PERRY & Associates

Certified Public Accountants, A.C.

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
LOGAN COUNTY
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2019

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., #A
St. Clairsville, OH 43950
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Wheeling, WV 26003
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OHIO AUDITOR OF STATE
KEITH FABER

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(800) 282-0370

Board of Commissioners
Logan County Metropolitan Housing Authority
116 North Everett Street
Bellefontaine, Ohio 43311

We have reviewed the *Independent Auditor's Report* of the Logan County Metropolitan Housing Authority, Logan County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2019 through December 31, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

April 20, 2021

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LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
LOGAN COUNTY
FOR THE YEAR ENDED DECEMBER 31, 2019

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INDEPENDENT AUDITOR'S REPORT

March 12, 2021

Logan County Metropolitan Housing Authority
Logan County
116 North Everett Street
Bellefontaine, Ohio 43311

To the Director and Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the **Logan County Metropolitan Housing Authority**, Logan County, Ohio (the Authority), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

Auditor's Responsibility (Continued)

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management’s accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Logan County Metropolitan Housing Authority, Logan County as of December 31, 2019, and the changes in its 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.

Emphasis of Matter

As discussed in Note 16 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management’s discussion and analysis* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Other Matters (Continued)

Supplementary and Other Information

Our audit was conducted to opine on the Authority's basic financial statements taken as a whole.

The Financial Data Schedule presented on pages 47 through 55 is presented for additional analysis as required by the U.S. Department of Housing and Urban Development and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards presents additional analysis 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 and is not a required part of the financial statements.

The schedules are management's responsibility and derive from and relate to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2021, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

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The Housing Authority of the County of Logan's ("the Authority") management's discussion and analysis is designed to (a) assist the reader in focusing on significant issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position, and (d) identify individual fund issues or concerns.

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

FINANCIAL HIGHLIGHTS

- The Authority's net position increased by $37,778 (or 0.98%) during 2019. Since the Authority engages only in business-type activities, the increase is all in the category of business-type net position. Net position was $3.88 and $3.85 million for 2019 and 2018, respectively.
- Revenues increased by $4,460 (or 0.19%) during 2019 and were $2.36 and $2.36 million for 2019 and 2018 respectively.
- The total expenses of all Authority programs decreased by $89,994 (or 3.72%). Total expenses were $2.33 and 2.42 million for 2019 and 2018 respectively.

USING THIS ANNUAL REPORT

This Report includes four major sections, the "Management's Discussion and Analysis (MD&A)", "Basic Financial Statements", "Required Supplementary Information", and "Supplementary Information":

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

The primary focus of the Authority's financial statements is on both the Authority as a whole (Authority wide) and the major individual funds. Both perspectives (authority-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the Authority's accountability.

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AUTHORITY-WIDE FINANCIAL STATEMENTS

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

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

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

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

The Authority-wide financial statements also include a Statement of Revenues, Expenses, and changes in Net Position (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as capital grant revenue, investment income and interest expense. The focus of the Statement of Revenues, Expenses and Changes in fund Net Position is the "Change in Net Position", which is similar to Net Income or Loss.

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

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FUND FINANCIAL STATEMENTS

The Authority administers several programs that are consolidated into a single proprietary type-enterprise fund. The enterprise fund consists of the following 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.

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

Business Activities - Represents non-HUD resources developed from a variety of activities.

AUTHORITY-WIDE 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.

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

	2019	2018
Current and Other Assets	$ 601,774	$ 383,152
Capital Assets	4,133,841	4,357,698
Deferred Outflows of Resources	203,328	105,806
Total Assets and Deferred Outflows of Resources	$ 4,938,943	$ 4,846,656
Current Liabilities	$ 112,830	$ 123,251
Long-Term Liabilities	882,224	759,360
Total Liabilities	$ 995,054	$ 882,611
Deferred Inflows of Resources	$ 58,895	$ 116,829
Net Position:		
Net Investment in Capital Assets	$ 3,964,697	$ 4,170,507
Restricted Net Position	69,560	63,436
Unrestricted Net Position	(149,263)	(386,727)
Total Net Position	3,884,994	3,847,216
Total Liabilities, Deferred Inflows and Net Position	$ 4,938,943	$ 4,846,656

For more detailed information, see the Statement of Net Position in the financial statements.

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

During 2019, current and other assets increased by $218,622 (or 57.06%), and current liabilities decreased by $10,421 (or 8.46%). The increase in current and other assets resulted from current year activities. Current liabilities decreased mainly due to outstanding invoices not paid by the end of the year.

Capital assets also changed, decreasing from $4,357,698 to $4,133,841. The $223,857 (or 5.14%) decrease is primarily, due to a combination of net acquisitions, less current year depreciation and amortization.

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Table 2 - Statement of Revenue, Expenses & Changes in Net Position

	2019	2018
Revenues		
Total Tenant Revenues	$ 162,855	$ 155,322
Operating Subsidies	2,124,110	2,136,467
Capital Grants	68,148	53,621
Investment Income	35	16
Other Revenues	9,522	14,784
Total Revenues	**2,364,670**	**2,360,210**
Expenses		
Administrative	243,854	289,746
Tenant Services	40,744	40,774
Utilities	32,273	30,338
Insurance	27,359	27,245
Maintenance	266,501	263,743
General and Interest Expenses	28,870	21,469
Housing Assistance Payments	1,395,287	1,441,862
Depreciation	292,004	301,709
Total Expenses	**2,326,892**	**2,416,886**
Net Increases (Decreases)	**$ 37,778**	**$ (56,676)**

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

Total revenue increased by $4,460 which was due mainly to an increase in tenant revenues.

Expenses decreased by $89,994 for the year. The decrease was mostly due to a decrease in housing assistance payments.

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CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

As of year-end, the Authority had $4,133,841 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (additions, deductions and depreciation) of $223,857 (or 5.14%) from the end of last year:

Table 3 - Condensed Statement of Changes in Capital Assets

	2019	2018
Land and Land Rights	$ 730,371	$ 730,371
Buildings	9,602,085	9,533,938
Equipment	575,268	575,268
Accumulated Depreciation	(6,773,883)	(6,481,879)
Total	$ 4,133,841	$ 4,357,698

The following reconciliation summarizes the change in Capital Assets.

Table 4 - Change in Capital Assets

BEGINNING BALANCE	$ 4,357,698
Current year additions	68,147
Depreciation Expense	(292,004)
ENDING BALANCE	$ 4,133,841

This year's additions are primarily capital improvement done with Capital Fund Program funding received from HUD.

