ERIE COUNTY METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY

SINGLE AUDIT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

OHIO AUDITOR OF STATE
KEITH FABER

ERIE COUNTY METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY
JUNE 30, 2022

TABLE OF CONTENTS

ERIE COUNTY METROPOLITAN HOUSING AUTHORITY
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TABLE OF CONTENTS

TITLE	PAGE

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

INDEPENDENT AUDITOR'S REPORT

Erie County Metropolitan Housing Authority
Erie County
322 Warren Street
Sandusky, Ohio 44870-2265

To the Board of Commissioners:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Erie County Metropolitan Housing Authority, Erie County, Ohio (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Erie County Metropolitan Housing Authority, Erie County, Ohio as of June 30, 2022, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 12 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

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

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedule and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2023, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

February 23, 2023

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

Since the MD&A is designed to focus on the 2022 year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statement.

FINANCIAL HIGHLIGHTS

- The Authority's total net position increased by $839,144 (or 22.57 percent) during fiscal year ended 2022. Since the Authority engages only in business-type activities, the increase is all in the category of business-type net position. Net position was $3,718,051 and $4,557,195 for 2021 and 2022, respectively.

- The business-type activities revenue decreased by $343,178 (or 3.37 percent) during fiscal year ended 2022. Revenues were $10,198,078 and $9,854,900 for 2021 and 2022, respectively.

- The total expenses of all Authority programs increased by $571,575 (or 6.77 percent). Total expenses were $8,444,181 and $9,015,756 for fiscal years ended 2021 and 2022, respectively.

- In March 2020, the United States and the State of Ohio declared a state of emergency due to the COVID-19 pandemic. HUD provided additional funds to the Authority's Public Housing and Housing Choice Voucher programs to help the Authority prepare for, prevent, and respond to the coronavirus, which helped the Authority maintain normal operations during the period.

Authority-Wide Financial Statements

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

These statements include a Statement of Net Position, which reports all financial and capital resources for the Authority. The statement is presented in the format where assets and deferred outflow of resources minus liabilities and deferred inflow of resources, equal "Net Position." Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-current."

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

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

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

Unrestricted: Consists of Net Position that do not meet the definition of "Net Investment in Capital Assets," or "Restricted." This account resembles the old operating reserves account.

The basic financial statements also include a Statement of Revenues, Expenses and Change in Net Position (like an Income Statement). This Statement includes Operating Revenues, such as operating grant revenue and rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, Non-Operating Revenue, such as capital grant revenue and interest income.

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

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

THE AUTHORITY'S PROGRAMS

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

The Authority converted to asset management starting July 1, 2007 and has separated its properties into two asset management projects-AMP # 1 consists of all scattered sites and AMP # 2 consists of all units at the Bayshore Towers. The Authority tracks income and expenses at the AMP level for better management and control.

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

PIH Family Self-Sufficiency Program – The PIH Family Self-Sufficiency Program funding is provided by HUD and used by the Authority to have coordinators on staff who assess the self-sufficiency needs and goals of residents of the Public Housing and Section 8 Voucher programs, and who will work to coordinate available resources in the community to meet those needs and assist the Authority's clients reach their respective self-sufficiency goals.

Central Office Cost Center – with conversion to asset management, the Authority established a central office cost center (COCC) fund. Management, bookkeeping and asset management fees are paid to the COCC by the AMPs. Otherwise, salaries and benefits of administrative personnel and charged to the COCC as are other administrative-related expenses. The profit remaining in the COCC is deprogrammed and is available for any housing use. Management fees received from the Erie Community Plaza, Inc. (a

202 PRAC project), the Sandusky Metropolitan Housing Authority and Erie County Housing Opportunity (ECHO, an 811 PRAC project) are reported as revenue to the Central Office Cost Center.

Special Programs for the Aging – Title III-C – Under the Title III-C Program, the Authority oversees the administration of the nutrition program by the Erie County Senior Center. Funding is received from the Area Office on Aging of Northwest Ohio, Inc. through the Department of Health and Human Services to provide nutritionally balanced meals to residents of Erie County age 60 and older. Meals are provided for a donation only.

Special Programs for the Aging – Title III-B - represents resources derived from the administration of the Title III-B program by the Erie County Senior Center. The program provides services for the elderly of Erie County for transportation, escort, education, information & referral, volunteer placement, health assessment and socialization. Funding is received through the Area Office on Aging of Northwest Ohio, Inc. from the U.S. Department of Health and Human Services.

State and Local Grants – represents resources derived from local grants for training and protective services at both the Bayshore Towers and the Erie County Senior Center. The Authority oversees the administration of Erie County Senior Center Gift Store and the local fund-raising activities of the Erie County Center to provide the local cash match needed for the Title III-B and Title III-C programs

AUTHORITY STATEMENTS

Statement of Net Position

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

Table 1 - Condensed Statement of Net Position

	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets *	$ 3,861,580	$ 3,988,071
Capital Assets	4,492,936	4,357,517
Other Non-Current Assets	228,397	149,708
Deferred Outflows	202,210	133,379
Total Assets and Deferred Outflows of Resources	8,785,123	8,628,675
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities and Deferred Inflows of Resources		
Current Liabilities	421,225	655,379
Long-Term Liabilities	2,926,816	3,465,314
Deferred Inflows of Resources	879,887	739,931
Total Liabilities and Deferred Inflows of Resources	4,227,928	4,860,624
Net Position		
Net Investment in Capital Assets *	2,167,424	2,245,192
Restricted *	292,681	195,724
Unrestricted	2,097,090	1,277,135
Total Net Position	4,557,195	3,718,051
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 8,785,123	$ 8,578,675

* Reclassification made to 2021 amounts for consistency to enhance comparison to 2022 balances.

For more detailed information, see Statement of Net Position presented elsewhere in this report.

Major Factors Affecting the Statement of Net Position

Current assets were nearly unchanged from the previous fiscal period. The decrease of $126,491 was a 3.17 percent change. The reduction in current liabilities, however, was more notable. The decrease of $234,154 was a change of 35.73 percent. Contributing to the change in current liabilities was that at the end of the previous period, there was an invoice of over $90,000 payable on construction in progress. That the invoice was unpaid at last fiscal year-end was simply a matter of timing of when the invoice was received. Also, at the end of the prior period, the State and Local Program had unearned revenue of almost $137,000, a result of grant funds that had been received but not yet expended. Those funds were spent in the period ended in 2022.

The change in the balance of restricted net position is also to be noted, increasing $96,957 (an increase of 49.54 percent). That change is in unspent funding from HUD that is provided to the Authority to use to make rental assistance payments under its Housing Voucher programs. This increase is another resulting from timing of when funds are received versus when they are spent and the extra funds are expected to be spent in the coming period.

The other balances with notable changes all changed primarily due to reported of balances in accordance with GASB 68 and GASB 75. GASB 68 is an accounting standard that essentially requires the Authority to report financial balances for what is estimated to be its share of the unfunded pension liability, the net pension liability (NPL), and balances caused by changes in the pension liability of the of the pension system, the Ohio Public Employees Retirement System (OPERS). And GASB 75 is an accounting standard that essentially requires the Authority to report financial balances for what is estimated to be its share of the other postemployment benefits (OPEB) asset and balances caused by changes in the OPEB liability/asset of the of the pension system, the Ohio Public Employees Retirement System (OPERS). OPEB refers to the healthcare plan of the pension system, and actuaries have concluded the healthcare plan has surplus funding as of the measurement date applicable to this Erie Metropolitan Housing Authority financial report and so the balance to be reported at this fiscal year-end is an OPEB asset. Deferred outflows of resources and deferred inflows of resources are caused by changes in the NPL and OPEB liability/asset. Some changes in the NPL and OPEB balances are amortized over a five-year period and those amortized balances are reported as deferred outflows of resources and deferred inflows of resources. The large changes to other noncurrent assets, deferred outflows of resources, noncurrent liabilities and deferred inflows of resources are primarily related to changes in balances reported in accordance with GASB 68 and GASB 75.

