastland Woods, LLC	Akron Edgewood Homes, LLC	Edgewood Village, LLC	Edgewood Village South, LLC	Marian Hall Building, LLC
<u>Operating Revenue</u>					
Tenant Revenue	\$ 1,309,188	\$ 519,198	\$ 344,832	\$ 347,759	\$ 316,192
Other Revenue	48,149	14,663	55,163	6,381	1,698
Total Operating Revenue	<u>1,357,337</u>	<u>533,861</u>	<u>399,995</u>	<u>354,140</u>	<u>317,890</u>
<u>Operating Expenses</u>					
Administrative	306,968	147,835	90,200	102,062	118,076
Utilities	150,690	91,515	61,964	53,262	68,307
Maintenance	231,720	198,551	133,923	90,474	112,849
General	141,509	34,741	24,041	14,705	4,672
Insurance	62,232	35,893	26,859	22,369	21,394
Depreciation and Amortization	509,030	846,822	541,596	418,640	452,853
Total Operating Expenses	<u>1,402,149</u>	<u>1,355,357</u>	<u>878,583</u>	<u>701,512</u>	<u>778,151</u>
Operating Income (Loss)	<u>(44,812)</u>	<u>(821,496)</u>	<u>(478,588)</u>	<u>(347,372)</u>	<u>(460,261)</u>
<u>Nonoperating Revenues (Expenses)</u>					
Interest and Investment Revenue	2,210	2,211	1,083	1,800	1,151
Interest Expense and Amortization Cost	(174,138)	(144,485)	(27,888)	(37,700)	(7,136)
Debt Issuance Costs	(3,599)	(7,691)	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(175,527)</u>	<u>(149,965)</u>	<u>(26,805)</u>	<u>(35,900)</u>	<u>(5,985)</u>
Income (Loss) Before Capital Contributions	<u>(220,339)</u>	<u>(971,461)</u>	<u>(505,393)</u>	<u>(383,272)</u>	<u>(466,246)</u>
<u>Capital Revenue</u>					
Capital Contributions	-	-	-	273,018	-
Total Capital Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>273,018</u>	<u>-</u>
Change in Net Position	<u>(220,339)</u>	<u>(971,461)</u>	<u>(505,393)</u>	<u>(110,254)</u>	<u>(466,246)</u>
Net Position, Beginning of Period	3,237,693	3,601,363	3,038,986	3,746,999	1,572,688
Net Position, End of Period	<u>\$ 3,017,354</u>	<u>\$ 2,629,902</u>	<u>\$ 2,533,593</u>	<u>\$ 3,636,745</u>	<u>\$ 1,106,442</u>

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

*Akron Metropolitan Housing Authority
Summit County
Statement of ROSS Grant Costs - Completed
For the Year Ended December 31, 2017*

Annual Contributions Contract C-959

1. The total amount of grant costs of the ROSS Program grants are shown below:

OH007FSH480A016

Funds Approved	\$ 312,696
Funds Expended	<u>312,696</u>
Excess (Deficiency) of Funds Approved	\$ <u><u>0</u></u>

2. All work in connection with the ROSS Program has been completed.
3. The entire actual grant cost or liabilities incurred by the Authority have been fully paid.

Akron Metropolitan Housing Authority
Summit County
Statement of Modernization Grant Costs – Completed
For the Year Ended December 31, 2017

Annual Contributions Contract C-959

1. The total amount of modernization costs of the Capital Fund Program are shown below:

OH12C00750110

Funds Approved	\$ 4,002,147
Funds Expended	<u>4,002,147</u>
Excess (Deficiency) of Funds Approved	\$ <u><u>0</u></u>

2. All work in connection with the Capital Fund Program has been completed.
3. The entire actual grant cost or liabilities incurred by the Authority have been fully paid.
4. There are no discharged mechanics, laborers, contractors, or material-mens liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work.

Annual Contributions Contract C-959

1. The total amount of modernization costs of the Capital Fund Program are shown below:

OH12P00750113

Funds Approved	\$ 6,135,665
Funds Expended	<u>6,135,665</u>
Excess (Deficiency) of Funds Approved	\$ <u><u>0</u></u>

2. All work in connection with the Capital Fund Program has been completed.
3. The entire actual grant cost or liabilities incurred by the Authority have been fully paid.
4. There are no discharged mechanics, laborers, contractors, or material-mens liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work.

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
For the Year Ended December 31, 2017

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	N/C S/R Section 8 Programs 14.182
Assets					
<i>Cash and Cash Equivalents</i>					
Unrestricted	\$ 1,176,491	\$ -	\$ -	\$ 759,301	\$ 2,891,580
Other Restricted	1,363,697	-	23,980	189,535	-
Tenant Security Deposits	262,391	-	-	-	-
Restricted for Payment of Current Liabilities	-	-	-	29,725	-
Total Cash and Cash Equivalents	2,802,579	-	23,980	978,561	2,891,580
<i>Accounts and Notes Receivable</i>					
Accounts Receivable - HUD Other Projects	504,841	-	27,307	-	-
Accounts Receivable - Miscellaneous	79,430	-	-	-	-
Accounts Receivable - Tenants	88,870	-	-	-	-
Allowance for Doubtful Accounts - Tenants	(2,942)	-	-	-	-
Notes, Loans and Mortgages Receivable - Current	145,163	-	-	-	-
Accrued Interest Receivable	17,203	-	-	-	6,497
Total Accounts and Notes Receivable - Net of Allowance	832,565	-	27,307	-	6,497
<i>Investments</i>					
Unrestricted	5,382,266	-	-	-	1,992,997
Restricted	-	-	-	-	-
Total Investments	5,382,266	-	-	-	1,992,997
<i>Other Current Assets</i>					
Prepaid Expenses and Other Assets	762,906	-	-	15,897	-
Inventories	447,394	-	-	-	-
Allowance for Obsolete Inventories	(16,128)	-	-	-	-
Interprogram Due From	-	3,663	-	-	-
Total Other Current Assets	1,194,172	3,663	-	15,897	-
<i>Capital Assets</i>					
Land	18,953,072	-	-	-	-
Buildings	316,686,423	-	-	-	-
Furniture, Equipment and Machinery - Dwellings	1,405,054	-	23,159	106,075	-
Furniture, Equipment and Machinery - Administration	-	-	-	-	-
Accumulated Depreciation	(235,158,461)	-	(23,159)	(106,075)	-
Construction in Progress	20,689,358	-	-	-	-
Total Capital Assets, Net of Accumulated Depreciation	122,575,446	-	-	-	-
<i>Other Non-Current Assets</i>					
Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-
Other Assets	235,722	-	-	-	-
Total Other Non-Current Assets	235,722	-	-	-	-
Total Assets	133,022,750	3,663	51,287	994,458	4,891,074
<i>Deferred Outflows of Resources</i>					
	4,274,802	-	-	816,924	-
Total Assets and Deferred Outflows of Resources	\$ 137,297,552	\$ 3,663	\$ 51,287	\$ 1,811,382	\$ 4,891,074

