



OHIO AUDITOR OF STATE
KEITH FABER



**FAYETTE METROPOLITAN HOUSING AUTHORITY
FAYETTE COUNTY
DECEMBER 31, 2023**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Fayette Metropolitan Housing Authority
Fayette County
121 E. East Street
Washington Court House, Ohio 43160

To the Board of Directors:

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Fayette Metropolitan Housing Authority, Fayette County, Ohio as of December 31, 2023, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary information

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

The Financial Data Schedules required by the Department of Housing and Urban Development are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2024, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
September 16, 2024

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FAYETTE METROPOLITAN HOUSING AUTHORITY
 FAYETTE COUNTY
 MANAGEMENT’S DISCUSSION AND ANALYSIS
 DECEMBER 31, 2023

(UNAUDITED)

The Fayette Metropolitan Housing Authority’s (the Authority”) management’s discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority’s financial activity, (c) identify changes in the Authority’s financial position (its ability to address the next and subsequent year challenges), and (d) identify 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 conjunction with the Authority’s financial statements.

FINANCIAL HIGHLIGHTS

- During 2023 the Authority’s Net Position increased by \$73,560 (or 6.50%). Since the Authority engages only in business-type activities, the increase is all in the category of business-type Net Position. Net Position was \$1,131,297 and \$1,204,857 for years 2022 and 2023, respectively.
- The revenue increased by \$56,758 (or 1.91%) during 2023 and was \$2,964,745 and \$3,021,503 for the years 2022 and 2023, respectively.
- The total expenses for the Authority increased by \$254,194 (or 9.44%). Total expenses were \$2,693,749 and \$2,947,943 for the years 2022 and 2023, respectively.

USING THIS ANNUAL REPORT

The Report includes the following sections:

<p>MD&A ~ Management’s Discussion and Analysis ~</p>
<p>Basic Financial Statements ~ Statement of Net Position ~ ~ Statement of Revenues, Expenses and Changes in Net Position ~ ~ Statement of Cash Flows ~ ~ Notes to the Basic Financial Statements ~</p>
<p>Supplementary and Other Information ~ Financial Data Schedules ~ ~ Schedule of Federal Awards Expenditures ~</p>

FAYETTE METROPOLITAN HOUSING AUTHORITY
FAYETTE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

(UNAUDITED)

The primary focus of the Authority's financial statement is on the Authority as a whole (Authority-wide). The Authority operates as a single enterprise fund and this presentation allows the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the Authority's accountability.

Government-Wide Financial Statements

The Government-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". Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-current".

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

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

Restricted 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 Position Invested in Capital Assets, Net of Related Debt", or "Restricted Net Position".

The Government-wide financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Position (like 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 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 like Net Income or Loss.

Finally, 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.

FAYETTE METROPOLITAN HOUSING AUTHORITY
FAYETTE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

(UNAUDITED)

Fund Financial Statements

The Authority is accounted for as an Enterprise Fund. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector.

Many of the programs maintained by the Authority are required by the U. S. Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

The Authority's Programs

Housing Choice Voucher (HCV) 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 adjusted household income.

Other Programs- In addition to the housing choice voucher program, the Authority also operates the following programs:

Section 8 New Construction/Single Unit Program – SRO - Provides housing assistance payments to participating owners on behalf of eligible tenants occupying the units under a lease agreement between the landlords and tenants.

Mainstream Vouchers – This Program is exactly like the HCV except it only subsidizes households where one or more family members have a disability.

HOME Investment Partnership Programs - Funded by the US Department of Housing & Urban Development (HUD), the Tenant Based Rental Assistance (TBRA) funds are distributed to the County or City to provide help for paying rent, utility bills, and both rental and utility security deposits.

Shelter Plus Care – Provides rental assistance for homeless people with disabilities, primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and acquired immunodeficiency syndrome (AIDS), and related diseases. Rental assistance grants must be matched with supportive services.

Emergency Housing Vouchers – This Program is to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

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

FAYETTE METROPOLITAN HOUSING AUTHORITY
 FAYETTE COUNTY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 DECEMBER 31, 2023

(UNAUDITED)

AUTHORITY-WIDE STATEMENT

Statement of Net Position

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

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

	<u>2023</u>	<u>2022</u>
Current and Other Assets	\$ 753,897	\$ 836,048
Capital Assets	1,999,815	1,842,498
Total Assets and Deferred Outflows of Resources	<u>\$ 2,753,712</u>	<u>\$ 2,678,546</u>
Current Liabilities	\$ 191,804	\$ 228,133
Long-Term Liabilities	1,357,051	1,319,116
Total Liabilities and Deferred Inflows of Resources	<u>1,548,855</u>	<u>1,547,249</u>
Net Position:		
Net Investment in Capital Assets	538,279	424,698
Restricted Net Position	1,696	43,808
Unrestricted Net Position	<u>664,882</u>	<u>662,791</u>
Total Net Position	<u>1,204,857</u>	<u>1,131,297</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 2,753,712</u>	<u>\$ 2,678,546</u>

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

Major Factors Affecting the Statement of Net Position

Current assets decreased by \$82,151 or 9.83% in 2023 as a result of a much lower cash balance. Total liabilities increased during the year by \$1,606 or 0.10% which was due to the outstanding invoices at the end of the year.