Employees of the Authority are required by state law to be members of OPERS, and the Authority is required to make retirement contributions to OPERS for all of its employees. The Net Pension Liability is unlike other liabilities the Authority has in that this liability does not represent invoices to be paid by the Authority but rather is an attempt to estimate the extent to which contributions to OPERS would have to increase in order for OPERS to fully fund its future obligations. In Ohio there is no legal means to enforce the unfunded liability of the pension plan against a public employer like the Authority. Contribution rates for employees and employers are set by state law, so any change in contribution rates would require a change in state law. Similarly, there is no way for an employer like the Authority to access the OPEB asset. The reporting of the balances in accordance with GASB 68 and GASB 75 has a significant effect on unrestricted net position. Unrestricted net position as of June 30, 2022 is $2,097,090 and is nearly $976,000 less than what it would be without balances reported in accordance with GASB 68 and GASB 75.

Table 2 - Change of Net Position

	Unrestricted	Net Investment In Capital Assets *	Restricted (3) *
Beginning Balance	$ 1,277,135	$ 2,245,192	$ 195,724
Results From Operation	742,187	0	96,957
Adjustment:			
Current Year Depreciation Expense (1)	393,238	(393,238)	0
Capital Expenditure (2)	(502,420)	502,420	0
Retirement of Debt (2)	(168,297)	168,297	0
Implementation of GASB No. 87 (2)	(26,237)	26,237	0
Change in Unspent Debt Proceeds (2)	352,879	(352,879)	0
Change in GASB 87 Lease Liaiblity (2)	28,603	(28,603)	0
Rounding Adjustment	2	(2)	0
Ending Balance	$ 2,097,090	$ 2,167,424	$ 292,681

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

(2) Capital and related expenditures of debt represent flows of unrestricted net position but are not treated as an expense against Results of Operations and, therefore, are adjusted against Net Investment in Capital Assets.

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

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer presentation of financial position. The Authority's unrestricted net position increased $819,955.

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

Table 3 - Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2022	2021
Revenue		
Total Tenant Revenue	$ 603,585	$ 515,311
Operating Grants	8,230,758	8,544,009
Capital Grants	165,102	168,373
Investment Income	3,063	1,507
Other Revenue	852,392	968,878
Total Revenue	9,854,900	10,198,078
Expenses		
Administrative	1,370,617	1,012,362
Tenant Services	91,505	148,259
Utilities	211,700	194,476
Maintenance	851,999	484,863
Protective Services	52,938	52,112
General and Interest	313,320	253,622
Housing Assistance Payments	5,730,439	5,956,491
Depreciation	393,238	341,996
Total Expenses	9,015,756	8,444,181
Net Increases (Decreases)	839,144	1,753,897
Beginning Net Position	3,718,051	1,964,154
Ending Net Position	$ 4,557,195	$ 3,718,051

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

In total revenues changed only modestly, decreasing a little more than 3 percent. Operating grants is where the reduction was realized, and it was primarily in HAP revenue for the Housing Choice Voucher Program. HUD provides HAP funding which is used by the Authority to make rental assistance payments on behalf of families being assisted by the program. And HUD bases how much funding to provide for this purpose on monthly lease up and average cost data reported by the Authority in an attempt to minimize how much unspent funding for this purpose the Authority has at any time. In the period, lease up for the Program and related spending to provide the rental assistance was slightly reduced, and so the funding provided was also reduced. This decrease is temporary and will pick back up again once lease up under the program is increased.

Expenses overall increased $571,575, an increase of 6.77 percent. Larger increases in administrative expense and maintenance expense were offset by a drop in HAP expense. The reduction in HAP expense was mentioned in the preceding paragraph. To a certain extent, the increase in administrative and maintenance expense was related to changes in balances reported in accordance with GASB 68 and GASB 75 addressed in the section describing major factors addressing changes in the Statement of Net Position. Pension expense is what is realized when balances reported in accordance with GASB 68 and GASB 75 change. Pension expense is a part of what is reported as administrative and maintenance expense. This year pension expense is about ($383,000), a negative expense, and last year it was about ($788,000). Otherwise, the increase in maintenance expense resulted from in general the costs of supplies and services increasing, and the Authority's increased spending in the period to address previously deferred maintenance issues.

CAPITAL ASSETS

As of year-end, the Authority had $4,492,936 invested in a variety of capital assets as reflected in the following schedule, which represents a net increase of $135,419 or 3.11 percent from the end of 2021. This increase was primarily due to energy improvements made using funding from the new Energy Performance Lease Agreement.

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

	2022	2021
Land	$ 674,630	$ 674,630
Buildings and Improvements	18,363,391	16,997,872
Equipment	627,601	542,702
Construction in Progress	80,427	1,002,188
Accumulated Depreciation	(15,253,113)	(14,859,875)
Total	$ 4,492,936	$ 4,357,517

The following reconciliations identifies the change in capital assets.

Table 5 - Change in Capital Assets

Beginning Balance	$ 4,357,517
Current Year Additions	528,657
Current Year Depreciation Expense	(393,238)
Total	$ 4,492,936

DEBT OUTSTANDING

As of year-end, the change in the Authority's outstanding debt is as follows:

Beginning Balance	$ 2,509,706
Current Year Debt Retired	(168,297)
New Debt	0
Ending Balance	$ 2,341,409

Due to the implementation of GASB Statement No. 87, the Authority has an equipment lease liability at June 30, 2022. The following summarizes the change in the lease liability from last fiscal year-end.

Equipment Lease Liability - June 30, 2021	$ 0
Additions in Period	35,309
Retirements in Period	(6,706)
Equipment Lease Liability - June 30, 2022	$ 28,603

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

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

FINANCIAL CONTACT

The individual to be contacted regarding this report is Ralph Chamberlain, Executive Director, Erie Metropolitan Housing Authority, (419) 625-0262.

ERIE METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY, OHIO
STATEMENT OF NET POSITION
JUNE 30, 2022

Assets and Deferred Outflow of Resources		
Assets		
Current Assets		
Cash and Cash Equivalents	$	3,233,468
Restricted Cash and Cash Equivalents		484,324
Receivables, Net		53,948
Prepaid Expenses and Other Assets		70,841
Inventory, Net		18,999
Total Current Assets		3,861,580
Non-Current Assets		
Capital Assets:		
Non-Depreciable Capital Assets		755,057
Depreciable Capital Assets, Net		3,737,879
Total Capital Assets		4,492,936
Lease Receivable, Net of Current		17,791
Net Pension Asset		25,402
Net OPEB Asset		185,204
Total Non-Current Assets		4,721,333
Deferred Outflow of Resources		
Pension		200,210
OPEB		2,000
Total Deferred Outflow of Resources		202,210
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$	8,785,123
Liabilities, Deferred Outflow of Resources, and Net Position		
Liabilities		
Current Liabilities		
Accounts Payable	$	125,856
Accrued Liabilities		71,097
Tenant Security Deposits		23,000
Interest Payable		14,690
Unearned Revenue		1,827
Other Current Liabilities		3,419
Lease Payable		8,151
Long-Tern Debt - Current Portion		173,185
Total Current Liabilities		421,225
Non-Current Liabilities		
Long-Term Debt - Non-Current Portion		2,168,224
Lease Payable - Net of Current Portion		20,452
Accrued Compensated Absences		81,954
Non-Current Liabilities - Other		121,024
Net Pension Liability		535,162
Total Non-Current Liabilities		2,926,816
Total Liabilities		3,348,041
Deferred Inflow of Resources		
Lease		27,693
Pension		657,924
OPEB		194,270
Total Deferred Inflow of Resources		879,887
Net Position		
Net Investment in Capital Assets		2,167,424
Restricted Net Position		292,681
Unrestricted Net Position		2,097,090
Total Net Position		4,557,195
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	$	8,785,123

See accompanying notes to the financial statements.