Shelter Plus Care 14.238	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers 84.287	Lower Income Housing Assistance Program - Section 8 Moderate 14.856	Central Office	Eliminations	Total
\$ -	\$ -	\$ 5,386,399	\$ 973,584	\$ 636,769	\$ -	\$ 134,276	\$ 2,384,513	\$ -	\$ 14,342,913
-	20,801	1,321,564	4,006,001	1,797,939	-	-	-	-	8,723,517
-	-	60,360	135,071	60,878	-	-	-	-	518,700
-	-	2,550,000	-	-	-	-	-	-	2,579,725
-	20,801	9,318,323	5,114,656	2,495,586	-	134,276	2,384,513	-	26,164,855
-	-	-	-	-	-	-	-	-	532,148
-	-	444,257	1,538	159,756	-	-	49,900	-	734,881
-	-	9,246	51,472	33,587	-	-	-	-	183,175
-	-	(475)	-	-	-	-	-	-	(3,417)
-	-	24,541	-	14,978	-	-	-	-	184,682
-	-	6,658,251	-	-	-	-	-	(217,817)	6,464,134
-	-	7,135,820	53,010	208,321	-	-	49,900	(217,817)	8,095,603
-	-	2,563,074	-	-	-	-	-	-	9,938,337
-	-	8,688,254	-	-	-	-	-	-	8,688,254
-	-	11,251,328	-	-	-	-	-	-	18,626,591
-	-	74,128	174,185	171,104	-	-	30,030	-	1,228,250
-	-	12,586	-	-	-	-	34,286	-	494,266
-	-	(454)	-	-	-	-	(1,236)	-	(17,818)
-	36,943	27,307	-	-	-	-	-	(67,913)	-
-	36,943	113,567	174,185	171,104	-	-	63,080	(67,913)	1,704,698
-	-	7,090,872	1,009,800	551,021	-	-	14,154	-	27,618,919
-	-	19,968,619	65,511,010	17,995,322	-	-	2,167,461	-	422,328,835
-	-	1,779,160	-	376,813	-	-	-	-	3,690,261
-	13,102	-	1,590,077	-	-	-	1,349,621	-	2,952,800
-	(13,102)	(12,553,017)	(22,378,456)	(11,889,368)	-	-	(2,146,395)	-	(284,268,033)
-	-	-	-	47,911	-	-	-	-	20,737,269
-	-	16,285,634	45,732,431	7,081,699	-	-	1,384,841	-	193,060,051
-	-	53,369,912	-	-	-	-	-	(12,171,351)	41,198,561
-	-	-	649,907	593,121	-	-	-	-	1,478,750
-	-	53,369,912	649,907	593,121	-	-	-	(12,171,351)	42,677,311
-	57,744	97,474,584	51,724,189	10,549,831	-	134,276	3,882,334	(12,457,081)	290,329,109
-	-	1,530,470	-	-	-	-	2,298,258	-	8,920,454
\$ -	\$ 57,744	\$ 99,005,054	\$ 51,724,189	\$ 10,549,831	\$ -	\$ 134,276	\$ 6,180,592	\$ (12,457,081)	\$ 299,249,563

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
For the Year Ended December 31, 2017

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	N/C S/R Section 8 Programs 14.182
Liabilities					
<i>Current Liabilities</i>					
Accounts Payable <= 90 Days	\$ 68,240	\$ -	\$ -	\$ 9,405	\$ 125
Accrued Wages and Payroll Taxes Payable	138,433	2,871	-	25,930	-
Accrued Compensated Absences	139,258	-	-	20,447	-
Accrued Interest Payable	122,057	-	-	-	-
Accounts Payable - HUD	-	-	-	-	-
Accounts Payable - Other Government	611,318	-	-	-	-
Tenant Security Deposits	262,391	-	-	-	-
Deferred Revenue	53,429	-	-	-	-
Capital Projects and Mortgage Revenue - Current Portion	2,130,132	-	-	-	-
Other Current Liabilities	711,908	-	23,980	-	-
Other Accrued Liabilities	71,068	792	-	13,299	-
Inter Program - Due To	-	-	27,307	-	-
Total Current Liabilities	4,308,234	3,663	51,287	69,081	125
<i>Non-Current Liabilities</i>					
Long-Term Debt, Non-Current	11,496,045	-	-	-	-
Other Non-Current Liabilities	110,427	-	-	148,625	-
Accrued Compensated Absences - Non-Current	674,882	-	-	120,097	-
Accrued Pension and OPEB Liabilities	11,117,724	-	-	2,124,621	-
Total Non-Current Liabilities	23,399,078	-	-	2,393,343	-
Total Liabilities	27,707,312	3,663	51,287	2,462,424	125
<i>Deferred Inflows of Resources</i>	384,352	-	-	73,450	-
<i>Net Position</i>					
Net Investment in Capital Assets	108,949,269	-	-	-	-
Restricted	1,363,697	-	-	70,635	-
Unrestricted	(1,107,078)	-	-	(795,127)	4,890,949
Total Net Position	109,205,888	-	-	(724,492)	4,890,949
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 137,297,552	\$ 3,663	\$ 51,287	\$ 1,811,382	\$ 4,891,074

Shelter Plus Care 14.238	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers 84.287	Lower Income Housing Assistance Program - Section 8 Moderate 14.856	Central Office	Eliminations	Total
\$ -	\$ -	\$ 43,016	\$ 572,762	\$ 82,047	\$ -	\$ -	\$ 16,956	\$ -	\$ 792,551
-	-	15,567	-	12,101	-	-	83,499	-	278,401
-	-	15,325	-	42	-	-	108,681	-	283,753
-	-	2,993	-	-	-	-	-	-	125,050
-	-	-	-	-	-	2,165	-	-	2,165
-	-	18,538	-	3,664	-	-	2,398	-	635,918
-	-	60,360	127,956	49,111	-	-	-	-	499,818
-	57,744	4,198	848,554	3,686	-	-	-	-	967,611
-	-	2,588,230	298,007	-	-	-	-	-	5,016,369
-	-	162,923	-	217,999	-	-	270	-	1,117,080
-	-	173,652	2,370,541	198,161	-	-	90,418	(217,817)	2,700,114
-	-	40,606	-	-	-	-	-	(67,913)	-
-	57,744	3,125,408	4,217,820	566,811	-	2,165	302,222	(285,730)	12,418,830
-	-	3,336,592	34,582,333	12,171,351	-	-	-	(12,171,351)	49,414,970
-	-	-	-	-	-	-	-	-	259,052
-	-	93,686	-	241	-	-	647,248	-	1,536,154
-	-	3,980,381	-	-	-	-	5,977,211	-	23,199,937
-	-	7,410,659	34,582,333	12,171,592	-	-	6,624,459	(12,171,351)	74,410,113
-	57,744	10,536,067	38,800,153	12,738,403	-	2,165	6,926,681	(12,457,081)	86,828,943
-	-	137,607	-	-	-	-	206,638	-	802,047
-	-	10,360,812	10,852,091	(5,089,652)	-	-	1,384,841	-	126,457,361
-	-	10,009,818	4,006,001	1,797,939	-	-	-	-	17,248,090
-	-	67,960,750	(1,934,056)	1,103,141	-	132,111	(2,337,568)	-	67,913,122
-	-	88,331,380	12,924,036	(2,188,572)	-	132,111	(952,727)	-	211,618,573
\$ -	\$ 57,744	\$ 99,005,054	\$ 51,724,189	\$ 10,549,831	\$ -	\$ 134,276	\$ 6,180,592	\$ (12,457,081)	\$ 299,249,563