Capital Assets increased by a net amount of \$157,317 or 8.54%. This was the result of a new construction project completed and several other capital improvement projects.

For more detail see "Capital Assets and Debt Administration" below.

FAYETTE METROPOLITAN HOUSING AUTHORITY
 FAYETTE COUNTY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 DECEMBER 31, 2023

(UNAUDITED)

	Net Investment in Capital		
	Unrestricted	Assets	Restricted
Beginning Balance	\$662,791	\$424,698	\$43,808
Results of Operation	115,672	0	(42,112)
Adjustments:			
Current year Depreciation / Amortization Expense (1)	102,829	(102,829)	0
Capital Expenditure (2)	(289,304)	289,304	0
Net Result of Disposition of Assets	29,159	(29,159)	0
Retirement of Debt	(137,272)	137,272	0
New Debt Issued	165,577	(165,577)	0
Lease Liability	15,431	(15,431)	0
Rounding Adjustment	(1)	1	0
Ending Balance	<u>\$664,882</u>	<u>\$538,279</u>	<u>\$1,696</u>

- 1) Depreciation is treated as an expense and reduces the results of operations, but does not have an impact on Unrestricted Net Position
- 2) Capital expenditures represent an outflow of unrestricted net position but are treated as an expense against results of operations and must be deducted.

While the result of operations is a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer change in financial well-being.

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FAYETTE METROPOLITAN HOUSING AUTHORITY
 FAYETTE COUNTY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 DECEMBER 31, 2023

(UNAUDITED)

Table 3 - Statement of Revenue, Expenses & Changes in Net Position

	<u>2023</u>	<u>2022</u>
<u>Revenues</u>		
Total Tenant Revenues	\$ 189,787	196,716
Operating Grants	2,643,386	2,477,398
Investment Income	1,315	1,323
Other Revenues	187,015	289,308
Total Revenues	<u>3,021,503</u>	<u>2,964,745</u>
<u>Expenses</u>		
Administrative	460,653	425,246
Utilities	1,026	2,192
Maintenance	36,970	35,696
General and Interest	15,494	16,230
Housing Assistance Payments	2,330,971	2,141,161
Depreciation & Amortization	102,829	73,224
Total Expenses	<u>2,947,943</u>	<u>2,693,749</u>
Net Increases (Decreases)	73,560	270,996
Beginning net position	1,131,297	860,301
Total net position - ending	<u>\$ 1,204,857</u>	<u>\$ 1,131,297</u>

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

The Operating Grant Revenue increased \$165,988 or 6.70% for 2023. The increase is due to HUD funding received during the year.

Total expenses increased by \$254,194 or 9.44%. The main reason for this increase is due to an increase in housing assistance payments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2023, the Authority had \$1,999,815 invested in capital assets as reflected in the following schedule, which represents a net change due to current year additions, disposals, and depreciation.

FAYETTE METROPOLITAN HOUSING AUTHORITY
 FAYETTE COUNTY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 DECEMBER 31, 2023

(UNAUDITED)

Table 4 - Condensed Statement of Changes in Capital Assets

	<u>2023</u>	<u>2022</u>
Land	\$ 282,114	\$ 282,114
Building and Improvement	2,363,032	1,921,103
Equipment	41,991	41,991
Intangible Right-To-Ues: Leased Equipment	15,431	-
Construction in Progress	9,500	207,060
Accumulated Depreciation / Amortization	<u>(712,253)</u>	<u>(609,770)</u>
 Total	 <u>\$ 1,999,815</u>	 <u>\$ 1,842,498</u>

The following reconciliation summarizes the change in Capital Assets, which is presented in detail in the notes to the financial statements:

Table 5 - Changes in Capital Assets

Beginning Balance	\$	1,842,498
Current year Additions		289,304
Current Year Dispositions, net of depreciation		(29,159)
Current year Depreciation / Amortization Expense		(102,829)
Rounding Adjustment		<u>1</u>
 Ending Balance	 \$	 <u><u>1,999,815</u></u>

Current year Additions are summarized as follows:

House - 1220 Grace St	\$	231,061
Improvements - Oak Street Bathroom		8,948
Improvements - Grace St. Generator		13,669
Improvements - Carolyn St. Bathroom Remodel		4,400
Improvements - Dayton Ave 200 AMP Meter		3,375
Improvements - Leslie Trace Deck		2,920
Construction in Process		9,500
Lease Asset - Copy Machine		<u>15,431</u>
 Total Current Year Additions	 \$	 <u><u>289,304</u></u>

FAYETTE METROPOLITAN HOUSING AUTHORITY
FAYETTE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

(UNAUDITED)

Debt Outstanding

As of December 31, 2023, the Authority had \$1,461,536 of outstanding debt compared to \$1,417,800 last year. Please see note 8 of the financial statement for further detail. The table below summarizes the changes that took place during the year:

Table 6 - Condensed Statement of Changes in Debt Outstanding

Beginning Balance	\$ 1,417,800
Current Year Issued	181,008
Current Year Retired	<u>(137,272)</u>
Ending Balance	<u>\$ 1,461,536</u>

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

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

FINANCIAL CONTACT

The individual to be contacted regarding this report is Tami Hinkley, Executive Director for the Fayette Metropolitan Housing Authority, at (740) 335-7525. Specific requests may be submitted to the Authority at 121 E. East Street, Washington Court House, OH 43160.

FAYETTE METROPOLITAN HOUSING AUTHORITY
Statement of Net Position
December 31, 2023

ASSETS

Current assets

Cash and cash equivalents	\$	684,167
Restricted cash and cash equivalents		30,631
Receivables, net		39,099
Total current assets		<u>753,897</u>

Noncurrent assets

Capital assets:		
Non-Depreciable capital assets		291,614
Depreciable / Amortized capital assets, net		1,708,201
Total capital assets		<u>1,999,815</u>
Total noncurrent assets		<u>1,999,815</u>
Total assets		<u>\$ 2,753,712</u>

LIABILITIES

Current liabilities

Accounts payable	\$	58,384
Unearned revenue		26,791
Tenant security deposits		2,144
Leases - Current Portion		3,233
Debt - Current Portion		101,252
Total current liabilities		<u>191,804</u>

Noncurrent liabilities

Leases - Noncurrent Portion		9,104
Debt - Noncurrent Portion		1,347,947
Total noncurrent liabilities		<u>1,357,051</u>
Total liabilities		<u>\$ 1,548,855</u>

NET POSITION

Invested in capital assets	\$	538,279
Restricted net position		1,696
Unrestricted net position		664,882
Total net position		<u>\$ 1,204,857</u>

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

FAYETTE METROPOLITAN HOUSING AUTHORITY
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended December 31, 2023

<i>OPERATING REVENUES</i>	
Tenant revenue	\$ 189,787
Operating grants	2,643,386
Other operating revenue	216,174
Total operating revenues	<u>3,049,347</u>
 <i>OPERATING EXPENSES</i>	
Administrative	460,653
Utilities	1,026
Maintenance	36,970
General and insurance	4,004
Housing assistance payment	2,330,971
Amortization	3,095
Depreciation	99,734
Total operating expenses	<u>2,936,453</u>
Operating income (loss)	<u>112,894</u>
 <i>NONOPERATING REVENUES (EXPENSES)</i>	
Loss from sale of capital assets	(29,159)
Interest income	1,315
Interest expense	(11,490)
Total nonoperating revenues (expenses)	<u>(39,334)</u>
Change in net position	73,560
Beginning net position	1,131,297
Total net position - ending	<u>\$ 1,204,857</u>

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

FAYETTE METROPOLITAN HOUSING AUTHORITY

Statement of Cash Flows

For the Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from Operating Grants	\$ 2,538,617
Cash Received from Tenants	189,787
Cash Received from Other Revenue	216,246
Cash Payments for Operating expenses	(542,517)
Cash Payments for Housing Assistance	<u>(2,330,971)</u>

Net Cash Provided (Used) by Operating Activities 71,162

CASH FLOWS FROM INVESTING ACTIVITIES

Interest earned	<u>1,315</u>
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Net Cash Provided (Used) by Investing Activities 1,315

CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES

Loan Debt Payments	(57,742)
Loan Proceeds	165,577
Lease Payments	(3,094)
Property and Equipment Purchased	(273,873)
Interest Paid	<u>(11,491)</u>

Net Cash Provided (Used) by Capital and Related Activities (180,623)

Net Increase (Decrease) in Cash (108,146)

Cash and cash equivalents - Beginning of year 822,944

Cash and cash equivalents - End of year \$ 714,798

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

FAYETTE METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows - Cont'd
For the Year Ended December 31, 2023

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Net Operating Income (Loss)	\$	112,894
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities		
- Depreciation / Amortization		102,829
- ODODD Loan Forgiveness		(76,436)
- (Increases) Decreases in Accounts Receivable		(25,995)
- Increases (Decreases) in Accounts Payable		(39,864)
- Increases (Decreases) in Unearned Revenue		(2,266)
		<hr/>
Net Cash Provided by Operating Activities	\$	<u>71,162</u>

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

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

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

Reporting Entity

The Authority was created under the Ohio Revised Code, Section 3735.27. The Authority contracts with the United States Department of Housing and Urban Development (HUD) to provide low- and moderate-income persons with safe and sanitary housing through subsidies provided by HUD. The Authority depends on the subsidies from HUD to operate. The accompanying basic financial statements comply with the provisions of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

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

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

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

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 and Basis of Accounting

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the Authority are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in 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.