ERIE METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Operating Revenues		
Tenant Revenue	$	603,585
Government Operating Grants		8,230,758
Other Revenue		852,392
Total Operating Revenues		9,686,735
Operating Expenses		
Administrative		1,370,617
Tenant Services		91,505
Utilities		211,700
Maintenance		851,999
Protective Services		52,938
General and Insurance		205,183
Housing Assistance Payment		5,730,439
Depreciation		393,238
Total Operating Expenses		8,907,619
Operating Income		779,116
Nonoperating Revenues (Expenses)		
Capital Grant Revenue		165,102
Interest Income		3,063
Interest Expense		(108,137)
Total Nonoperating Revenues		60,028
Net Change in Net Position		839,144
Beginning Net Position		3,718,051
Ending Net Position	$	4,557,195

See accompanying notes to the financial statements.

ERIE METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY, OHIO
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Cash Flows from Operating Activities		
Operating Grants Received	$	8,247,344
Receipts from Tenants		604,716
Other Revenue Received		710,631
Cash Payments for Administrative and Operating Costs		(3,263,860)
Cash Payments for HAP		(5,757,733)
Net Cash Provided by Operating Activities		541,098
Cash Flows from Investing Activities		
Interest Earned		3,063
Cash Flows from Capital and Related Activities		
Capital Grant Received		165,102
Capital Asset Purchases		(502,420)
Interest Payment		(109,603)
Debt Payment		(168,297)
Lease Liability Incurred		35,309
Payments on Lease Liability		(6,706)
Interest Paid on Leases		(1,044)
Net Cash Used by Capital and Related Activities		(587,659)
Net Decrease in Cash and Cash Equivalents		(43,498)
Cash and Cash Equivalents - Beginning of Year		3,761,290
Cash and Cash Equivalents - End of Year	$	3,717,792
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities		
Net Operating Income	$	779,116
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation		393,238
(Increases) Decreases in:		
Accounts Receivable		(13,770)
Prepaid Assets		12,733
Inventory		16,239
Net OPEB Asset		16,841
Pension Assets		(77,739)
Deferred Outflows		(68,831)
Increases (Decreases) in:		
Accounts Payable		(25,133)
Accrued Liabilities		5,770
Unearned Revenue		(136,817)
Other Current Liabilities		(91,897)
Pension/OPEB Liability		(356,121)
Deferred Inflow of Resources		139,956
Non-Current Liabilities		(52,487)
Net Cash Provided by Operating Activities	$	541,098

See accompanying notes to the financial statements.

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

Organization and Reporting Entity

The Erie Metropolitan Housing Authority (EMHA) is a political subdivision of the State of Ohio, located in Erie County, Ohio, created under Section 3735.27 of the Ohio Revised Code, to engage in the acquisition, development, leasing and administration of low-rent housing program. An Annual Contributions Contract was signed by the EMHA and the United States Department of Housing and Urban Development (HUD), under the provisions of the United States Housing Act of 1937 (42 U.S.C. 1437) Section 1.1. The Authority was also created in accordance with state law to eliminate housing conditions which are detrimental to the public peace, health, safety, morals, or welfare by purchasing, acquiring constructing, maintenance, operating, improving, extending, and repairing housing facilities.

The nucleus of the financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) Statement No. 61 is the "primary government". A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criteria of financial accountability is the ability of the primary government to impose its will upon the potential component unit. This criterion was considered in determining the reporting entity. The Authority is a political subdivision with no component units.

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 units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

The Authority's basic financial statements consist of a statement of net position, a statement of revenues, expenses, and change in net position, and a statement of cash flows.

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

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

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

Measurement Focus and Basis of Accounting

The enterprise fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the Authority are included on the Statement of Net Position. The Statement of Revenues, Expenses and Change in Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net 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 operations. The principal operating revenues of the Authority's enterprise fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the enterprise fund include 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.

Property and Equipment

Property and equipment are recorded at cost. Costs that materially add to the productive capacity or extend the life of an asset are capitalized, while maintenance repair costs are expensed as incurred.

Useful life of property and equipment is as follows:

Buildings	40 years
Land and Building Improvements	15 years
Equipment	7 years
Autos	5 years

Depreciation is recorded on the straight-line method. Total depreciation expense for the 2022 fiscal year was $393,238.

Cash and Cash Equivalents

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

Investments

Investments are stated at fair value.

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

Net Position

Net position represents the difference between assets and deferred outflow of resources, and liabilities and deferred inflow of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used, or other liabilities incurred, for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position includes the HAP equity for the Housing Choice Voucher and Mainstream Voucher Programs. That is funding provided to the Agency by HUD for the purpose of making rental assistance payments on behalf of program participants that has yet to be expended and was $292,681 at June 30, 2022.

Pensions/Other Postemployment Benefits (OPEB)

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

Deferred Inflow/Outflow of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Authority, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Note 7 and 8.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. Deferred inflows of resources are reported on the government-wide statement of net position for leases, pension and OPEB. The deferred inflows of resources related to pension and OPEB are explained in Note 7 and 8.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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

Budgetary Accounting
The Authority annually prepares funding requests as prescribed by HUD. Budgets are adopted by the Board of Commissioners.

Financial Statement Format and Content
The format and content of the financial statements included in this report conforms to the format and content submitted to U.S. Department of Housing and Urban Development, via the Real Estate Assessment Center.

NOTE 2: **DEPOSITS AND INVESTMENTS**

The Authority follows the provisions of GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. This standard revised the existing requirement regarding disclosure of custodial credit risk and establishes requirements for disclosures regarding credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed to 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.

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

Deposits (Continued)
On June 30, 2022, the carrying amount of the Authority's cash deposits was $3,717,792, including $410 of petty cash, and $44,500 of debt service funds held by the paying agent. Bank deposits totaled $3,742,473, of which $544,500 were covered by Federal Depository Insurance, while $3,197,973 was collateralized by securities pledged in the name of the Authority.

Custodial credit is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority's policy is to place deposits with major local banks approved by the Board. Multiple financial institution collateral pools that insure public deposits held by fiscal and escrow agents, are collateralized with eligible securities in amounts equal to at least 102 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at Federal Reserve banks, or at member banks of the Federal Reserve system in the name of the respective depository bank, and pledged as a pool of collateral against all of the public deposits it holds, or as specific collateral held at a Federal Reserve bank in the name of the Authority.