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
For the Year Ended December 31, 2017

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	N/C S/R Section 8 Programs 14.182
Operating Revenues					
<i>Tenant Revenues</i>					
Tenant Rental Revenue, Net	\$ 9,177,187	\$ -	\$ -	\$ -	\$ -
Other Tenant Revenue	501,981	-	-	-	-
Total Tenant Revenues	9,679,168	-	-	-	-
<i>Fee Revenues</i>					
HUD PHA Operating Grants	20,709,762	312,696	332,955	31,210,008	1,094,649
Capital Grants	3,306,382	-	-	-	-
Management Fee	-	-	-	-	-
Asset Management Fee	-	-	-	-	-
Bookkeeping Fee	-	-	-	-	-
Total Fee Revenues	24,016,144	312,696	332,955	31,210,008	1,094,649
<i>Other Revenues</i>					
Other Intergovernmental Revenue	-	-	-	-	-
Investment Income - Unrestricted	70,063	-	-	249	29,820
Mortgage Interest Income	-	-	-	-	-
Fraud Recovery	-	-	-	79,567	-
Other Revenue	862,300	-	-	22,850	-
Gain or Loss on Sale of Capital Assets	1,183	-	-	-	-
Investment Income - Restricted	21,119	-	-	-	-
Total Other Revenues	954,665	-	-	102,666	29,820
Total Operating Revenues	\$ 34,649,977	\$ 312,696	\$ 332,955	\$ 31,312,674	\$ 1,124,469

Shelter Plus Care	14.238	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers	84.287	Lower Income Housing Assistance Program - Section 8 Moderate	14.856	Central Office	Eliminations	Total		
\$	-	\$	-	\$ 1,757,609	\$ 2,837,169	\$	3,124,492	\$	-	\$	-	\$ 16,896,457		
	-		-	27,658	-		58,476		-		-	588,115		
	-		-	1,785,267	2,837,169		3,182,968		-		-	17,484,572		
525,616		-	-	-	-	-	-	47,538		-	-	54,233,224		
		-	-	-	-	-	-	-		-	-	3,306,382		
		-	-	-	-	-	-	-	3,510,972	(3,510,972)		-		
		-	-	-	-	-	-	-	490,440	(490,440)		-		
		-	-	-	-	-	-	-	363,180	(363,180)		-		
525,616		-	-	-	-	-	-	47,538	4,364,592	(4,364,592)		57,539,606		
		2,185	-	-	-	534,057	-	-	-	-		536,242		
		4	1,061,074	8,455	2,114	-	30	428	-	-		1,172,237		
		-	108,226	-	-	-	-	-	-	-		108,226		
		-	-	-	-	-	-	-	-	-		79,567		
		27,823	713,642	126,054	621,539	-	-	-	3,506,649	(2,866,872)		3,013,985		
		-	763,495	-	(2,865)	-	-	-	-	-		761,813		
		-	87,441	-	1,680	-	-	-	-	-		110,240		
		30,012	2,733,878	134,509	622,468	534,057	30	3,507,077	(2,866,872)			5,782,310		
\$	525,616	\$	30,012	\$ 4,519,145	\$ 2,971,678	\$	3,805,436	\$	534,057	\$	47,568	\$ 7,871,669	\$ (7,231,464)	\$ 80,806,488

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
For the Year Ended December 31, 2017

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	N/C S/R Section 8 Programs 14.182
<i>Operating Expenses</i>					
<i>Administrative</i>					
Administrative Salaries	\$ 1,893,673	\$ -	\$ -	\$ 1,102,492	\$ 2,970
Auditing Fees	19,179	-	-	9,434	745
Management Fee	2,538,564	-	-	500,004	10,500
Bookkeeping Fee	362,100	-	-	-	-
Advertising and Marketing	18,947	-	-	1,869	20
Employee Benefit Contributions	2,612,865	-	-	986,623	(16,658)
Office Expenses	383,105	-	15,460	86,064	351
Legal Expense	212,512	-	-	82,250	-
Travel	31,257	-	6,281	5,208	542
Other	1,240,834	-	1,468	206,023	4,753
Total Administrative Expenses	9,313,036	-	23,209	2,979,967	3,223
<i>Tenant Services</i>					
Asset Management Fee	489,000	-	-	-	-
Tenant Services-Salaries	444,596	174,316	167,312	60,363	-
Employee Benefit Contributions	207,342	137,919	78,053	30,322	-
Other Tenant Services	83,365	-	63,791	871	-
Total Tenant Services Expenses	1,224,303	312,235	309,156	91,556	-
<i>Utilities</i>					
Water	685,492	-	-	-	-
Electricity	1,428,551	-	-	-	-
Gas	374,193	-	-	-	-
Sewer	1,853,451	-	-	-	-
Other Utilities Expense	101,384	-	-	-	-
Total Utilities Expenses	4,443,071	-	-	-	-
<i>Maintenance</i>					
Ordinary Maintenance and Operations Labor	3,543,306	-	-	-	-
Ordinary Maintenance and Operations Materials and Other	1,324,816	-	-	4,634	-
Ordinary Maintenance and Operations Contracts	4,599,975	-	-	52,542	20
Employee Benefits Contributions	2,203,512	-	-	-	-
Total Maintenance Expenses	11,671,609	-	-	57,176	20
<i>Protective Services</i>					
Protective Services Labor	1,048,070	-	-	98,541	-
Protective Services Contract Costs	86,218	-	-	2,078	-
Protective Services Other	18,830	-	-	6,909	-
Employee Benefits Contributions	156,780	-	-	24,155	-
Total Protective Services Expenses	\$ 1,309,898	\$ -	\$ -	\$ 131,683	\$ -