DEBT ADMINISTRATION

At year end the Authority had $169,144 outstanding debt. The following is the activities for the year:

TABLE 5
CONDENSED STATEMENT OF CHANGE IN DEBT OUTSTANDING

Beginning Balance - December 31, 2018	$	187,191
Current Year Principal Payments		(18,047)
Ending Balance - December 31, 2019	$	169,144

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding levels 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
- Market rates for rental housing
- Local rental market rates and housing supply and demand, which affects the Authority's ability to maintain leasing rates.

IN CONCLUSION

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

FINANCIAL CONTACT

If you have any questions regarding this report, you may contact Gail Clark, Executive Director of the Logan County Metropolitan Housing Authority at (937) 599-1845.

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2019

ASSETS	
Cash and cash equivalents	$385,735
Cash and cash equivalents - restricted	158,213
Accounts receivables - net	4,502
Inventory - net of allowance	25,832
Prepaid expenses	25,643
TOTAL CURRENT ASSETS	599,925
CAPITAL ASSETS	
Nondepreciable Assets	730,371
Depreciable Assets-net	3,403,470
TOTAL CAPITAL ASSETS	4,133,841
NON-CURRENT ASSETS	
Net pension assets	1,849
TOTAL OTHER ASSETS	1,849
TOTAL ASSETS	4,735,615
DEFERRED OUTFLOWS OF RESOURCES	
Pension	151,299
OPEB	52,029
TOTAL DEFERRED OUTFLOWS	203,328
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$4,938,943
CURRENT LIABILITIES	
Accounts payable	$8,087
Accrued compensated absences-current	6,249
Tenant security deposits	42,459
Accrued wages and payroll taxes	25,461
Unearned revenue	2,703
Other current liabilities	9,402
Current Portion of Long Term Debt	18,469
TOTAL CURRENT LIABILITIES	112,830
NON-CURRENT LIABILITIES	
Accrued compensated absences-non current	10,008
Long-Term debt - Net- Capital	150,675
Net pension liability payable	426,979
Net OPEB liability	252,800
Other non-current liabilities	41,762
TOTAL NON-CURRENT LIABILITIES	882,224
TOTAL LIABILITIES	$995,054
DEFERRED INFLOWS OF RESOURCES	
Pension	$58,209
OPEB	686
TOTAL DEFERRED INFLOWS OF RESOURCES	$58,895
NET POSITION	
Net investment in capital assets	$3,964,697
Restricted	69,560
Unrestricted	(149,263)
NET POSITION	3,884,994
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$4,938,943

See accompanying notes to the basic financial statements.

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019

OPERATING REVENUES		
Operating subsidies and grants		$2,124,110
Total Tenant rental income and other		162,855
Other revenue		9,522
	TOTAL OPERATING REVENUES	2,296,487
OPERATING EXPENSES		
Administrative		243,854
Tenant services		40,744
Utilities		32,273
Maintenance		266,501
Insurance		27,359
General		18,186
Housing assistance payments		1,395,287
Depreciation		292,004
	TOTAL OPERATING EXPENSES	2,316,208
	OPERATING INCOME	(19,721)
NON-OPERATING REVENUE		
Investment income		35
Capital grants		68,148
Interest Expense		(10,684)
	TOTAL NON-OPERATING REVENUE	57,499
	CHANGES IN NET POSITION	37,778
NET POSITION BEGINNING OF YEAR		3,847,216
	NET POSITION END OF YEAR	$3,884,994

See accompanying notes to the basic financial statements.

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from HUD	$2,124,110
Cash received from tenants	158,721
Cash received other revenue	9,522
Cash payments for housing assistance	(1,171,538)
Cash payments for administrative/operations	(847,414)
NET CASH (USED) BY OPERATING ACTIVITIES	273,401
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITES	
Capital grants received	68,148
Acquisition of capital assets	(68,147)
Principal debt payment	(18,047)
Interest payment on debt	(10,684)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(28,730)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	35
NET CASH PROVIDED BY INVESTING ACTIVITIES	35
NET INCREASES (DECREASES IN CASH AND CASH EQUIVALENTS	244,706
CASH AND CASH EQUIVALENTS, BEGINNING	299,242
CASH AND CASH EQUIVALENTS, ENDING	$543,948

RECONCILIATION OF OPERATING LOSS TO NET CASH (USED) BY OPERATING ACTIVITIES:

Operating Loss	($19,721)
Adjustments to reconcile operating loss to net cash (used) by operating activities	
Depreciation	292,004
(Increase) decrease in:	
Receivables	(3,097)
Inventory	(1,047)
Prepaid expenses	(838)
Deferred Outflows Pension	(65,152)
Deferred Outflows OPEB	(32,370)
Other Assets	31,066
Increase (decrease) in:	
Accounts payable	2,363
Accrued wages and payroll taxes	5,109
Accrued compensated absences	(6,854)
Tenant security deposits	(218)
Other current liabilities	(7,487)
Other noncurrent liabilities	21,440
Net Pension Liability	130,475
Net OPEB Liability	(14,338)
Deferred Inflows Pension	(38,720)
Deferred Inflows OPEB	(19,214)
NET CASH (USED) BY OPERATING ACTIVIITES	$273,401

See accompanying notes to the basic financial statements.

1. DESCRIPTION OF THE HOUSING AUTHORITY AND REPORTING ENTITY

Summary of Significant Accounting Policies

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

Reporting Entity

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

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

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

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

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

Measurement Focus

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

Enterprise Fund

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

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

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

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

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

Other Business Activities
Other Business Activities (OBA) – Represents non-HUD activities of the Authority that include providing affordable housing for low income people outside of the scope of the conventional and housing choice voucher programs.

Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less, and all non-negotiable certificates of deposits regardless of maturity.

Accounting and Reporting for Nonexchange Transactions

Non-exchange transactions occur when the Authority receives (or gives) value without directly giving equal value in return. GASB 33 identifies four classes of non-exchange transactions as follows:

1. Derived tax revenues: result from assessments imposed on exchange transactions (i.e., income taxes, sales taxes and other assessments on earnings or consumption).

2. Imposed non-exchange revenues: result from assessments imposed on non-governmental entities, including individuals, other than assessments on exchange transactions (i.e., property taxes and fines).

3. Government-mandated non-exchange transactions: occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (i.e., federal programs that state or local governments are mandated to perform).

4. Voluntary non-exchange transactions: result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (i.e., certain grants and private donations).

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

GASB 33 establishes two distinct standards depending upon the kind of stipulation imposed by the provider.

1. Time requirements specify (a) the period when resources are required to be used or when use may begin (for example, operating or capital grants for a specific period) or (b) that the resources are required to be maintained intact in perpetuity or until a specified date or event has occurred (for example, permanent endowments, term endowments, and similar agreements). Time requirements affect the timing of recognition of non-exchange transactions.