Investments
HUD, State Statute, and Board resolutions authorize the Authority to invest in obligations of the U.S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, money market deposit accounts, municipal depository funds, super NOW accounts, sweep accounts, separate trading of registered interest and principal of securities, mutual funds, bonds and other obligations of this State, and the State Treasurer's investment pool. Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives 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 exception that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The Authority has a formal investment policy. The objective of this policy shall be to maintain liquidity and protection of principal while earning investment interest. Safety of principal is the primary objective of the investment program. The Authority follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and records all its investments at fair value. At June 30, 2022, the Authority has no investments.

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

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

Credit Risk
HUD requires specific collateral on individual accounts in excess of amounts insured by the Federal Deposit Insurance Corporation. The Authority depository agreements specifically requires compliance with the HUD requirement.

Concentration of Credit Risk
The Authority's investment policy limits investments in a single security type or a with a single financial institution to 50 percent of the total investment portfolio.

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

Restricted Cash
Restricted cash is composed of the following restricted:

Restricted HAP Equity	$ 292,681
FSS Escrow Funds	121,024
Tenant Security Deposit	23,000
CFFP Debt Escrows	44,500
Uncashed Checks due to Tenants	3,119
Total	$ 484,324

NOTE 3: **CHANGES IN ACCOUNTING PRINCIPLES**

During 2022, the Authority implemented GASB Statement No. 87, *Leases.* This Statement enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financing of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. interest cost incurred before the end of a construction period and requires that interest. The changes were incorporated in the Authority's financial statements; however, there was no effect on the beginning net position.

NOTE 4: CAPITAL ASSETS

A summary of capital assets at June 30, 2022 by class is as follows:

Land	$ 674,630
Construction in Progress	80,427
Building and Building Improvements	18,363,391
Furniture and Equipment - Dwelling	2,590
Furniture and Equipment - Administration	625,011
Total	19,746,049
Less Accumulated Depreciation	(15,253,113)
Total Property and Equipment, Net of Depreciation	**$ 4,492,936**

A summary of changes in capital assets during the year is as follows:

	Balance June 30, 2021	Implementation of GASB 87	Additions	Reclass	Balance June 30, 2022
Capital Assets Not Being Depreciated					
Land	$ 674,630	$ 0	$ 0	$ 0	$ 674,630
Construction in Progress	1,002,188	0	80,427	(1,002,188)	80,427
Total Capital Assets Not Being Depreciated	1,676,818	0	80,427	(1,002,188)	755,057
Capital Assets Being Depreciated					
Buildings and Improvements	16,997,872	0	363,331	1,002,188	18,363,391
Furniture, Machinery, and Equipment	542,702	0	50,230	0	592,932
Intangible Right-to-use Lease - Equipment	0	26,237	8,432	0	34,669
Subtotal Capital Assets Being Depreciated	17,540,574	26,237	421,993	1,002,188	18,990,992
Accumulated Depreciation					
Buildings and Improvements	(14,387,359)	0	(351,315)	0	(14,738,674)
Equipment and Vehicles	(472,516)	0	(35,083)	0	(507,599)
Intangible Right-to-use Lease - Equipment	0	0	(6,840)	0	(6,840)
Total Accumulated Depreciation	(14,859,875)	0	(393,238)	0	(15,253,113)
Total Capital Assets Being Depreciated, Net	2,680,699	26,237	28,755	1,002,188	3,737,879
Total Capital Assets, Net	$ 4,357,517	$ 26,237	$ 109,182	$ 0	$ 4,492,936

NOTE 5: LONG-TERM OBLIGATIONS

Direct Borrowings and Direct Placements

The long-term debt consists of bond payable dated July 17, 2007, due June 2027, and was funded by a bond issue in the principal amount of $40,532,000, of which the Authority’s share is $1,130,000. Repayment of the loan is funded through contributions from HUD under the Capital Fund Program and investment earnings. Payments are made by reducing the Capital Fund Program subsidy due to the Authority. Payments are due semi-annually beginning October 1, 2007, totaling approximately $90,000 annually. Serial bonds were issued with fixed interest rates between 3.90 percent and 4.67 percent. The bonds were issued to provide major renovations at Bayshore Towers. The outstanding balance as of June 30, 2022 is $360,000.

NOTE 5: **LONG-TERM OBLIGATIONS** (Continued)

Direct Borrowings and Direct Placements (Continued)

In January 2021, the Authority entered into an Energy Performance Equipment Lease/Purchase Agreement which provided funding of $2,109,520 that the Authority used to fully retire the Energy Performance Agreement from December 2014, with the remainder to be used to make energy improvements to its Public Housing program rental units. Rental payments required under the Agreement will be quarterly for a total of 60 payments of $49,613 with a term maturing October 31, 2035, with the initial payment due January 30, 2021 and amortized at a 4.65% interest rate. The Agreement shall terminate upon payment in full of all rental payments due, or upon payment by the Authority of the rental payment due on such date and payment in full of the then-applicable purchase price as set forth in the Schedule of Payments. In the event of default, Lessor shall have the right to declare an amount equal to the Purchase Price immediately due and payable; or may peaceably retake possession of the equipment. The outstanding balance on the Agreement at June 30, 2022 is $1,981 409 and the purchase price is $2,196,293.

Debt maturities are estimated in the amortization schedule as follows:

Year Ended	U.S. Department of HUD		Energy Performance Equipment Lease	
June 30	Principal	Interest	Principal	Interest
2023	$ 65,000	$ 12,240	$ 108,184	$ 90,267
2024	70,000	10,030	113,303	85,148
2025	75,000	7,650	118,664	79,787
2026	75,000	5,100	124,279	74,172
2027	75,000	2,550	130,160	68,291
2028-2032	0	0	749,219	243,036
2033-2036	0	0	637,600	56,982
Total	$ 360,000	$ 37,570	$ 1,981,409	$ 697,683

Equipment Leases

The Authority entered into a sixty-month lease for a postage machine calling for quarterly payments of $467.28 beginning May 2022. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease is estimated to be 4.00 percent.

The Authority entered into a sixty three-month lease for copier equipment calling for monthly payments of $606.88 beginning April 2020. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease is estimated to be 4.00 percent.

Lease commitments for the fiscal years ending June 30 are as follows:

	Principal	Interest	Total
2023	$ 8,151	$ 1,000	$ 9,151
2024	8,482	669	9,151
2025	8,828	323	9,151
2026	1,770	99	1,869
2027	1,372	28	1,400
	$ 28,603	$ 2,119	$ 30,722

NOTE 5: **LONG-TERM OBLIGATIONS** (Continued)

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022.

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
U.S. Department of HUD	$ 425,000	$ 0	$ (65,000)	$ 360,000	$ 65,000
Energy Performance Equipment Lease	2,084,706	0	(103,297)	1,981,409	108,185
Net Pension Liability	891,283	0	(356,121)	535,162	0
Compensated Absence Liability	112,403	0	(3,399)	109,004	27,050
FSS Escrow Liability	148,318	59,174	(86,468)	121,024	0
Lease Liability	0	35,309	(6,706)	28,603	8,151
Total Long-Term Obligations	$ 3,661,710	$ 94,483	$ (620,991)	$ 3,135,202	$ 208,386

NOTE 6: **ALLOCATION OF COSTS**

The Authority allocated expenses not attributable to a specific program to all programs under management. The basis for this allocation was the number of units in each program or estimated actual usage. Management considers this to be an equitable method of allocation.