Shelter Plus Care	14.238	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers	84.287	Lower Income Housing Assistance Program - Section 8 Moderate	14.856	Central Office	Eliminations	Total
\$	33,289	\$ -	\$ 393,409	\$ 312,600	\$ 237,688	\$ -	\$ 6,087	\$ 2,752,525	\$ -	\$ -	\$ 6,734,733	
-	-	-	3,673	51,760	14,920	-	1,000	2,671	-	-	103,382	
-	-	-	131,594	145,956	184,354	-	-	-	-	(3,510,972)	-	
-	-	-	-	-	1,080	-	-	-	-	(363,180)	-	
-	-	-	3,603	-	12,216	-	-	4,473	-	-	41,128	
14,267	-	-	823,694	106,284	148,880	-	2,609	1,961,575	-	-	6,640,139	
-	257	-	41,027	-	39,841	-	-	140,637	-	-	706,742	
-	-	-	12,742	13,853	31,631	-	-	8,851	-	(225,911)	135,928	
-	4	-	13,528	-	10,817	-	-	44,634	-	-	112,271	
-	12,227	-	184,020	134,688	109,488	-	-	469,545	-	(157,801)	2,205,245	
47,556	12,488	1,607,290	765,141	790,915	-	9,696	5,384,911	(4,257,864)	16,679,568			
-	-	-	-	1,440	-	-	-	(490,440)	-			
-	8,918	98,077	-	202,945	-	-	13,601	-	1,170,128			
-	6,401	46,071	-	134,550	-	-	7,791	-	648,449			
-	2,169	3,001	-	83,326	534,057	-	26	-	770,606			
-	17,488	147,149	-	422,261	534,057	-	21,418	(490,440)	2,589,183			
-	-	55,395	357,257	80,664	-	-	1,200	-	1,180,008			
-	-	184,089	61,686	45,261	-	-	21,093	-	1,740,680			
-	-	39,406	6,795	27,349	-	-	5,959	-	453,702			
-	-	134,878	-	318,669	-	-	2,542	-	2,309,540			
-	-	-	-	-	-	-	-	-	101,384			
-	-	413,768	425,738	471,943	-	-	30,794	-	5,785,314			
-	-	175,527	150,609	290,206	-	-	978,233	-	5,137,881			
-	-	67,545	207,352	148,494	-	-	357,682	-	2,110,523			
-	-	639,769	370,397	380,818	-	-	165,445	(2,483,160)	3,725,806			
-	-	95,418	39,159	167,889	-	-	508,304	-	3,014,282			
-	-	978,259	767,517	987,407	-	-	2,009,664	(2,483,160)	13,988,492			
-	-	69,258	-	108,009	-	-	-	-	1,323,878			
-	-	5,594	-	5,995	-	-	1,299	-	101,184			
-	-	2,113	-	2,704	-	-	2,194	-	32,750			
-	-	11,962	-	18,306	-	-	-	-	211,203			
\$	-	\$ -	\$ 88,927	\$ -	\$ 135,014	\$ -	\$ -	\$ 3,493	\$ -	\$ 1,669,015		

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
For the Year Ended December 31, 2017

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	N/C S/R Section 8 Programs 14.182
Operating Expenses (continued)					
<i>Insurance</i>					
Property Insurance	\$ 775,179	\$ -	\$ -	\$ 19,957	\$ -
Workman's Compensation	108,572	461	590	20,713	1
Other Insurance	11,760	-	-	3,965	-
Total Insurance Expenses	895,511	461	590	44,635	1
<i>General</i>					
Other General Expenses	782,333	-	-	-	-
Compensated Absences	107,276	-	-	13,157	-
Payments in Lieu of Taxes	532,530	-	-	-	-
Bad Debt - Tenant Services	313,716	-	-	-	-
Bad Debt - Other	-	-	-	-	-
Total General Expenses	1,735,855	-	-	13,157	-
Interest of Mortgage or Bonds Payable	523,564	-	-	-	-
Interest on Notes Payable	182,937	-	-	-	-
Amortization of Bond Issue Costs	23,571	-	-	-	-
Total Expense and Amortization Cost	730,072	-	-	-	-
Total Operating Expenses	31,323,355	312,696	332,955	3,318,174	3,244
Excess of Operating Revenues Over (Under) Operating Expenses	3,326,622	-	-	27,994,500	1,121,225
Other Financing Sources (Uses)					
<i>Non-Operating Expenses</i>					
Non-Capitalized Casualty Losses	(238,064)	-	-	-	-
Housing Assistance Payments	-	-	-	(28,420,803)	(994,371)
Depreciation Expense	(10,768,098)	-	(46)	(3,738)	-
Total Non-Operating Expenses	(11,006,162)	-	(46)	(28,424,541)	(994,371)
<i>Transfers</i>					
Operating Transfer In	1,637,788	-	-	-	-
Operating Transfer Out	(1,637,788)	-	-	-	-
Inter Project Excess Cash Transfer In	861,136	-	-	-	-
Inter Project Excess Cash Transfer Out	(861,136)	-	-	-	-
Transfer In between Program and Project	104,839	-	-	-	-
Transfer Out between Program and Project	(16,374)	-	-	-	-
Total Transfers	88,465	-	-	-	-
Total Other Financing Sources (Uses)	(10,917,697)	-	(46)	(28,424,541)	(994,371)
Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (7,591,075)	\$ -	\$ (46)	\$ (430,041)	\$ 126,854

Shelter Plus Care 14.238	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers 84.287	Lower Income Housing Assistance Program - Section 8 Moderate 14.856	Central Office	Eliminations	Total
\$ -	\$ -	\$ 54,143	\$ 157,193	\$ 147,654	\$ -	\$ -	\$ 87,226	\$ -	\$ 1,241,352
-	36	12,143	-	11,179	-	-	60,998	-	214,693
-	-	-	11,554	33	-	-	14,029	-	41,341
-	36	66,286	168,747	158,866	-	-	162,253	-	1,497,386
-	-	6,406	2,235	7,542	-	-	130	-	798,646
-	-	7,091	-	14,600	-	-	231,091	-	373,215
-	-	-	189,316	195,544	-	-	-	-	917,390
-	-	27,422	28,117	73,732	-	-	-	-	442,987
-	-	204,425	-	-	-	-	-	-	204,425
-	-	245,344	219,668	291,418	-	-	231,221	-	2,736,663
-	-	24,883	-	-	-	-	-	-	548,447
-	-	-	391,347	290,839	-	-	-	-	865,123
-	-	-	11,290	-	-	-	-	-	34,861
-	-	24,883	402,637	290,839	-	-	-	-	1,448,431
47,556	30,012	3,571,906	2,749,448	3,548,663	534,057	9,696	7,843,754	(7,231,464)	46,394,052
478,060	-	947,239	222,230	256,773	-	37,872	27,915	-	34,412,436
-	-	-	-	-	-	-	-	-	(238,064)
(478,060)	-	-	-	-	-	(37,872)	-	-	(29,931,106)
-	-	(697,316)	(2,768,941)	(712,450)	-	-	(40,254)	-	(14,990,843)
(478,060)	-	(697,316)	(2,768,941)	(712,450)	-	(37,872)	(40,254)	-	(45,160,013)
-	-	-	-	-	-	-	-	(1,637,788)	-
-	-	-	-	-	-	-	-	1,637,788	-
-	-	-	-	-	-	-	-	(861,136)	-
-	-	-	-	-	-	-	-	861,136	-
-	-	16,374	-	-	-	-	-	(121,213)	-
-	-	(104,839)	-	-	-	-	-	121,213	-
-	-	(88,465)	-	-	-	-	-	-	-
(478,060)	-	(785,781)	(2,768,941)	(712,450)	-	(37,872)	(40,254)	-	(45,160,013)
\$ -	\$ -	\$ 161,458	\$ (2,546,711)	\$ (455,677)	\$ -	\$ -	\$ (12,339)	\$ -	\$ (10,747,577)

Statistical
Section

Akron Metropolitan Housing Authority
Summit County
For the Year Ended December 31, 2017

Statistical Section

This part of the Authority’s CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the Authority’s overall financial health.

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Financial Trends

These schedules contain trend information to help the reader understand how the Authority’s financial performance and well-being have changed over time.

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Revenue Capacity

These schedules contain information to help the reader assess the Authority’s most significant revenue sources.

Operating Revenues by Source	74
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Debt Capacity

These schedules present information to help the reader assess the affordability of the Authority’s current levels of outstanding debt and ability to issue additional debt in the future.

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority’s financial activities take place.

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Operating Information

These schedules contain data to help the reader understand how the information in the Authority’s financial report relates to the services the Authority provides and the activities it performs.