2. Purpose restrictions specify the purpose for which resources are required to be used, (i.e., capital grants used for the purchase of capital assets). Purpose restrictions do not affect when a non-exchange transaction is recognized. However, authority's that receive resources with purpose restrictions should report resulting net assets, equity, or fund balance as restricted.

Investments

Investments are restricted by the provisions of the HUD regulations (See Note 3). Investments are valued at market value. At December 31, 2019, the Authority did not have any investments.

Receivables - Net of Allowance

Bad debts are provided on the allowance method based on management's evaluation of the collectability of outstanding tenant receivable balances at the end of the year. At December 31, 2019, the Authority believed $1,312 of the accounts receivable to be uncollectible.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2019, are recorded as prepaid expenses using the consumption method. A current asset for the amount is recorded at the time of the purchase and expense is reported in the year in which the services are consumed.

Inventory

The Authority's inventory is comprised of maintenance materials and supplies. Inventory is stated at cost and uses the Moving Average Costing flow assumption in determining cost.

The consumption method is used to record inventory. Under this method, the acquisition of materials and supplies is recorded initially in inventory accounts and charged as expenditures when used. The allowance for obsolete inventory was $0 at December 31, 2019.

Capital Assets

Capital assets are stated at cost and depreciation is computed using the straight-line method over an estimated useful life of the assets. The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend the asset life are expensed as incurred. The Authority's capitalization threshold is $750. The following are the useful lives used for depreciation purposes:

Buildings	40 years
Building improvements	15 years
Furniture and Equipment	3-7 years

Restricted Cash

Restricted cash represents amounts held in FSS escrow on behalf of tenants and HAP funds received.

Accrued Liabilities

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

Compensated Absences

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

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

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

Deferred Outflow and Inflows of Resources

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

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources are reported on the statement of net position for pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 7 and 8.

Pension / Other Post-Employment Benefits

For purposes of measuring the net pension/OPEB liability, 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.

Unearned Revenue

Represent tenant's prepayment of rent.

Net Position

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

The Authority applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted amounts are available.

Operating Revenues and Expenses

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

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

Capital Grant

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

Budgetary Accounting

The Authority annually prepares its program budgets as prescribed by the Department of Housing and Urban Development. These budgets are adopted by the Board of the Authority and submitted to the Federal agencies, as applicable.

Estimates

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

3. DEPOSITS AND INVESTMENTS

Deposits

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

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

B. Inactive deposits are public deposits that the Authority has identified as not 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.

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

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

The carrying amount of the Authority's deposits was $543,948 at December 31, 2019, including $300 petty cash. The corresponding bank balances were $608,530. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosure," as of December 31, 2019, $296,194 was covered by federal depository insurance. $312,336 was exposed to custodial risk.

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

Investments

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

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

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

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

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

The Authority had no investments at December 31, 2019.

4. CAPITAL ASSETS

A summary of changes in the Authority's capital assets for the year ended December 31, 2019, follows:

	Ending Balance 12/31/18	Rounding Adjustment	Additions	Deletions	Ending Balance 12/31/19
Capital Assets Not Being Depreciated:					
Land and Land Easements	$730,371	$0	$0	$0	$730,371
Total Capital Assets Not Being Depreciated	730,371	0	0	0	730,371
Capital Assets Being Depreciated:					
Buildings	9,533,938	0	68,147	0	9,602,085
Furniture and Equipment	575,268	0	0	0	575,268
Total Capital Assets Being Depreciated	10,109,206	0	68,147	0	10,177,353
Less Accumulated Depreciation:					
Buildings	(5,917,181)	0	(282,669)	0	(6,199,850)
Furniture and Equipment	(564,698)	0	(9,335)	0	(574,033)
Total Accumulated Depreciation	(6,481,879)	0	(292,004)	0	(6,773,883)
Total Capital Assets Being Depreciated,	3,627,327	0	(223,857)	0	3,403,470
Total Capital Assets, Net	$4,357,698	$0	($223,857)	$0	$4,133,841

5. LONG-TERM OBLIGATIONS

Changes in activity in Long-Term Obligations is as follows:

	Balance 12/31/18	Net Change	Retired	Balance 12/31/19	Due One Year
512 Walker	$ 40,368	$0	$ 7,202	$ 33,166	$ 7,360
229 Walker	73,640	0	2,618	71,022	2,618
Pratt/Seymour	73,183	0	8,227	64,956	8,491
Net Pension Liability	296,504	130,475	0	426,979	0
NET OPEB Liability	267,138	(14,338)	0	252,800	0
	$ 750,833	$ 116,137	$ 18,047	$ 848,923	$ 18,469

The long-term debt consists of two mortgages and a construction Line of Credit that were assumed by the Authority on September 2, 2015. This debt is associated with several rental properties that were transferred to the Authority by the Not-for-Profit agency, (HAND), on that date. The principal amount owed at the time of transfer was $242,223. The property and associated debt were recorded on the Authority's Business Activities Ledger.

The original amount of the mortgage for 512 Walker is $71,250. Monthly payments of $747 started in 2014 and are required until the maturity date in 2024.

The original amount of the mortgage for 229 Walker is $120,000 in 2014. Due at the variable interest rate, Citizens Federal notifies the Authority of the yearly interest rate and monthly payment amount to begin in June each year. Due to the variance rate, the monthly payments changed from $481.02 in 2018 to $500.18 in 2019. This mortgage matures in 2037.

The original amount of the line of credit for Pratt/Seymour is $34,917 in 2008. Additional draws were made on the line of credit until the maximum of $120,000 was reached and the line of credit was terminated and converted into a permanent loan. No maturity date has been established.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	512 Walker	229 Walker	Pratt/ Seymour
2020	$ 8,964	$ 4,979	$ 13,860
2021	8,964	4,979	13,860
2022	8,964	4,979	13,860
2023	8,964	4,979	13,860
2024	699	4,979	13,860
2025-2029	-	24,895	14,969
2030-2034	-	24,895	-
2035-2037	-	13,854	-
	$ 36,555	$ 88,539	$ 84,269

6. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year ending December 31, 2019 the Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

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

7. DEFINED BENEFIT PENSION PLAN

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - 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' CAFR referenced above for additional information):

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

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

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

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

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

	State and Local
2019 Statutory Maximum Contribution Rates	
Employer	14.0%
Employee	10.0%

With the assistance of the System's actuary and Board approval, a portion of each employer contribution to OPERS may be set aside for the funding of post-employment health care coverage. The portion of the Traditional Pension Plan and Combined Plan employer contributions allocated to health care was 0.0 percent for 2019.