NOTE 7: **DEFINED BENEFIT PENSION PLAN**

Net Pension Liability/Asset

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

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

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

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

Net Pension Liability/Asset (Continued)

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in 2019, the COLA is based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Cost-of living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

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

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

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

	State and Local
2021-2022 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2021-2022 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

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

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

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

The Authority's contractually required contributions used to fund pension benefits was $134,901 for fiscal year ending June 30, 2022.

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

The net pension liability/asset for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability/asset was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability/asset was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.006019%	0.014634%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	0.006151%	0.006447%	
Change in Proportionate Share	0.000132%	-0.008187%	
Proportionate Share of the Net Pension Liability/(Asset)	$ 535,162	$ (25,402)	$ 509,760
Pension Expense	$ (78,993)	$ 1,041	$ (77,952)

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 27,282	$ 157	$ 27,439
Changes of assumptions	66,921	1,275	68,196
Changes in proportion and differences between Authority contributions and proportionate share of contributions	18,775	15,753	34,528
Authority contributions subsequent to the measurement date	70,047	0	70,047
Total Deferred Outflows of Resources	$ 183,025	$ 17,185	$ 200,210
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$ 636,556	$ 5,447	$ 642,003
Differences between expected and actual experience	11,738	2,841	14,579
Changes in proportion and differences between Authority contributions and proportionate share of contributions	0	1,342	1,342
Total Deferred Inflows of Resources	$ 648,294	$ 9,630	$ 657,924

$70,047 reported as deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Year Ending June 30:			
2023	$ (70,060)	$ 288	$ (69,772)
2024	(214,315)	(353)	(214,668)
2025	(149,679)	447	(149,232)
2026	(101,262)	864	(100,398)
2027	0	1,877	1,877
Thereafter	0	4,432	4,432
Total	$ (535,316)	$ 7,555	$ (527,761)

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2% down to 6.9%, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, reflecting experience study results, are presented below:

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

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

Actuarial Assumptions – OPERS (Continued)

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

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 15.3 percent for 2021.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

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

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

Actuarial Assumptions – OPERS (Continued)

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

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

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Pension Plan	$ 1,410,978	$ 535,162	$ 193,633
Combined Plan	$ (18,954)	$ (25,402)	$ (30,430)

NOTE 8: **DEFINED BENEFIT OPEB PLANS**

Net OPEB Asset

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

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

NOTE 8: **DEFINED BENEFIT OPEB PLANS** (Continued)

Net OPEB Asset (Continued)

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2021, measurement date health care valuation.

NOTE 8: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

In order to qualify for postemployment health care coverage, generally, age and service retirees under the traditional pension and combined plans must be at least age sixty with twenty or more years of qualifying Ohio service credit, or thirty years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the Traditional Pension Plan and Combined Plan.

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021-2022, OPERS did not allocate any employer contributions to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021-2022 was 4.0 percent.

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

The Authority's had no contractually required contribution allocated to health care for the fiscal year ending June 30, 2022.

NOTE 8: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB asset was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the Net OPEB Asset:	
Prior Measurement Date	0.006032%
Proportion of the Net OPEB Asset:	
Current Measurement Date	0.005913%
Change in Proportionate Share	-0.000119%
Proportionate Share of the Net OPEB Asset	$ 185,204
OPEB Expense	$ (160,735)

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred Outflows of Resources	
Changes in proportion and differences between Authority contributions and proportionate share of contributions	$ 2,000
Total Deferred Outflows of Resources	$ 2,000
Deferred Inflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	$ 88,292
Differences between expected and actual experience	28,093
Changes of assumptions	74,968
Changes in proportion and differences between Authority contributions and proportionate share of contributions	2,917
Total Deferred Inflows of Resources	$ 194,270

NOTE 8: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

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

	OPERS
Year Ending June 30:	
2023	$ (118,255)
2024	(42,042)
2025	(19,292)
2026	(12,681)
Total	$ (192,270)

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions. The actuarial valuation used the following actuarial assumptions and methods, reflecting experience study results, applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

NOTE 8: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

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

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

The long-term expected rate of return on health care investment assets was determined using a building-block 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.

NOTE 8: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.3 percent for 2021.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

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

NOTE 8: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the actuarial long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

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

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB asset	$ 108,917	$ 185,204	$ 248,523

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

NOTE 8: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB asset	$ 187,206	$ 185,204	$ 182,830

NOTE 9: **COMPENSATED ABSENCES**

Vacation and sick leave policies are established by the Board of Authority based on local and state laws. All permanent employees will earn 4.6 hours of sick leave per eighty (80) hours of service. Unused sick leave may accumulate without limit. At the time of retirement, employees shall be paid the value of twenty-five percent of unused sick leave subject to a maximum payment equal to 120 days of sick leave. All permanent employees will earn vacation hours accumulated based on length of service. Employees will be paid for all unused vacation time upon their separation from service.

NOTE 10: **RISK MANAGEMENT**

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

NOTE 11: **CONTINGENCIES**

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

NOTE 11: **CONTINGENCIES** (Continued)

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

NOTE 12: **COVID-19**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will likely impact subsequent periods of the Authority. The investments of the pension and other post-employment benefit plans in which the Authority participates fluctuate with market conditions and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.006151%	0.006019%	0.005962%	0.006092%	0.006269%	0.007123%	0.008293%	0.008495%	0.008495%
Authority's Proportionate Share of the Net Pension Liability	$ 535,162	$ 891,283	$ 1,178,430	$ 1,668,475	$ 983,487	$ 1,617,512	$ 1,430,634	$ 1,024,595	$ 1,001,450
Authority's Covered Payroll	$ 892,662	$ 847,699	$ 838,915	$ 822,793	$ 828,500	$ 920,848	$ 1,032,204	$ 1,041,492	$ 1,052,809
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.14%	140.47%	202.78%	118.71%	175.65%	138.60%	98.38%	95.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Combined Plan	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Asset	0.006447%	0.014634%	0.013804%	0.014502%	0.014995%	0.015921%	0.016490%	0.016901%	0.016901%
Authority's Proportionate Share of the Net Pension (Asset)	$ (25,402)	$ (42,243)	$ (28,785)	$ (16,216)	$ (20,413)	$ (8,861)	$ (6,835)	$ (6,509)	$ (7,470)
Authority's Covered Payroll	$ 29,393	$ 64,490	$ 61,451	$ 62,025	$ 61,412	$ 61,975	$ 60,026	$ 59,146	$ 59,789
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	86.42%	65.50%	46.84%	26.14%	33.24%	14.30%	11.39%	11.00%	12.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

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

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

See accompanying notes to the required supplementary information.

ERIE METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY, OHIO
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contributions										
Traditional Plan	$ 134,837	$ 119,810	$ 118,346	$ 115,978	$ 115,292	$ 104,056	$ 118,772	$ 123,077	$ 126,985	$ 136,556
Combined Plan	64	8,630	8,857	8,548	8,637	7,613	7,117	7,151	7,045	7,556
Total Required Contributions	134,901	128,440	127,203	124,526	123,929	111,669	125,889	130,228	134,030	144,112
Contributions in Relation to the Contractually Required Contribution	(134,901)	(128,440)	(127,203)	(124,526)	(123,929)	(111,669)	(125,889)	(130,228)	(134,030)	(144,112)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll										
Traditional Plan	$ 963,121	$ 855,786	$ 845,329	$ 828,412	$ 855,335	$ 835,219	$ 989,769	$ 1,025,639	#########	$ 1,050,431
Combined Plan	$ 457	$ 61,643	$ 63,264	$ 61,054	$ 64,064	$ 61,089	$ 59,310	$ 59,592	$ 58,708	$ 58,123
Pension Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	13.48%	12.46%	12.00%	12.00%	12.00%	13.00%
Combined Plan	14.00%	14.00%	14.00%	14.00%	13.48%	12.46%	12.00%	12.00%	12.00%	13.00%

See accompanying notes to the required supplementary information.