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Akron Metropolitan Housing Authority

NET POSITION

LAST TEN FISCAL YEARS¹

(Unaudited)

Fiscal Year	Invested in Capital Assets	Restricted	Unrestricted	Total
6/30/2008	\$ 153,126,546	\$ 7,843,011	\$ 45,086,825	\$ 206,056,382
6/30/2009	157,696,607	4,858,250	58,592,099	221,146,956
6/30/2010	162,348,725	13,087,444	50,542,904	225,979,073
6/30/2011	145,515,006	20,779,229	75,859,585	242,153,820
6/30/2012	149,634,355	16,240,933	88,120,967	253,996,255
6/30/2013	143,376,188	15,435,199	86,728,212	245,539,599
12/31/2014	139,822,375	12,068,741	79,863,626	231,754,742
12/31/2015	129,815,914	12,251,490	70,388,017	212,455,421
12/31/2016	123,154,377	13,047,254	70,693,772	206,895,403
12/31/2017	115,605,270	13,242,089	69,847,178	198,694,537

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/14.

Source: Prior audited financial statements and current year unaudited Financial Data Schedule

Akron Metropolitan Housing Authority

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS¹

(Unaudited)

	<u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>
Changes in Net Position				
<u>Operating Revenue:</u>				
Tenant Revenue	\$ 8,422,803	\$ 8,523,333	\$ 8,838,093	\$ 8,179,935
Government Operating Grants	52,582,498	49,311,390	53,475,854	60,009,549
Other Revenue	5,087,843	5,010,916	4,744,591	6,433,189
Total Operating Revenue	<u>66,093,144</u>	<u>62,845,639</u>	<u>67,058,538</u>	<u>74,622,673</u>
<u>Operating Expenses:</u>				
Administrative	12,085,766	11,421,493	12,768,661	17,974,987
Tenant Services	1,429,593	2,056,453	1,465,489	1,982,562
Utilities	4,035,986	3,907,065	3,885,657	4,002,768
Maintenance	9,598,747	10,621,840	11,790,886	11,177,581
Protective Services	1,612,536	1,596,924	1,570,191	1,212,411
General	3,030,002	2,192,971	1,996,971	1,685,773
Housing Assistance Payment	27,594,250	29,212,999	30,549,740	30,739,386
Insurance	-	-	-	1,003,318
Other Operating Expenses	13,429	309,195	17,553	-
Depreciation and Amortization	9,856,214	10,625,595	11,062,290	10,271,206
Total Operating Expenses	<u>69,256,523</u>	<u>71,944,535</u>	<u>75,107,438</u>	<u>80,049,992</u>
Operating Income (Loss)	(3,163,379)	(9,098,896)	(8,048,900)	(5,427,319)
<u>Non-Operating Revenues(Expenses):</u>				
Interest and Investment Revenue	1,678,281	1,140,141	1,132,673	2,337,529
Casualty Gain/(Loss)	-	-	-	-
Extraordinary Maintenance	-	-	-	-
Interest Expense and Amortization Cost	(611,308)	(696,359)	(724,203)	(1,349,382)
Special Item - Contributions	-	-	-	-
Debt Issuance Costs	-	-	-	-
Collection of Member Receivables	-	-	-	-
Gain (Loss) on Sale of Capital Assets	-	9,280,748	-	(1,008,661)
Miscellaneous Non-Operating	306,323	-	-	-
Total Non-Operating Revenues (Expenses)	<u>1,373,296</u>	<u>9,724,530</u>	<u>408,470</u>	<u>(20,514)</u>
Income(Loss) Before Capital Contributions	(1,790,083)	625,634	(7,640,430)	(5,447,833)
<u>Capital Revenue</u>				
Capital Grants	18,112,521	9,441,412	11,714,408	16,790,494
Capital Contributions	-	5,481,957	758,139	-
Total Capital Revenue	<u>18,112,521</u>	<u>14,923,369</u>	<u>12,472,547</u>	<u>16,790,494</u>
Change in Net Position	16,322,438	15,549,003	4,832,117	11,342,661
Net Position, Beginning of Period, Restated	189,733,944	206,056,382	221,146,956	230,811,159
Equity Transfer	-	(458,429)	-	-
Total Net Position, End of Period	<u>\$ 206,056,382</u>	<u>\$ 221,146,956</u>	<u>\$ 225,979,073</u>	<u>\$ 242,153,820</u>

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior audited financial statements and current year unaudited Financial Data Schedule

<u>6/30/2012</u>	<u>6/30/2013</u>	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>
\$ 8,874,586	\$ 9,468,774	\$ 14,452,453	\$ 13,331,805	\$ 14,269,067	\$ 14,647,403
57,842,339	52,989,009	75,458,024	49,797,066	51,409,578	54,769,466
9,682,340	6,994,509	9,500,197	6,990,723	4,452,862	2,967,498
<u>76,399,265</u>	<u>69,452,292</u>	<u>99,410,674</u>	<u>70,119,594</u>	<u>70,131,507</u>	<u>72,384,367</u>
15,239,945	12,263,281	20,167,983	14,636,423	15,343,439	15,914,427
3,232,447	3,769,772	3,371,236	2,086,327	2,579,753	2,589,183
3,840,008	3,757,812	6,029,976	5,369,611	5,496,676	5,359,576
12,714,615	12,587,783	21,329,770	15,131,702	12,455,071	13,220,975
1,597,272	2,028,335	2,701,493	1,733,699	1,864,752	1,669,015
1,703,337	4,676,137	7,929,395	2,328,282	2,946,518	2,516,995
30,326,594	30,484,279	44,077,365	29,311,022	29,522,423	29,931,106
941,366	940,931	1,614,788	1,150,324	1,256,495	1,328,639
			-	-	-
13,553,100	12,158,960	17,933,945	12,494,059	12,510,404	12,221,902
<u>83,148,684</u>	<u>82,667,290</u>	<u>125,155,951</u>	<u>84,241,449</u>	<u>83,975,531</u>	<u>84,751,818</u>
(6,749,419)	(13,214,998)	(25,745,277)	(14,121,855)	(13,844,024)	(12,367,451)
2,133,940	2,118,164	4,001,153	1,385,550	1,372,016	1,382,248
13,061	(202,418)	(449,453)	(392,875)	(291,296)	(238,064)
(5,731)	(14,363)	(41,318)	-	-	-
(1,540,360)	(1,163,771)	(1,487,943)	(1,198,523)	(1,126,064)	(1,045,794)
2,167,737	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,394	(441,217)	30,148	65,719	223,763	761,813
-	-	-	-	-	-
<u>2,787,041</u>	<u>296,395</u>	<u>2,052,587</u>	<u>(140,129)</u>	<u>178,419</u>	<u>860,203</u>
(3,962,378)	(12,918,603)	(23,692,690)	(14,261,984)	(13,665,605)	(11,507,248)
15,689,309	5,448,340	-	-	-	-
-	-	9,900,837	8,123,083	8,105,587	3,306,382
<u>15,689,309</u>	<u>5,448,340</u>	<u>9,900,837</u>	<u>8,123,083</u>	<u>8,105,587</u>	<u>3,306,382</u>
11,726,931	(7,470,263)	(13,791,853)	(6,138,901)	(5,560,018)	(8,200,866)
242,269,324	253,009,862	245,546,595	218,594,322	212,455,421	206,895,403
-	-	-	-	-	-
<u>\$ 253,996,255</u>	<u>\$ 245,539,599</u>	<u>\$ 231,754,742</u>	<u>\$ 212,455,421</u>	<u>\$ 206,895,403</u>	<u>\$ 198,694,537</u>