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

The Authority's contractually required contribution for pension was $39,156 for fiscal year ending December 31, 2019.

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

The net pension liability / (asset) was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	Traditional Plan	Combined Plan	Total
Proportionate Share of Net Pension Liability / (Assets)	$426,979	-$1,849	$425,130
Percentate for Proportionate Share of Net Pension Liability	0.001559%	0.016525%	
Change in Proportion from Prior Measurement Date	-0.000331%	-0.007654%	
Pension Expense	$44,703	$12,966	$57,669

At December 31, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional Plan	Combined Plan	Total
Deferred Outflows of Resources			
Net difference between projected and actual earning on pension plan investments	$57,954	$3,981	$61,935
Change in assumption	37,169	4,126	41,295
Difference Between Expected and Actual Experience	20	0	20
Change in proportionate share	465	8,428	8,893
Contributions after measurement date	29,316	9,840	39,156
Total Deferred Outflows of Resources	$124,924	$26,375	$151,299
Deferred Inflows of Resources			
Difference Between Expected and Actual Experience	$5,606	$7,547	$13,153
Change in Proportion Share	43,829	1,227	45,056
Total Deferred Inflows of Resources	$49,435	$8,774	$58,209

$39,156 reported as deferred outflows of resources related to pension resulting from the Authority’s contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ending December31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Traditional Plan	Combined Plan	Total
Fiscal Year Ending December 31:			
2020	$13,041	$1,486	$14,527
2021	804	690	1,494
2022	5,374	774	6,148
2023	26,952	2,019	28,971
2024	2	385	387
Thereafter	0	2,407	2,407
Total	$46,173	$7,761	$53,934

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, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Actuarial Information	Traditional Plan	Combined Plan
Valuation Date	December 31, 2018	December 31, 2018
Experience Study	5 year ended 12/31/15	5 year ended 12/31/15
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Investment Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected salary increase	3.25%-10.75% (includes wage inflation at 3.25%)	3.25%-8.25% (includes wage inflation at 3.25%)
Cost-of-living adjustments	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple

The total pension asset in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Information	Traditional Plan	Combined Plan
Valuation Date	December 31, 2018	December 31, 2018
Experience Study	5 year ended 12/31/15	5 year ended 12/31/15
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Investment Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected salary increase	3.25%-10.75% (includes wage inflation at 3.25%)	3.25%-8.25% (includes wage inflation at 3.25%)
Cost-of-living adjustments	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation for 2018	Weighted Average Long- Term Expected Real Rate of Return
Fixed Income	23.00%	2.79%
Domestic Equities	19.00%	6.21%
Real Estate	10.00%	4.90%
Private Equity	10.00%	10.81%
International Equities	20.00%	7.83%
Other investments	18.00%	5.50%
Total	100.00%	5.95%

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent, post-experience study results. 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 to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.2%)	Current Discount rate of 7.2%	1% Increase (8.2%)
Authority's proporationate share of the net pension liability			
- Traditional Pension Plan	$630,771	$426,979	$257,625
- Combined Plan	($611)	($1,849)	($2,743)

8. DEFINED BENEFIT OPEB PLAN

Net OPEB Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR 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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary. 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. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2019 remained at 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

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

The Authority's contractually required contribution was $0 for fiscal year ending December 31, 2019.

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

The net OPEB liability and total OPEB liability were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB liability was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	Health Care Plan
Proportionate Share of Net OPEB Liability	$252,800
Proportion of the Net OPEB Liability	0.001939%
Change in Proportion from Prior Measurement date	-0.000521%
Pension Expense	$62,193

At December 31, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Health Care Plan
Deferred Outflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$11,590
Assumption Changes	$8,150
Difference between expected and actual experience	86
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	32,203
Total Deferred Outflows of Resources	$52,029
Deferred Inflows of Resources	
Difference between expected and actual experience	$686
Total Deferred Inflows of Resources	$686

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

		Health Care Plan
Fiscal Year Ending December 31:		
	2020	$24,921
	2021	18,192
	2022	2,391
	2023	5,838
	2024	1
	Total	$51,343

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25%
Future Salary Increases, including inflation 3.25%	3.25 - 10.75%
Single Discount Rate:	
Current measurement date	3.96%
Prior measurement date	3.85%
Investment Rate of Return	6.00%
Municipal Bond Rate	3.71%
Health Care Cost Trend Rate	10.0% initial, 3.25% ultimate in 2029
Actuarial Cost Method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.60 percent for 2018.

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 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	34.00%	2.42%
Domestic Equities	21.00%	6.21%
REITs	6.00%	5.98%
International Equities	22.00%	7.83%
Other Investments	17.00%	5.57%
TOTAL	100.00%	5.16%

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. 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 3.71 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 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
Authority's proportionate share of the net OPEB liability	$323,425	$252,800	$196,634

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

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 2019 is 10.0 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 that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease (9.00%)	Current Trend Rate (10.00%)	1% Increase (11.00%)
Authority's proportionate share of the net OPEB liability	$242,995	$252,800	$264,092

9. COMPENSATED ABSENCES

Vacation and sick leave policies are established by the Board of Commissioners.

Annual vacation leave is given to all full time permanent employees on a pro-rate basis; two weeks per year of service one through five years, three weeks for six to ten years of service and four weeks for ten years of service or more. The annual leave does not accumulate for longer than a one-year period and must be schedule in the year earned.

Sick leave accrues for full time permanent employees on the basis of 10 hours per month, cumulative to 120 days or 960 hours. An Employee at the time of retirement from active service with the authority may elect to be paid cash for (1/4) of the value of accrued unused sick leave credit at the employee's rate of pay at the time of retirement. The Authority's policy is to begin to accrue sick leave for employees five (5) years before they are eligible for retirement. At December 31, 2019, the Authority had $16,257 sick and vacation leave accrued. The following is a summary of changes in compensated absences for the year ended December 31, 2019:

	Balance 12/31/18	Net Change	Balance 12/31/19	Due One Year
Compensated Absence Payable	$23,111	($6,854)	$16,257	$6,249

10. RESTRICTED ASSETS

The Authority's restricted assets are as follows:

Tenant Security Deposits	$42,459
Housing Assistance Payments funds	69,560
Family Self-Sufficiency Program	46,194
	$158,213

11. CONTINGENCIES

Grants

Amounts grantor agencies pay to the Authority are subject to audit and adjustments by the grantor, principally the federal government. Grantors may require refunding any disallowed costs or excess reserve balances. Management cannot presently determine amounts grantors may disallow or recapture. However, based on prior experience, management believes any such disallowed claims or recaptured amounts would not have a material adverse effect on the overall financial position of the Authority at December 31, 2019.