ERIE METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY, OHIO
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SIX FISCAL YEARS

	2022	2021	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability/Asset	0.005913%	0.006032%	0.005960%	0.006100%	0.006280%	0.006280%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	$ (185,204)	$ (107,465)	$ 823,231	$ 795,296	$ 681,962	$ 634,301
Authority's Covered Payroll	$ 922,055	$ 912,189	$ 900,366	$ 884,818	$ 889,912	$ 982,823
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	20.09%	11.78%	91.43%	89.88%	76.63%	64.54%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information.

ERIE METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY, OHIO
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS - OPEB
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 0	$ 0	$ 0	$ 0	$ 4,787	$ 13,814	$ 20,982	$ 21,705
Contributions in Relation to the Contractually Required Contribution	0	0	0	0	(4,787)	(13,814)	(20,982)	(21,705)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority Covered Payroll	$ 963,578	$ 917,429	$ 908,593	$ 889,466	$ 919,399	$ 896,308	$ 1,049,079 0	$ 1,085,231
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.52%	1.54%	2.00%	2.00%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as the information becomes available.

See accompanying notes to the required supplementary information.

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

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

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple. For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75% (b) the cost-of-living adjustments for post-1/7/2013 retirees were increased from 0.50% simple through 2021 to 3.00% simple through 2022, then 2.05% simple (c) the expected investment return was reduced from 7.20% to 6.90%.

Net OPEB Liability

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

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

Erie Metropolitan Housing Authority
Financial Data Schedule
For the Year Ended June 30, 2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging_Title III, Part B_Grants for Supportive	93.045 Special Programs for the Aging_Title III, Part C_Nutrition Services	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$1,497,522			$446,544				$729,296	$560,106	$3,233,468		$3,233,468
112 Cash - Restricted - Modernization and Development	$44,500									$44,500		$44,500
113 Cash - Other Restricted	$462						$46,335	$370,027		$416,824		$416,824
114 Cash - Tenant Security Deposits	$23,000									$23,000		$23,000
115 Cash - Restricted for Payment of Current Liabilities												
100 Total Cash	$1,565,484	$0	$0	$446,544	$0	$0	$46,335	$1,099,323	$560,106	$3,717,792		$3,717,792
121 Accounts Receivable - PHA Projects												
122 Accounts Receivable - HUD Other Projects												
124 Accounts Receivable - Other Government												
125 Accounts Receivable - Miscellaneous	$710			$11,282				$13,983	$1,314	$27,289		$27,289
126 Accounts Receivable - Tenants	$8,515									$8,515		$8,515
126.1 Allowance for Doubtful Accounts -Tenants	-$1,062									-$1,062		-$1,062
126.2 Allowance for Doubtful Accounts - Other	-$6,625			$0				$0	$0	-$6,625		-$6,625
127 Notes, Loans, & Mortgages Receivable - Current	$25,831									$25,831		$25,831
128 Fraud Recovery												
128.1 Allowance for Doubtful Accounts - Fraud												
129 Accrued Interest Receivable												
120 Total Receivables, Net of Allowances for Doubtful Accounts	$27,369	$0	$0	$11,282	$0	$0	$0	$13,983	$1,314	$53,948		$53,948
131 Investments - Unrestricted												
132 Investments - Restricted												
135 Investments - Restricted for Payment of Current Liability												
142 Prepaid Expenses and Other Assets	$45,653			$2,609				$3,429	$19,150	$70,841		$70,841
143 Inventories	$16,850			$3,867					$662	$21,379		$21,379
143.1 Allowance for Obsolete Inventories	-$2,220			$0					-$160	-$2,380		-$2,380
144 Inter Program Due From												
145 Assets Held for Sale												
150 Total Current Assets	$1,653,136	$0	$0	$464,302	$0	$0	$46,335	$1,116,735	$581,072	$3,861,580		$3,861,580
161 Land	$638,695								$35,935	$674,630		$674,630
162 Buildings	$17,702,241							$72,305	$588,845	$18,363,391		$18,363,391
163 Furniture, Equipment & Machinery - Dwellings	$2,590									$2,590		$2,590
164 Furniture, Equipment & Machinery - Administration	$265,879			$205,070				$15,193	$138,869	$625,011		$625,011
165 Leasehold Improvements												
166 Accumulated Depreciation	-$14,430,056			-$106,830				-$58,890	-$657,337	-$15,253,113		-$15,253,113
167 Construction in Progress	$80,427									$80,427		$80,427
168 Infrastructure												
160 Total Capital Assets, Net of Accumulated Depreciation	$4,259,776	$0	$0	$98,240	$0	$0	$0	$28,608	$106,312	$4,492,936		$4,492,936
171 Notes, Loans and Mortgages Receivable - Non-Current												
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due												
173 Grants Receivable - Non Current												
174 Other Assets	$54,633			$69,475				$57,647	$46,642	$228,397		$228,397
176 Investments in Joint Ventures												
180 Total Non-Current Assets	$4,314,409	$0	$0	$167,715	$0	$0	$0	$86,255	$152,954	$4,721,333		$4,721,333
200 Deferred Outflow of Resources	$52,453			$49,623				$55,351	$44,783	$202,210		$202,210
290 Total Assets and Deferred Outflow of Resources	$6,019,998	$0	$0	$681,640	$0	$0	$46,335	$1,258,341	$778,809	$8,785,123		$8,785,123

Erie Metropolitan Housing Authority
Financial Data Schedule
For the Year Ended June 30, 2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging_Title III, Part B_Grants for Supportive	93.045 Special Programs for the Aging_Title III, Part C_Nutrition Services	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
311 Bank Overdraft												
312 Accounts Payable <= 90 Days	$21,009			$33,284					$30,143	$84,436		$84,436
313 Accounts Payable >90 Days Past Due												
321 Accrued Wage/Payroll Taxes Payable	$11,612								$32,435	$44,047		$44,047
322 Accrued Compensated Absences - Current Portion	$3,061			$6,055				$7,552	$10,382	$27,050		$27,050
324 Accrued Contingency Liability												
325 Accrued Interest Payable	$14,690									$14,690		$14,690
331 Accounts Payable - HUD PHA Programs												
332 Account Payable - PHA Projects												
333 Accounts Payable - Other Government	$26,420			$15,000						$41,420		$41,420
341 Tenant Security Deposits	$23,000									$23,000		$23,000
342 Unearned Revenue	$1,827									$1,827		$1,827
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$173,185									$173,185		$173,185
344 Current Portion of Long-term Debt - Operating Borrowings												
345 Other Current Liabilities	$462							$2,657	$300	$3,419		$3,419
346 Accrued Liabilities - Other	$1,852			$1,840				$2,139	$2,320	$8,151		$8,151
347 Inter Program - Due To												
348 Loan Liability - Current												
310 Total Current Liabilities	$277,118	$0	$0	$56,179	$0	$0	$0	$12,348	$75,580	$421,225		$421,225
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$2,168,224									$2,168,224		$2,168,224
352 Long-term Debt, Net of Current - Operating Borrowings												
353 Non-current Liabilities - Other	$3,934			$3,907				$125,566	$8,069	$141,476		$141,476
354 Accrued Compensated Absences - Non Current	$9,184			$18,167				$23,455	$31,148	$81,954		$81,954
355 Loan Liability - Non Current												
356 FASB 5 Liabilities												
357 Accrued Pension and OPEB Liabilities	$138,823			$131,331				$146,488	$118,520	$535,162		$535,162
350 Total Non-Current Liabilities	$2,320,165	$0	$0	$153,405	$0	$0	$0	$295,509	$157,737	$2,926,816		$2,926,816
300 Total Liabilities	$2,597,283	$0	$0	$209,584	$0	$0	$0	$307,857	$233,317	$3,348,041		$3,348,041
400 Deferred Inflow of Resources	$221,062			$236,826				$233,267	$188,732	$879,887		$879,887
508.4 Net Investment in Capital Assets	$1,957,081	$0	$0	$92,493	$0	$0	$0	$21,927	$95,923	$2,167,424		$2,167,424
511.4 Restricted Net Position	$0	$0	$0		$0	$0	$46,335	$246,346		$292,681		$292,681
512.4 Unrestricted Net Position	$1,244,572	$0	$0	$142,737	$0	$0	$0	$448,944	$260,837	$2,097,090		$2,097,090
513 Total Equity - Net Assets / Position	$3,201,653	$0	$0	$235,230	$0	$0	$46,335	$717,217	$356,760	$4,557,195		$4,557,195
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$6,019,998	$0	$0	$681,640	$0	$0	$46,335	$1,258,341	$778,809	$8,785,123		$8,785,123