Akron Metropolitan Housing Authority
OPERATING REVENUES BY SOURCE
LAST TEN FISCAL YEARS¹

(Unaudited)

Fiscal Year	Tenant Revenue		Governmental Operating Grants		Other Revenue		Total	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
6/30/2008	\$ 8,422,803	13%	\$ 52,582,498	80%	\$ 5,087,843	8%	\$ 66,093,144	100.00%
6/30/2009	8,523,333	14%	49,311,390	78%	5,010,916	8%	62,845,639	100.00%
6/30/2010	8,838,093	13%	53,475,854	80%	4,744,591	7%	67,058,538	100.00%
6/30/2011	8,179,935	11%	60,009,549	80%	6,433,189	9%	74,622,673	100.00%
6/30/2012	8,874,586	12%	57,842,339	76%	9,682,340	13%	76,399,265	100.00%
6/30/2013	9,468,774	14%	52,989,009	76%	6,994,509	10%	69,452,292	100.00%
12/31/2014	14,452,453	15%	75,458,024	76%	9,500,197	10%	99,410,674	100.00%
12/31/2015	13,331,805	19%	49,797,066	71%	6,990,723	10%	70,119,594	100.00%
12/31/2016	14,269,067	20%	51,409,578	73%	4,452,862	6%	70,131,507	100.00%
12/31/2017	14,647,403	20%	54,769,466	76%	2,967,498	4%	72,384,367	100.00%

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior years audited financial statements and current year unaudited Financial Data Schedule

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Akron Metropolitan Housing Authority

NONOPERATING REVENUES BY SOURCE

LAST TEN FISCAL YEARS¹

(Unaudited)

Fiscal Year	Interest and Investment Revenue		Casualty Gain (Loss)		Special Item - Contributions		Gain (Loss) on Assets	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
6/30/2008	\$1,678,281	8%	\$ -	0%	\$ -	0%	\$ -	0%
6/30/2009	1,140,141	4%	-	0%	-	0%	9,280,748	37%
6/30/2010	1,132,673	8%	-	0%	-	0%	-	0%
6/30/2011	2,337,529	13%	-	0%	-	0%	(1,008,661)	-6%
6/30/2012	2,133,940	11%	13,061	0%	2,167,737	11%	18,394	0%
6/30/2013	2,118,164	31%	(202,418)	-3%	-	0%	(441,217)	-6%
12/31/2014	4,001,153	30%	(449,453)	-3%	-	0%	30,148	0%
12/31/2015	1,385,550	15%	(392,875)	-4%	-	0%	65,719	1%
12/31/2016	1,372,016	15%	(291,296)	-3%	-	0%	223,763	2%
12/31/2017	1,382,248	27%	(238,064)	-5%	-	0%	761,813	15%

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior years audited financial statements and current year unaudited Financial Data Schedule

Capital Grants		Capital Contributions		Miscellaneous Non-Operating		Total	
Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
\$ 18,112,521	90%	\$ -	0%	\$306,323	2%	\$20,097,125	100.00%
9,441,412	37%	5,481,957	22%	-	0%	25,344,258	100.00%
11,714,408	86%	758,139	6%	-	0%	13,605,220	100.00%
16,790,494	93%	-	0%	-	0%	18,119,362	100.00%
15,689,309	78%	-	0%	-	0%	20,022,441	100.00%
5,448,340	79%	-	0%	-	0%	6,922,869	100.00%
-	0%	9,900,837	73%	-	0%	13,482,685	100.00%
-	0%	8,123,083	88%	-	0%	9,181,477	100.00%
-	0%	8,105,587	86%	-	0%	9,410,070	100.00%
-	0%	3,306,382	63%	-	0%	5,212,379	100.00%

Akron Metropolitan Housing Authority

DEBT SERVICE COVERAGE

LAST TEN FISCAL YEARS¹

(Unaudited)

	<u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>
Revenue	\$85,578,961	\$87,493,538	\$79,939,555	\$91,392,653	\$94,875,615
Expenses (excluding depreciation)	<u>59,400,309</u>	<u>61,318,940</u>	<u>64,045,148</u>	<u>69,778,786</u>	<u>69,595,584</u>
Revenue Available for Debt Service	26,178,652	26,174,598	15,894,407	21,613,867	25,280,031
Debt Service Requirements:					
Principal	2,004,266	1,843,816	9,820,767	1,845,044	1,818,719
Interest	<u>611,308</u>	<u>696,359</u>	<u>724,203</u>	<u>863,677</u>	<u>1,540,360</u>
Total	\$ 2,615,574	\$ 2,540,175	\$10,544,970	\$ 2,708,721	\$ 3,359,079
Debt Service Coverage	10.01%	10.30%	1.51%	7.98%	7.53%

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior years audited financial statements and current year unaudited Financial Data Schedule

<u>6/30/2013</u>	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>
\$75,197,027	\$111,364,098	\$78,102,548	\$78,415,513	\$76,500,952
<u>70,508,330</u>	<u>107,222,006</u>	<u>71,747,390</u>	<u>71,465,127</u>	<u>72,529,916</u>
4,688,697	4,142,092	6,355,158	6,950,386	3,971,036
1,961,549	2,710,362	2,111,343	2,138,774	2,208,507
<u>849,971</u>	<u>1,487,943</u>	<u>841,187</u>	<u>810,402</u>	<u>695,094</u>
\$ 2,811,520	\$ 4,198,305	\$ 2,952,530	\$ 2,949,176	\$ 2,903,601
1.67%	0.99%	2.15%	2.36%	1.37%

Akron Metropolitan Housing Authority

RATIO OF DEBT TO CAPITAL ASSETS

LAST TEN FISCAL YEARS¹

(Unaudited)

Fiscal Year	Total Debt (Bonds, Notes & Loans Payable)	Capital Assets	Ratio of Total Debt to Capital Assets
6/30/2008	\$ 15,674,224	\$ 168,800,770	9.29%
6/30/2009	12,520,406	170,217,013	7.36%
6/30/2010	16,360,437	178,709,162	9.15%
6/30/2011	29,009,260	174,524,266	16.62%
6/30/2012	26,455,290	176,089,645	15.02%
6/30/2013	25,425,725	168,801,913	15.06%
12/31/2014	25,072,164	164,894,539	15.20%
12/31/2015	22,939,705	164,027,915	13.99%
12/31/2016	21,816,795	156,869,930	13.91%
12/31/2017	19,550,875	147,327,620	13.27%

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior years audited financials and current year unaudited Financial Data Schedule

Akron Metropolitan Housing Authority

RESIDENT DEMOGRAPHICS POPULATION STATISTICS¹

LOW-INCOME PUBLIC HOUSING PROGRAM

HEAD OF HOUSEHOLD INFORMATION

December 31, 2017

(Unaudited)