Commitments and Contingencies

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

Litigations

In the normal course of operations, the Authority may be subject to litigations and claims. At December 31, 2019, the Authority was not aware of any such matters.

12. FAMILY SELF-SUFFICIENCY PROGRAM

The Logan County Metropolitan Housing Authority has a Family Self-Sufficiency Program (FSSP). This program is designed to assist families to become self-sufficient through an escrowed savings plan provided by the Authority. Upon completion of the objectives, the family receives their escrow balance.

At December 31, 2019, the Authority held in escrow $46,194 for the Family Self Sufficiency Program. The Authority recognizes the escrow as cash and FSS liability on the balance sheet.

13. PAYMENT IN LIEU OF TAXES

The Authority has cooperation agreements with certain municipalities under which it makes payment in lieu of real estate taxes for various public services. Expense recognized for payment in lieu of taxes for the year ended December 31, 2019 totaled $3,320.

14. FINANCIAL DATA SCHEDULE SUBMITTED TO HUD

For the fiscal year ended December 31, 2019, the Authority electronically submitted an unaudited version of the balance sheet, statement of revenue and expenses and changes in net position, and other data to HUD as required on the GAAP basis. The schedules are presented in the manner prescribed by HUD.

15. ECONOMIC DEPENDENCY

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

16. **SUBSEQUENT EVENTS**

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 ensuring emergency measures will impact subsequent periods of the Authority. The impact on the Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Required Supplementary Information

Logan County Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability (Asset)
For the Year Ended December 31, 2019

Traditional and Combined Plan	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Liability						
- Traditional Plan	0.001559%	0.001890%	0.001995%	0.002128%	0.002193%	0.002193%
Authority's Proportion of the Net Pension Asset						
- Combined Plan	0.016525%	0.024179%	0.028057%	0.030810%	0.032903%	0.032903%
Authority's Proportionate Share of the Net Pension Liability (Asset)						
- Traditional Plan	$426,979	$296,504	$453,031	$368,596	$264,500	$258,526
- Combined Plan	($1,849)	($32,915)	($15,616)	($14,993)	($12,668)	($3,453)
Authority's Covered-Employee Payroll	$279,681	$281,243	$348,800	$367,070	$389,917	$338,069
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	152.01%	93.72%	125.41%	96.33%	64.59%	75.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)						
- Traditional Plan	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
- Combined Plan	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

(1) Information prior to 2014 is not available.
(2) The amounts presented for each fiscal year were determined as of the calendar year-ended that occurred within the fiscal year.

See accompanying notes to the required supplementary information.

Logan County Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net OPEB Liability
For the Year Ended December 31, 2019

	2019	**2018**	**2017**
Authority's Proportion of the Net OPEB Liability	0.001939%	0.002460%	0.002460%
Authority's Proportionate Share of the Net OPEB Liability	$252,800	$267,138	$248,468
Authority's Covered Payroll	$279,681	$281,243	$348,800
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	90.39%	94.98%	71.24%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	68.52%

(1) The amounts presented is as of the Authority's plan measurement date, which is the prior calendar year.
(2) Information prior to 2017 is not available. Schedule is intended to show ten years of information,
and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information.

Logan County Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's Contributions - Pension
Ohio Public Employees Retirement System
For the Year Ended December 31, 2019

	2019	2018	2017	2016	2015
Contractually Required Contribution					
- Traditional Plan	$29,316	$28,196	$31,853	$30,948	$32,358
- Combined Plan	9,840	11,178	13,491	13,103	14,432
Total Required Contributions	$39,156	$39,374	$45,344	$44,051	$46,790
Contributions in Relation to the Contractually Required Contribution	($39,156)	($39,374)	($45,344)	($44,051)	($46,790)
Contributions Deficiency/(Excess)	$0	$0	$0	$0	$0
Authority's Covered-Employee Payroll					
- Traditional Plan	$209,395	$201,400	$245,023	$257,878	$269,650
- Combined Plan	70,286	79,843	$103,777	$109,192	$120,267
Total Covered Payroll	$279,681	$281,243	$348,800	$367,070	$389,917
Contributions as a Percentage of Covered-Employee Payroll					
- Traditional Plan	14.00%	14.00%	13.00%	12.00%	12.00%
- Combined Plan	14.00%	14.00%	13.00%	12.00%	12.00%

(1) Information prior to 2015 is not available by various plans

See accompanying notes to the required supplementary information.

Logan County Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's Contributions - OPEB
Ohio Public Employees Retirement System
For the Year Ended December 31, 2019

	2019	**2018**	**2017**	**2016**	**2015**
Contractually Required Contribution					
OPEB	$0	$0	$3,488	$7,338	$7,682
Contributions in Relation to the Contractually Required Contribution	$0	$0	($3,488)	($7,338)	($7,682)
Contritbution Deficiency/(Excess)	$0	$0	$0	$0	$0
Authority's Covered Payroll	$279,681	$281,243	$348,800	$367,070	$389,917
Contributions as a Percentage of Covered Payroll					
OPEB	0.00%	0.00%	1.00%	2.00%	1.97%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information. Additional years will be displayed as it becomes available.

See accompanying notes to the required supplementary information.

Ohio Public Employees' Retirement System

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2019.

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%.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2019.

Changes in assumptions: 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%.

Supplementary Information

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
111 Cash - Unrestricted	$207,319	$0	$167,996	$10,420	$385,735	$0	$385,735
112 Cash - Restricted - Modernization and Development	$0	$0	$0	$0	$0	$0	$0
113 Cash - Other Restricted	$0	$0	$69,560	$0	$69,560	$0	$69,560
114 Cash - Tenant Security Deposits	$37,358	$0	$0	$5,101	$42,459	$0	$42,459
115 Cash - Restricted for Payment of Current Liabilities	$0	$0	$46,194	$0	$46,194	$0	$46,194
100 Total Cash	$244,677	$0	$283,750	$15,521	$543,948	$0	$543,948
121 Accounts Receivable - PHA Projects	$0	$0	$0	$0	$0	$0	$0
122 Accounts Receivable - HUD Other Projects	$0	$0	$0	$0	$0	$0	$0
124 Accounts Receivable - Other Government	$0	$0	$0	$0	$0	$0	$0
125 Accounts Receivable - Miscellaneous	$0	$0	$0	$0	$0	$0	$0
126 Accounts Receivable - Tenants	$4,716	$0	$0	$1,098	$5,814	$0	$5,814
126.1 Allowance for Doubtful Accounts -Tenants	-$1,312	$0	$0	$0	-$1,312	$0	-$1,312
126.2 Allowance for Doubtful Accounts - Other	$0	$0	$0	$0	$0	$0	$0
127 Notes, Loans, & Mortgages Receivable - Current	$0	$0	$0	$0	$0	$0	$0
128 Fraud Recovery	$0	$0	$0	$0	$0	$0	$0
128.1 Allowance for Doubtful Accounts - Fraud	$0	$0	$0	$0	$0	$0	$0
129 Accrued Interest Receivable	$0	$0	$0	$0	$0	$0	$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	$3,404	$0	$0	$1,098	$4,502	$0	$4,502
131 Investments - Unrestricted	$0	$0	$0	$0	$0	$0	$0
132 Investments - Restricted	$0	$0	$0	$0	$0	$0	$0
135 Investments - Restricted for Payment of Current Liability	$0	$0	$0	$0	$0	$0	$0
142 Prepaid Expenses and Other Assets	$23,632	$0	$283	$1,728	$25,643	$0	$25,643
143 Inventories	$25,832	$0	$0	$0	$25,832	$0	$25,832