Erie Metropolitan Housing Authority
Financial Date Schedule
For the Year Ended June30, 2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging_Title III, Part B_Grants for Supportive	93.045 Special Programs for the Aging_Title III, Part C_Nutrition Services	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$460,125									$460,125		$460,125
70400 Tenant Revenue - Other	$143,460									$143,460		$143,460
70500 Total Tenant Revenue	$603,585	$0	$0	$0	$0	$0	$0	$0	$0	$603,585	$0	$603,585
70600 HUD PHA Operating Grants	$1,322,960	$64,407				$40,000	$399,081	$6,023,975		$7,850,423		$7,850,423
70610 Capital Grants	$165,102									$165,102		$165,102
70710 Management Fee									$193,599	$193,599	-$193,599	$0
70720 Asset Management Fee									$27,240	$27,240	-$27,240	$0
70730 Book Keeping Fee									$20,153	$20,153	-$20,153	$0
70740 Front Line Service Fee												
70750 Other Fees									$154,028	$154,028		$154,028
70700 Total Fee Revenue									$395,020	$395,020	-$240,992	$154,028
70800 Other Government Grants			$47,673	$40,000	$41,356	$251,306				$380,335		$380,335
71100 Investment Income - Unrestricted	$1,267			$1,380				$59	$357	$3,063		$3,063
71200 Mortgage Interest Income												
71300 Proceeds from Disposition of Assets Held for Sale												
71310 Cost of Sale of Assets												
71400 Fraud Recovery								$35,188		$35,188		$35,188
71500 Other Revenue	$99,713			$484,055		$10,000		$69,396	$12	$663,176		$663,176
71600 Gain or Loss on Sale of Capital Assets												
72000 Investment Income - Restricted												
70000 Total Revenue	$2,192,627	$64,407	$47,673	$525,435	$41,356	$301,306	$399,081	$6,128,618	$395,389	$10,095,892	-$240,992	$9,854,900
91100 Administrative Salaries	$67,871			$236,812			$21,323	$198,269	$213,712	$737,987		$737,987
91200 Auditing Fees	$5,888			$2,423			$1,124	$10,459		$19,894		$19,894
91300 Management Fee	$193,599									$193,599	-$193,599	$0
91310 Book-keeping Fee	$20,153									$20,153	-$20,153	$0
91400 Advertising and Marketing	$1,034						$86	$797	$717	$2,634		$2,634
91500 Employee Benefit contributions - Administrative	$658			$126,048			$11,475	-$88,344	-$72,415	-$22,578		-$22,578
91600 Office Expenses	$47,363			$19,417			$13,068	$121,515	$20,933	$222,296		$222,296
91700 Legal Expense	$10,690			$107			$24	$223	$19	$11,063		$11,063
91800 Travel	$14,599			$4,631			$396	$3,679	$5,615	$28,920		$28,920
91810 Allocated Overhead												
91900 Other				$362,153			$801	$7,447		$370,401		$370,401
91000 Total Operating - Administrative	$361,855	$0	$0	$751,591	$0	$0	$48,297	$254,045	$168,581	$1,584,369	-$213,752	$1,370,617
92000 Asset Management Fee	$27,240									$27,240	-$27,240	$0
92100 Tenant Services - Salaries	$15,226	$44,550								$59,776		$59,776
92200 Relocation Costs												
92300 Employee Benefit Contributions - Tenant Services	-$1,270	$19,857								$18,587		$18,587
92400 Tenant Services - Other	$13,142									$13,142		$13,142
92500 Total Tenant Services	$27,098	$64,407	$0	$0	$0	$0	$0	$0	$0	$91,505	$0	$91,505

Erie Metropolitan Housing Authority
Financial Date Schedule
For the Year Ended June30, 2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging_Title III, Part B_Grants for Supportive	93.045 Special Programs for the Aging_Title III, Part C_Nutrition Services	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
93100 Water	$11,314			$14			$11	$104	$96	$11,539		$11,539
93200 Electricity	$114,411			$478			$381	$3,539	$1,373	$120,182		$120,182
93300 Gas	$48,839			$135			$108	$1,000	$388	$50,470		$50,470
93400 Fuel												
93500 Labor												
93600 Sewer	$29,283			$19			$15	$138	$54	$29,509		$29,509
93700 Employee Benefit Contributions - Utilities												
93800 Other Utilities Expense												
93000 Total Utilities	$203,847	$0	$0	$646	$0	$0	$515	$4,781	$1,911	$211,700	$0	$211,700
94100 Ordinary Maintenance and Operations - Labor	$167,226									$167,226		$167,226
94200 Ordinary Maintenance and Operations - Materials and Other	$150,861			$9,551			$607	$5,648	$3,137	$169,804		$169,804
94300 Ordinary Maintenance and Operations Contracts	$381,371			$74,330			$1,380	$12,846	$33,949	$503,876		$503,876
94500 Employee Benefit Contributions - Ordinary Maintenance	-$6,430									-$6,430		-$6,430
94000 Total Maintenance	$693,028	$0	$0	$83,881	$0	$0	$1,987	$18,494	$37,086	$834,476	$0	$834,476
95100 Protective Services - Labor												
95200 Protective Services - Other Contract Costs	$52,938									$52,938		$52,938
95300 Protective Services - Other												
95500 Employee Benefit Contributions - Protective Services												
95000 Total Protective Services	$52,938	$0	$0	$0	$0	$0	$0	$0	$0	$52,938	$0	$52,938
96110 Property Insurance	$79,765								$651	$80,416		$80,416
96120 Liability Insurance	$1,684						$716	$6,656	$507	$9,563		$9,563
96130 Workmen's Compensation	$2,112			$2,159			$235	$2,187	$1,661	$8,354		$8,354
96140 All Other Insurance	$4,138			$4,765					$596	$9,499		$9,499
96100 Total insurance Premiums	$87,699	$0	$0	$6,924	$0	$0	$951	$8,843	$3,415	$107,832	$0	$107,832
96200 Other General Expenses	$270			$268			$247	$1,591	$194	$2,570		$2,570
96210 Compensated Absences				$2,999			$113	$1,049	$4,201	$8,362		$8,362
96300 Payments in Lieu of Taxes	$26,420									$26,420		$26,420
96400 Bad debt - Tenant Rents	$48,937									$48,937		$48,937
96500 Bad debt - Mortgages												
96600 Bad debt - Other												
96800 Severance Expense	$7,575							$977	$2,510	$11,062		$11,062
96000 Total Other General Expenses	$83,202	$0	$0	$3,267	$0	$0	$360	$3,617	$6,905	$97,351	$0	$97,351
96710 Interest of Mortgage (or Bonds) Payable	$108,137									$108,137		$108,137
96720 Interest on Notes Payable (Short and Long Term)												
96730 Amortization of Bond Issue Costs												
96700 Total Interest Expense and Amortization Cost	$108,137	$0	$0	$0	$0	$0	$0	$0	$0	$108,137	$0	$108,137
96900 Total Operating Expenses	$1,645,044	$64,407	$0	$846,309	$0	$0	$52,110	$289,780	$217,898	$3,115,548	-$240,992	$2,874,556
97000 Excess of Operating Revenue over Operating Expenses	$547,583	$0	$47,673	-$320,874	$41,356	$301,306	$346,971	$5,838,838	$177,491	$6,980,344	$0	$6,980,344