Racial Composition			By Gender		
Categories	By Unit	Percent	Categories	By Unit	Percent
Asian/Pacific Islander	46	1.1%	Number of Female	3,218	77.4%
Black	2,254	54.2%	Number of Male	937	22.6%
Hispanic	68	1.6%			
White	1,697	40.8%			
Unknown	90	2.2%			
Total	4,155	100.0%	Total	4,155	100.0%

¹Statistics only include the units owned and managed by AMHA and exclude non-dwelling units.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority

RESIDENT DEMOGRAPHICS POPULATION STATISTICS¹

LOW-INCOME PUBLIC HOUSING PROGRAM

HEAD OF HOUSEHOLD INFORMATION

December 31, 2017

(Unaudited)

Resident Members Per Household			Number Bedrooms Per Household		
Categories	Households	Percent	Categories	Households	Percent
1 Member	2,072	49.9%	Efficiency	104	2.5%
2 Members	893	21.5%	1 Bedroom	1,672	40.2%
3 Members	582	14.0%	2 Bedroom	1,271	30.6%
4 Members	338	8.1%	3 Bedroom	886	21.3%
5 Members	170	4.1%	4 Bedroom	206	5.0%
6 Members	65	1.6%	5 Bedroom	16	0.4%
7 Members	24	0.6%			
8 Members	7	0.2%			
9+ Members	4	0.1%			
Total	4,155	100.0%	Total	4,155	100.0%

¹Statistics only include the units owned and managed by AMHA and exclude non-dwelling units.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority

RESIDENT DEMOGRAPHICS POPULATION STATISTICS¹

LOW-INCOME PUBLIC HOUSING PROGRAM

December 31, 2017

(Unaudited)

<u>Age Categories</u>	<u>Household Ages</u>				<u>Annual Income</u>		
	<u>Family Members Excluding Head of Household</u>		<u>Head of Household</u>		<u>Annual Income Range</u>	<u>No. of Households</u>	<u>Percent</u>
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>			
Total members under 18	3,606	83.8%	4,155	100.0%	\$0.00-.99	320	7.7%
Total members 18 and over	<u>696</u>	<u>16.2%</u>	<u>-</u>	<u>0.0%</u>	\$1.00-3,999	453	10.9%
Total	4,302	100.0%	4,155	100.0%	\$4,000-7,999	270	6.5%
					\$8,000-15,999	2,084	50.2%
					\$16,000-27,999	775	18.7%
					\$28,000-35,999	151	3.6%
					\$36,000+	102	2.5%
Grand Total All Members			<u><u>8,457</u></u>	<u><u>100.0%</u></u>	Total	<u><u>4,155</u></u>	<u><u>100.0%</u></u>

¹Statistics only include the units owned and managed by AMHA and exclude non-dwelling units.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority
RESIDENT DEMOGRAPHICS POPULATION STATISTICS
HOUSING CHOICE VOUCHER (SECTION 8) PROGRAMS¹
HEAD OF HOUSEHOLD INFORMATION

December 31, 2017

(Unaudited)

Resident Members Per Household			Number Bedrooms Per Household		
Categories	Households	Percent	Categories	Households	Percent
1 Member	2,354	46.8%	Efficiency	29	0.6%
2 Members	1,033	20.5%	1 Bedroom	1,349	26.8%
3 Members	824	16.4%	2 Bedroom	1,661	33.0%
4 Members	488	9.7%	3 Bedroom	1,441	28.7%
5 Members	202	4.0%	4 Bedroom	482	9.6%
6 Members	77	1.5%	5 Bedroom	67	1.3%
7 Members	39	0.8%			
8 Members	10	0.2%			
9+ Members	2	0.0%			
Total	<u><u>5,029</u></u>	<u><u>100.0%</u></u>	Total	<u><u>5,029</u></u>	<u><u>100.0%</u></u>

¹Includes Housing Choice Voucher, Shelter Plus Care, Veteran Affairs Supportive Housing (VASH), Project Based Voucher and Moderate Rehab programs.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority

RESIDENT DEMOGRAPHICS POPULATION STATISTICS

HOUSING CHOICE VOUCHER (SECTION 8) PROGRAMS¹

HEAD OF HOUSEHOLD INFORMATION

December 31, 2017

(Unaudited)

Racial Composition			By Gender		
Categories	By Unit	Percent	Categories	By Unit	Percent
Asian/Pacific Islander	11	0.2%	Number of Female	3,979	79.1%
Black	3,294	65.5%	Number of Male	1,050	20.9%
Hispanic	63	1.3%			
White	1,557	31.0%			
Unknown	104	2.1%			
Total	5,029	100.0%	Total	5,029	100.0%

¹Includes Housing Choice Voucher, Shelter Plus Care, Veteran Affairs Supportive Housing (VASH), Project Based Voucher and Moderate Rehab programs.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority

RESIDENT DEMOGRAPHICS POPULATION STATISTICS

HOUSING CHOICE VOUCHER (SECTION 8) PROGRAMS¹

December 31, 2017

(Unaudited)

<u>Age Categories</u>	<u>Household Ages</u>				<u>Annual Income</u>		
	<u>Family Members Excluding Head of Household</u>		<u>Head of Household</u>		<u>Annual Income Range</u>	<u>No. of Households</u>	<u>Percent</u>
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>			
Total members under 18	4,801	84.8%	5,029	100.0%	\$0.00-.99	519	10.3%
Total members 18 and over	861	15.2%	-	0.0%	\$1.00-3,999	545	10.8%
Total	5,662	100.0%	5,029	100.0%	\$4,000-7,999	358	7.1%
					\$8,000-15,999	2,368	47.1%
					\$16,000-27,999	996	19.8%
					\$28,000-35,999	171	3.4%
					\$36,000+	72	1.4%
Grand Total All Members			10,691	100.0%	Total	5,029	100.0%

¹Includes Housing Choice Voucher, Shelter Plus Care, Veteran Affairs Supportive Housing (VASH), Project Based Voucher and Moderate Rehab programs.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority

OTHER DEMOGRAPHIC STATISTICS

LAST TEN YEARS

(Unaudited)

Year	Akron Population¹	Personal Income¹	Per Capita Personal Income¹	School Enrollment¹	Akron Unemployment Rate²
2008	217,074	\$ 3,819,634,104	\$ 17,596	59,258	6.70%
2009	217,074	3,819,634,104	17,596	59,258	11.40%
2010	199,110	3,915,299,040	19,664	56,760	9.50%
2011	199,110	3,915,299,040	19,664	56,760	9.40%
2012	199,110	3,915,299,040	19,664	56,760	7.60%
2013	199,110	3,915,299,040	19,664	56,760	7.60%
2014	199,110	3,915,299,040	19,664	56,760	6.60%
2015	199,110	3,915,299,040	19,664	56,760	5.70%
2016	199,110	3,915,299,040	19,664	56,760	6.20%
2017	199,110	3,915,299,040	19,664	56,760	4.80%

Sources: ¹U. S. Census Bureau

²Ohio Department of Jobs and Family Services

Akron Metropolitan Housing Authority
NUMBER OF DWELLING RENTAL UNITS

LAST TEN FISCAL YEARS¹

(Unaudited)

<u>Fiscal Year</u>	<u>Low-Income Public Housing²</u>	<u>Section 8</u>	<u>LHA Business Activities</u>	<u>Tax Credit Units²</u>
6/30/2008	4,349	4,404	199	428
6/30/2009	4,314	4,641	199	595
6/30/2010	4,326	4,975	199	595
6/30/2011	4,345	4,975	228	620
6/30/2012	4,284	4,975	242	632
6/30/2013	4,307	4,975	242	662
12/31/2014	4,309	4,975	247	662
12/31/2015	4,288	4,975	573	334
12/31/2016	4,308	4,981	573	334
12/31/2017	4,308	4,981	573	334

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

²Public Housing and Tax Credit Units include the units operated and managed by a third party management company.