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
143.1 Allowance for Obsolete Inventories	$0	$0	$0	$0	$0	$0	$0
144 Inter Program Due From	$0	$0	$0	$0	$0	$0	$0
145 Assets Held for Sale	$0	$0	$0	$0	$0	$0	$0
150 Total Current Assets	$297,545	$0	$284,033	$18,347	$599,925	$0	$599,925
161 Land	$683,201	$0	$0	$47,170	$730,371	$0	$730,371
162 Buildings	$8,379,371	$0	$0	$1,222,714	$9,602,085	$0	$9,602,085
163 Furniture, Equipment & Machinery - Dwellings	$141,958	$0	$0	$0	$141,958	$0	$141,958
164 Furniture, Equipment & Machinery - Administration	$331,399	$0	$101,911	$0	$433,310	$0	$433,310
165 Leasehold Improvements	$0	$0	$0	$0	$0	$0	$0
166 Accumulated Depreciation	-$6,479,367	$0	-$101,846	-$192,670	-$6,773,883	$0	-$6,773,883
167 Construction in Progress	$0	$0	$0	$0	$0	$0	$0
168 Infrastructure	$0	$0	$0	$0	$0	$0	$0
160 Total Capital Assets, Net of Accumulated Depreciation	$3,056,562	$0	$65	$1,077,214	$4,133,841	$0	$4,133,841
171 Notes, Loans and Mortgages Receivable - Non-Current	$0	$0	$0	$0	$0	$0	$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	$0	$0	$0	$0	$0	$0	$0
173 Grants Receivable - Non Current	$0	$0	$0	$0	$0	$0	$0
174 Other Assets	$1,331	$0	$518	$0	$1,849	$0	$1,849
176 Investments in Joint Ventures	$0	$0	$0	$0	$0	$0	$0
180 Total Non-Current Assets	$3,057,893	$0	$583	$1,077,214	$4,135,690	$0	$4,135,690
200 Deferred Outflow of Resources	$146,381	$0	$56,947	$0	$203,328	$0	$203,328
290 Total Assets and Deferred Outflow of Resources	$3,501,819	$0	$341,563	$1,095,561	$4,938,943	$0	$4,938,943

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
311 Bank Overdraft	$0	$0	$0	$0	$0	$0	$0
312 Accounts Payable <= 90 Days	$3,228	$0	$67	$358	$3,653	$0	$3,653
313 Accounts Payable >90 Days Past Due	$0	$0	$0	$0	$0	$0	$0
321 Accrued Wage/Payroll Taxes Payable	$20,036	$0	$5,425	$0	$25,461	$0	$25,461
322 Accrued Compensated Absences - Current Portion	$3,472	$0	$2,777	$0	$6,249	$0	$6,249
324 Accrued Contingency Liability	$0	$0	$0	$0	$0	$0	$0
325 Accrued Interest Payable	$0	$0	$0	$0	$0	$0	$0
331 Accounts Payable - HUD PHA Programs	$0	$0	$1,114	$0	$1,114	$0	$1,114
332 Account Payable - PHA Projects	$0	$0	$0	$0	$0	$0	$0
333 Accounts Payable - Other Government	$3,320	$0	$0	$0	$3,320	$0	$3,320
341 Tenant Security Deposits	$37,358	$0	$0	$5,101	$42,459	$0	$42,459
342 Unearned Revenue	$2,324	$0	$0	$379	$2,703	$0	$2,703
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$0	$0	$0	$18,469	$18,469	$0	$18,469
344 Current Portion of Long-term Debt - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0
345 Other Current Liabilities	$0	$0	$4,432	$0	$4,432	$0	$4,432
346 Accrued Liabilities - Other	$0	$0	$4,970	$0	$4,970	$0	$4,970
347 Inter Program - Due To	$0	$0	$0	$0	$0	$0	$0
348 Loan Liability - Current	$0	$0	$0	$0	$0	$0	$0
310 Total Current Liabilities	$69,738	$0	$18,785	$24,307	$112,830	$0	$112,830
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$0	$0	$0	$150,675	$150,675	$0	$150,675
352 Long-term Debt, Net of Current - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0
353 Non-current Liabilities - Other	$0	$0	$41,762	$0	$41,762	$0	$41,762
354 Accrued Compensated Absences - Non Current	$7,729	$0	$2,279	$0	$10,008	$0	$10,008

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
355 Loan Liability - Non Current	$0	$0	$0	$0	$0	$0	$0
356 FASB 5 Liabilities	$0	$0	$0	$0	$0	$0	$0
357 Accrued Pension and OPEB Liabilities	$489,392	$0	$190,387	$0	$679,779	$0	$679,779
350 Total Non-Current Liabilities	$497,121	$0	$234,428	$150,675	$882,224	$0	$882,224
300 Total Liabilities	$566,859	$0	$253,213	$174,982	$995,054	$0	$995,054
400 Deferred Inflow of Resources	$42,400	$0	$16,495	$0	$58,895	$0	$58,895
508.4 Net Investment in Capital Assets	$3,056,562	$0	$65	$908,070	$3,964,697	$0	$3,964,697
511.4 Restricted Net Position	$0	$0	$69,560	$0	$69,560	$0	$69,560
512.4 Unrestricted Net Position	-$164,002	$0	$2,230	$12,509	-$149,263	$0	-$149,263
513 Total Equity - Net Assets / Position	$2,892,560	$0	$71,855	$920,579	$3,884,994	$0	$3,884,994
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$3,501,819	$0	$341,563	$1,095,561	$4,938,943	$0	$4,938,943
70300 Net Tenant Rental Revenue	$63,848	$0	$0	$81,599	$145,447	$0	$145,447
70400 Tenant Revenue - Other	$17,408	$0	$0	$0	$17,408	$0	$17,408
70500 Total Tenant Revenue	$81,256	$0	$0	$81,599	$162,855	$0	$162,855
70600 HUD PHA Operating Grants	$521,771	$40,744	$1,561,595	$0	$2,124,110	$0	$2,124,110
70610 Capital Grants	$68,148	$0	$0	$0	$68,148	$0	$68,148
70710 Management Fee	$0	$0	$0	$0	$0	$0	$0
70720 Asset Management Fee	$0	$0	$0	$0	$0	$0	$0
70730 Book Keeping Fee	$0	$0	$0	$0	$0	$0	$0