Erie Metropolitan Housing Authority
Financial Date Schedule
For the Year Ended June30, 2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging_Title III, Part B_Grants for Supportive	93.045 Special Programs for the Aging_Title III, Part C_Nutrition Services	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
97100 Extraordinary Maintenance												
97200 Casualty Losses - Non-capitalized	$17,523									$17,523		$17,523
97300 Housing Assistance Payments							$300,636	$5,410,668		$5,711,304		$5,711,304
97350 HAP Portability-In								$19,135		$19,135		$19,135
97400 Depreciation Expense	$353,424			$18,518				$3,733	$17,563	$393,238		$393,238
97500 Fraud Losses												
97600 Capital Outlays - Governmental Funds												
97700 Debt Principal Payment - Governmental Funds												
97800 Dwelling Units Rent Expense												
90000 Total Expenses	$2,015,991	$64,407	$0	$864,827	$0	$0	$352,746	$5,723,316	$235,461	$9,256,748	-$240,992	$9,015,756
10010 Operating Transfer In	$100,000			$390,335						$490,335	-$490,335	$0
10020 Operating transfer Out	-$100,000		-$47,673		-$41,356	-$301,306				-$490,335	$490,335	$0
10030 Operating Transfers from/to Primary Government												
10040 Operating Transfers from/to Component Unit												
10050 Proceeds from Notes, Loans and Bonds												
10060 Proceeds from Property Sales												
10070 Extraordinary Items, Net Gain/Loss												
10080 Special Items (Net Gain/Loss)												
10091 Inter Project Excess Cash Transfer In												
10092 Inter Project Excess Cash Transfer Out												
10093 Transfers between Program and Project - In												
10094 Transfers between Project and Program - Out												
10100 Total Other financing Sources (Uses)	$0	$0	-$47,673	$390,335	-$41,356	-$301,306	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$176,636	$0	$0	$50,943	$0	$0	$46,335	$405,302	$159,928	$839,144	$0	$839,144
11020 Required Annual Debt Principal Payments	$168,297	$0	$0	$0	$0	$0	$0	$0	$0	$168,297		$168,297
11030 Beginning Equity	$3,025,017	$0	$0	$184,287	$0	$0	$0	$311,915	$196,832	$3,718,051		$3,718,051
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$0									$0		$0
11050 Changes in Compensated Absence Balance												
11060 Changes in Contingent Liability Balance												
11070 Changes in Unrecognized Pension Transition Liability												
11080 Changes in Special Term/Severance Benefits Liability												
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents												
11100 Changes in Allowance for Doubtful Accounts - Other												
11170 Administrative Fee Equity								$470,871		$470,871		$470,871
11180 Housing Assistance Payments Equity								$246,346		$246,346		$246,346
11190 Unit Months Available	2724						780	12828		16332		16332
11210 Number of Unit Months Leased	2673						636	10437		13746		13746
11270 Excess Cash	$1,138,391									$1,138,391		$1,138,391
11610 Land Purchases	$0								$0	$0		$0
11620 Building Purchases	$100,102								$0	$100,102		$100,102
11630 Furniture & Equipment - Dwelling Purchases	$0								$0	$0		$0
11640 Furniture & Equipment - Administrative Purchases	$0								$0	$0		$0
11650 Leasehold Improvements Purchases	$0								$0	$0		$0
11660 Infrastructure Purchases	$0								$0	$0		$0
13510 CFFP Debt Service Payments	$65,000								$0	$65,000		$65,000
13901 Replacement Housing Factor Funds	$0								$0	$0		$0

ERIE COUNTY METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR / ***Pass Through Grantor*** / **Program / Cluster Title**	**Federal AL Number**	**Total Federal Expenditures**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Direct Programs		
Public and Indian Housing	14.850	$1,166,511
Public Housing Capital Fund	14.872	321,551
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	6,023,975
Mainstream Vouchers	14.879	399,081
Total Housing Voucher Cluster		6,423,056
Family Self-Sufficiency Program	14.896	64,407
Pass-Through City of Sandusky		
Community Development Block Grants/Entitlement Grants	14.218	40,000
Total U.S. Department of Housing and Urban Development		**8,015,525**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Passed Through Area Office on Aging of Northwest Ohio Inc.		
Aging Cluster:		
Special Program for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	93.044	41,356
Special Program for the Aging - Title III, Part C Nutrition Services	93.045	251,306
Total Aging Cluster		292,662
Medicaid Cluster:		
Medical Assistance Program	93.778	47,673
Total Medicaid Cluster		47,673
Total U.S. Department of Health and Human Services		**340,335**
U.S. DEPARTMENT OF TREASURY		
Passed Through the State of Ohio		
COVID-19 Coronavirus Relief Fund	21.019	40,000
Total U.S. Department of Treasury		**40,000**
Total Expenditures of Federal Awards		**$ 8,395,860**

The accompanying notes are an integral part of this schedule.

ERIE COUNTY METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Erie County Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended June 30, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE 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 Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

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OHIO AUDITOR OF STATE
KEITH FABER

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

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

Erie County Metropolitan Housing Authority
Erie County
322 Warren Street
Sandusky, Ohio 44870-2265

To the Board of Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of Erie County Metropolitan Housing Authority, Erie County, Ohio (the Authority) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated February 23, 2023, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Authority.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio

February 23, 2023

OHIO AUDITOR OF STATE
KEITH FABER

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

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

Erie County Metropolitan Housing Authority
Erie County
322 Warren Street
Sandusky, Ohio 44870-2265

To the Board of Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Erie County Metropolitan Housing Authority, Erie County, Ohio's, (the Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Erie County Metropolitan Housing Authority's major federal programs for the year ended June 30, 2022. Erie County Metropolitan Housing Authority's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Erie County Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

February 23, 2023

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ERIE COUNTY METROPOLITAN HOUSING AUTHORITY
ERIE COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2022

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Public and Indian Housing AL # 14.850 Housing Voucher Cluster
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE
KEITH FABER

ERIE COUNTY METROPOLITAN HOUSING AUTHORITY

ERIE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 3/9/2023

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