Sources: Prior and current years HUD PIH Information Center reports and Financial Data Schedules

Akron Metropolitan Housing Authority
PROPERTY CHARACTERISTICS AND UNIT COMPOSITION
December 31, 2017
(Unaudited)

Name of Development	Property Type	Address	Number of Units ¹	Year Built or Acquired
Public Housing Units:				
Akron Edgewood Homes	Family	491 Vernon Odom Boulevard	49	2008
Allen Dickson	Senior	21 23rd Street	83	1970
Alpeter Towers	Senior	130 5th Street SE	185	1974
Bon Sue	Family	65 Susan Court	83	1970
Paul E. Belcher North & South	Senior	400 Locust Street	229	1968-1970
Buchtel Apartments (Cotter House)	Senior	770 E. Buchtel Avenue	143	1969
Cascade Village North ²	Family	212 E. North Street	48	2009
Cascade Village South ²	Family	212 E. North Street	41	2009
Cascade Village East/West ²	Family	212 E. North Street	16	2009
Colonial Hills Apartments	Family	27 Colonial Hills Drive	149	1967
Crimson Terrace	Family	408 Herms Court	88	Various
Edgewood Village	Family	491 Vernon Odom Boulevard	23	2010
Edgewood Village South	Family	491 Vernon Odom Boulevard	20	2012
William E. Fowler Apartments	Senior	65 Byers Avenue	180	1973
Honey Locust Apartments	Family	3299 Prange Drive	137	1981
Joy Park Homes	Family	524 Fuller Street	163	1970
Stephanie S. Keys Towers	Senior	4133 Fishcreek Road	99	1982
Martin P. Lauer	Senior	666 N. Howard Street	94	1970
Maplewood Gardens	Family	500 Hardman Drive	104	1981
Marian Hall (Edgewood Village V)	Senior	491 Vernon Odom Boulevard	36	2012
Mohawk Apartments	Family	22 Safer Plaza	101	1970
Fred W. Nimmer Place	Senior	1600 Brittan Road	237	1970
Pinewood Gardens	Family	8788 Ray Court	125	1980
Saferstein Towers I & II	Senior	525 Diagonal Road	338	1969 -1972
Scattered Sites	Family	524 Fuller Street	631	Various
Spicer	Family	502 Spicer Street	12	2016
Summit Lake Apartments	Family	9 Plato Avenue	297	1965-2016
Ray C. Sutliff Towers	Senior	1850 2nd Street	185	1974
Van Buren Homes	Family	410 Pasadena Place	200	1972
Willow Run Apartments	Family	1367 Doty Drive	112	1981
Valley View	Family	943 Springdale Street	100	1970
Total Public Housing Units			4,308	
Tax Credit Units:				
Akron Edgewood Homes	Family	491 Vernon Odom Boulevard	31	2008
Eastland Woods Apartments	Family	Various Addresses	100	1981
Edgewood Village	Family	491 Vernon Odom Boulevard	25	2010
Edgewood Village South	Family	491 Vernon Odom Boulevard	30	2012
Marian Hall (Edgewood Village V)	Senior	491 Vernon Odom Boulevard	12	2012
Cascade Village North ²	Family	212 E. North Street	49	2009
Cascade Village South ²	Family	212 E. North Street	38	2009
Cascade Village East/West ²	Family	212 E. North Street	49	2009
Total Tax Credit Units			334	
LHA Business Activities Units:				
Akron 14	Family	95 Chinook	14	1978
Akron 73	Family	600 Darrow Road	73	1979
Hilltop House	Senior	303 East Tuscarawas	76	1968
LHA Scattered Sites	Family	Various Addresses	24	Various
Thornton Terrace	Family	125 Bowdoin Lane	36	1980
Washington Square	Family	428 South Van Buren Avenue	24	1993
Wilbeth-Arlington Homes	Family	910 Eller Avenue	326	1943
Total LHA Business Activities Units			573	
Total Units			5,215	

¹ Excludes non-dwelling units.

² Operated and managed by a third party management company.

Akron Metropolitan Housing Authority

STAFF HEADCOUNT BY DIVISION

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Executive	Central Office Cost Center	Housing Management¹	Resident Services	Section 8	Total
6/30/2008	6	62	258	22	27	375
6/30/2009	6	58	249	24	28	365
6/30/2010	8	60	242	27	29	366
6/30/2011	8	59	253	29	29	378
6/30/2012	8	61	259	30	29	387
6/30/2013	10	59	259	30	26	384
12/31/2014	10	60	257	32	25	384
12/31/2015	8	62	254	25	24	373
12/31/2016	8	62	254	29	25	378
12/31/2017	8	55	252	28	24	367

¹Housing Management includes approximately 100 off-duty police officers employed part-time by the Security Division

Source: The agency's prior and current years organizational charts

Akron Metropolitan Housing Authority
PRINCIPAL EMPLOYERS IN SUMMIT COUNTY¹

CURRENT YEAR AND NINE YEARS AGO

(Unaudited)

2017				2008			
Employer	Full-Time Employees	Rank	Percentage of Total County Employment	Employer	Full-Time Employees	Rank	Percentage of Total County Employment
Summa Health System	11,000	1	4.21%	Summa Health System	10,000	1	3.57%
Kent State University	3,964	2	1.52%	Akron General Health System	4,277	2	1.53%
Cleveland Clinic Akron General	3,953	3	1.51%	County of Summit, Ohio	3,468	3	1.24%
Akron Children's Hospital	3,380	4	1.29%	Akron City School District	3,095	4	1.10%
Goodyear Tire & Rubber Company	3,000	5	1.15%	Goodyear Tire & Rubber Company	3,000	5	1.07%
Summit County	2,969	6	1.14%	The University of Akron	2,845	6	1.02%
Signet Jewelers, Inc.	2,900	7	1.11%	Akron General Medical Center	2,820	7	1.01%
Akron Public Schools	2,780	8	1.06%	FirstMerit Corporation	2,708	8	0.97%
The University of Akron	2,622	9	1.00%	Akron Children's Hospital	2,681	9	0.96%
FirstEnergy Corp.	2,500	10	0.96%	Associated Materials, Inc.	2,500	10	0.89%
	<u>39,068</u>		<u>14.96%</u>		<u>37,394</u>		<u>13.36%</u>
Total Employed in County²	<u>261,500</u>				<u>280,100</u>		

Sources: ¹Greater Akron Chamber of Commerce and County of Summit, Ohio CAFR

²Ohio Job & Family Services, Office of Workforce Development-Labor Market Information



Dave Yost • Auditor of State

AKRON METROPOLITAN HOUSING AUTHORITY

SUMMIT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER, 27 2018**