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
70740 Front Line Service Fee	$0	$0	$0	$0	$0	$0	$0
70750 Other Fees	$0	$0	$0	$0	$0	$0	$0
70700 Total Fee Revenue	$0	$0	$0	$0	$0	$0	$0
70800 Other Government Grants	$0	$0	$0	$0	$0	$0	$0
71100 Investment Income - Unrestricted	$8	$0	$22	$5	$35	$0	$35
71200 Mortgage Interest Income	$0	$0	$0	$0	$0	$0	$0
71300 Proceeds from Disposition of Assets Held for Sale	$0	$0	$0	$0	$0	$0	$0
71310 Cost of Sale of Assets	$0	$0	$0	$0	$0	$0	$0
71400 Fraud Recovery	$0	$0	$134	$0	$134	$0	$134
71500 Other Revenue	$6,196	$0	$1,813	$1,379	$9,388	$0	$9,388
71600 Gain or Loss on Sale of Capital Assets	$0	$0	$0	$0	$0	$0	$0
72000 Investment Income - Restricted	$0	$0	$0	$0	$0	$0	$0
70000 Total Revenue	$677,379	$40,744	$1,563,564	$82,983	$2,364,670	$0	$2,364,670
91100 Administrative Salaries	$60,337	$0	$25,852	$16,727	$102,916	$0	$102,916
91200 Auditing Fees	$8,640	$0	$3,734	$0	$12,374	$0	$12,374
91300 Management Fee	$0	$0	$0	$0	$0	$0	$0
91310 Book-keeping Fee	$0	$0	$0	$0	$0	$0	$0
91400 Advertising and Marketing	$395	$0	$8	$0	$403	$0	$403
91500 Employee Benefit contributions - Administrative	$15,705	$0	$0	$6,091	$21,796	$0	$21,796
91600 Office Expenses	$13,804	$0	$4,882	$0	$18,686	$0	$18,686
91700 Legal Expense	$1,406	$0	$0	$1,013	$2,419	$0	$2,419
91800 Travel	$1,749	$0	$0	$0	$1,749	$0	$1,749
91810 Allocated Overhead	$0	$0	$0	$0	$0	$0	$0

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
91900 Other	$44,899	$0	$36,807	$1,805	$83,511	$0	$83,511
91000 Total Operating - Administrative	$146,935	$0	$71,283	$25,636	$243,854	$0	$243,854
92000 Asset Management Fee	$0	$0	$0	$0	$0	$0	$0
92100 Tenant Services - Salaries	$0	$40,744	$0	$0	$40,744	$0	$40,744
92200 Relocation Costs	$0	$0	$0	$0	$0	$0	$0
92300 Employee Benefit Contributions - Tenant Services	$0	$0	$0	$0	$0	$0	$0
92400 Tenant Services - Other	$0	$0	$0	$0	$0	$0	$0
92500 Total Tenant Services	$0	$40,744	$0	$0	$40,744	$0	$40,744
93100 Water	$6,144	$0	$0	$209	$6,353	$0	$6,353
93200 Electricity	$8,619	$0	$0	$559	$9,178	$0	$9,178
93300 Gas	$7,887	$0	$0	$571	$8,458	$0	$8,458
93400 Fuel	$0	$0	$0	$0	$0	$0	$0
93500 Labor	$0	$0	$0	$0	$0	$0	$0
93600 Sewer	$8,001	$0	$0	$283	$8,284	$0	$8,284
93700 Employee Benefit Contributions - Utilities	$0	$0	$0	$0	$0	$0	$0
93800 Other Utilities Expense	$0	$0	$0	$0	$0	$0	$0
93000 Total Utilities	$30,651	$0	$0	$1,622	$32,273	$0	$32,273
94100 Ordinary Maintenance and Operations - Labor	$109,619	$0	$0	$945	$110,564	$0	$110,564
94200 Ordinary Maintenance and Operations - Materials and Other	$45,480	$0	$0	$2,429	$47,909	$0	$47,909
94300 Ordinary Maintenance and Operations Contracts	$63,270	$0	$0	$3,564	$66,834	$0	$66,834
94500 Employee Benefit Contributions - Ordinary Maintenance	$41,194	$0	$0	$0	$41,194	$0	$41,194
94000 Total Maintenance	$259,563	$0	$0	$6,938	$266,501	$0	$266,501

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
95100 Protective Services - Labor	$0	$0	$0	$0	$0	$0	$0
95200 Protective Services - Other Contract Costs	$0	$0	$0	$0	$0	$0	$0
95300 Protective Services - Other	$0	$0	$0	$0	$0	$0	$0
95500 Employee Benefit Contributions - Protective Services	$0	$0	$0	$0	$0	$0	$0
95000 Total Protective Services	$0	$0	$0	$0	$0	$0	$0
96110 Property Insurance	$20,414	$0	$0	$1,727	$22,141	$0	$22,141
96120 Liability Insurance	$1,136	$0	$567	$73	$1,776	$0	$1,776
96130 Workmen's Compensation	$0	$0	$0	$0	$0	$0	$0
96140 All Other Insurance	$3,442	$0	$0	$0	$3,442	$0	$3,442
96100 Total insurance Premiums	$24,992	$0	$567	$1,800	$27,359	$0	$27,359
96200 Other General Expenses	$0	$0	$0	$0	$0	$0	$0
96210 Compensated Absences	$6,333	$0	$4,696	$0	$11,029	$0	$11,029
96300 Payments in Lieu of Taxes	$3,320	$0	$0	$0	$3,320	$0	$3,320
96400 Bad debt - Tenant Rents	$3,837	$0	$0	$0	$3,837	$0	$3,837
96500 Bad debt - Mortgages	$0	$0	$0	$0	$0	$0	$0
96600 Bad debt - Other	$0	$0	$0	$0	$0	$0	$0
96800 Severance Expense	$0	$0	$0	$0	$0	$0	$0
96000 Total Other General Expenses	$13,490	$0	$4,696	$0	$18,186	$0	$18,186
96710 Interest of Mortgage (or Bonds) Payable	$0	$0	$0	$10,684	$10,684	$0	$10,684
96720 Interest on Notes Payable (Short and Long Term)	$0	$0	$0	$0	$0	$0	$0
96730 Amortization of Bond Issue Costs	$0	$0	$0	$0	$0	$0	$0

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
96700 Total Interest Expense and Amortization Cost	$0	$0	$0	$10,684	$10,684	$0	$10,684
96900 Total Operating Expenses	$475,631	$40,744	$76,546	$46,680	$639,601	$0	$639,601
97000 Excess of Operating Revenue over Operating Expenses	$201,748	$0	$1,487,018	$36,303	$1,725,069	$0	$1,725,069
97100 Extraordinary Maintenance	$0	$0	$0	$0	$0	$0	$0
97200 Casualty Losses - Non-capitalized	$0	$0	$0	$0	$0	$0	$0
97300 Housing Assistance Payments	$0	$0	$1,395,287	$0	$1,395,287	$0	$1,395,287
97350 HAP Portability-In	$0	$0	$0	$0	$0	$0	$0
97400 Depreciation Expense	$247,445	$0	$97	$44,462	$292,004	$0	$292,004
97500 Fraud Losses	$0	$0	$0	$0	$0	$0	$0
97600 Capital Outlays - Governmental Funds	$0	$0	$0	$0	$0	$0	$0
97700 Debt Principal Payment - Governmental Funds	$0	$0	$0	$0	$0	$0	$0
97800 Dwelling Units Rent Expense	$0	$0	$0	$0	$0	$0	$0
90000 Total Expenses	$723,076	$40,744	$1,471,930	$91,142	$2,326,892	$0	$2,326,892
10010 Operating Transfer In	$41,544	$0	$0	$0	$41,544	-$41,544	$0
10020 Operating transfer Out	-$41,544	$0	$0	$0	-$41,544	$41,544	$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-$45,697	$0	$91,634	-$8,159	$37,778	$0	$37,778
11020 Required Annual Debt Principal Payments	$0	$0	$0	$18,469	$18,469	$0	$18,469
11030 Beginning Equity	$2,938,257	$0	-$19,779	$928,738	$3,847,216	$0	$3,847,216

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$0	$0	$0	$0	$0	$0	$0
11170 Administrative Fee Equity	$0	$0	$2,295	$0	-$19,638	$0	-$19,638
11180 Housing Assistance Payments Equity	$0	$0	$69,560	$0	$69,560	$0	$69,560
11190 Unit Months Available	1,200	0	3,552	180	4,932	0	4,932
11210 Number of Unit Months Leased	1,123	0	3,410	157	4,690	0	4,690
11620 Building Purchases	$68,148	$0	$0	$0	$68,148	$0	$68,148

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
LOGAN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

FEDERAL GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	TOTAL FEDERAL EXPENDITURES
U.S. Department of Housing and Urban Development		
Direct Program		
Public and Indian Housing	14.850	$ 441,332
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	1,561,595
Total Housing Voucher Cluster		1,561,595
Public Housing Capital Fund	14.872	148,597
Family Self-Sufficiency Program	14.896	40,774
Total U.S. Department of Housing and Urban Development		2,192,298
TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 2,192,298

See accompanying notes to this schedule.

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Authority under programs of the federal government for the year ended December 31, 2019. 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 full 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.

NOTE D – SUBRECIPIENTS

The Authority provided no federal awards to subrecipients during the year ended December 31, 2019.

NOTE E – DISCLOSURE OF OTHER FORMS OF ASSISTANCE

The Authority received no federal awards of non-monetary assistance that are required to be disclosed for the year ended December 31, 2019.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the year ended December 31, 2019.

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

March 12, 2021

Logan County Metropolitan Housing Authority
Logan County
116 North Everett Street
Bellefontaine, Ohio 43311

To the Director and Board of Commissioners:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the **Logan County Metropolitan Housing Authority,** Logan County, (the Authority) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated March 12, 2021, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact the subsequent periods of the Authority.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Authority's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Authority's financial statements. 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.

Internal Control Over Financial Reporting (Continued)

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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Authority's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

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Marietta, Ohio

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

March 12, 2021

Logan County Metropolitan Housing Authority
Logan County
116 North Everett Street
Bellefontaine, Ohio 43311

To the Director and Board of Commissioners:

Report on Compliance for the Major Federal Program

We have audited **Logan County Metropolitan Housing Authority's**, (the Authority) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Authority's major federal program for the year ended December 31, 2019. The *Summary of Auditor's Results* in the accompanying schedule of audit findings identifies the Authority's major federal program.

Management's Responsibility

The Authority's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Authority's compliance for the Authority's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in 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).

Auditor's Responsibility (Continued)

These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, Logan County Metropolitan Housing Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

The Authority's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Authority's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Authority's internal control over compliance.

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY
LOGAN COUNTY

SCHEDULE OF AUDIT FINDINGS
2 CFR § 200.515
FOR THE YEAR ENDED DECEMBER 31, 2019

1. SUMMARY OF AUDIT 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):**	Section 8 Housing Choice Vouchers, CFDA # 14.871
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR §200.520?**	No

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

LOGAN METROPOLITAN HOUSING AUTHORITY
116 NORTH EVERETT STREET
BELLEFONTAINE, OHIO 43311-1132

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

Finding Number	Finding Summary	Status	Additional Information
2018-001	26 U.S.C Section 3402 – Late Remittance of Income Tax Withholdings	Corrective Action Taken and Finding is Fully Corrected	N/A
2018-002	Ohio Rev. Code Section 145.47 – Late OPERS Remittances	Corrective Action Taken and Finding is Fully Corrected	N/A
2018-003	Eligibility – Recertification of Family Income and Composition	Corrective Action Taken and Finding is Fully Corrected	N/A
2018-004	Eligibility and Special Tests and Provisions – Maintaining Tenant Documentation	Partially Corrected	LCMHA is reviewing all documents prior to filing to ensure everything is accounted for and filed in the correct file. The Authority has also purchased an electronic tenant file system that directly integrates with our program software to better manage and maintain the files and eliminate lost documents and misfiling. Moved to Management Letter.

PHONE: 937.599.1845 EMAIL: info@lcmha.com FAX: 937.592.7064

OHIO AUDITOR OF STATE
KEITH FABER

LOGAN COUNTY METROPOLITAN HOUSING AUTHORITY

LOGAN 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 5/6/2021

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