Fund Accounting

The Authority uses the proprietary fund to report on its financial position and the results of its operations for the HUD programs. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. 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, propriety and fiduciary. The Authority uses the proprietary category for its programs.

Proprietary Fund Types

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The principal operating revenues of the Authority's enterprise fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the enterprise fund include the costs of facility maintenance, housing assistance payments, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Description of Programs

The Authority uses a single enterprise fund to maintain its financial records on the accrual basis. The following are the various major programs which are included in the enterprise fund:

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

Section 8 New Construction Program- Provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low-income families at rents they can afford. Housing Assistance Payments are used to make up the difference between that approved rent due to the owner for the dwelling unit and the occupant family's required contribution towards rent. Assisted families must pay the highest of 30% of their monthly adjusted income, 10% of gross family income, or the portion of welfare assistance designated for housing toward rent.

Emergency Housing Vouchers – This Program is to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

Other Business Activities- Represents non-HUD resources and derived from a variety of other activities mainly DD rentals.

Use of Estimates

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

Cash and Cash Equivalents

For the statement of cash flows, cash and cash equivalents all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Restricted Cash and Investments

Restricted cash and investments represent amounts received from HUD to be used strictly for providing housing assistance to families and individuals in need. As of December 31, 2023 total restricted cash to be used for housing assistance was \$28,487. In addition, the Authority is also holding \$2,144 of funds for tenant security deposits.

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

Accounts Receivable-Net

Bad debts are provided on the allowance method based on management's evaluation of the collectability of outstanding tenant receivable balances at the end of the year. The allowance for uncollectable receivables was \$26,834 as of December 31, 2023.

Due From/To Other Programs

There was no Inter-program receivables and payables as of December 31, 2023 on the Financial Data Schedule.

Accounting and Reporting for Non-exchange 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:

- Derived tax revenues: result from assessments imposed on exchange transactions (i.e., income taxes, sales taxes and other assessments on earnings or consumption).
- 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).
- 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).
- 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's grants and subsidies will be defined as government-mandated or voluntary non-exchange transactions. GASB 33 establishes two distinct standards depending upon the kind of stipulation imposed by the provider.

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

- 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.
- 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, the authority that receive resources with purpose restrictions should report resulting net assets, equity, or fund balance as restricted.

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

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

Capital Assets

Capital assets are stated at cost and depreciation is computed using the straight-line method over the estimated useful life of the assets. Donated capital assets are recorded at fair market value on the date of receipt. The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend the assets life, are not capitalized. The capitalization threshold used by the Authority is \$500. The following are the useful lives used for depreciation purposes:

Building-residential	30 years	Furniture	7 years
Building-non-residential	40 years	Equipment-dwelling	5 years
Building improvements	15 years	Equipment-non-dwelling	7 years
Land improvements	15 years	Vehicles	5 years
Leasehold improvements	15 years	Computer Software & hardware	3 years

Budgetary Accounting

The Authority annually prepares its budget as prescribed by HUD. This budget is submitted to HUD and once approved, is adopted by the Board of the Housing Authority.

Net Position

Net position represents the difference between assets and liabilities. The investment in capital assets consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, constructions, or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

2. DEPOSITS AND INVESTMENTS

Deposits

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

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

Inactive deposits are public deposits that the Authority 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.

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

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

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

For the year ended December 31, 2023, the carrying amount of the Authority's deposits was \$714,798 and its bank balances were \$714,999. Based on the criteria described in GASB Statement No.40, *Deposits and Investment Risk Disclosure*, as of December 31, 2023, deposits totaling \$250,000 were covered by Federal Depository Insurance, while \$464,999 was exposed by custodial risk as discussed below.

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% of the carrying value of 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 banks held at the Federal Reserve Bank in the name of the Authority.

3. RESTRICTED CASH

The restricted cash balance of \$30,631 on December 31, 2023, represents the following:

HUD Advances in the Emergency Housing Program:	
- Housing assistance payments	\$ 1,696
- Service Fee funds	26,250
- Preliminary Fee funds	541
Business Activities:	
- Tenant security deposits	<u>2,144</u>
TOTAL RESTRICTED CASH	<u>\$30,631</u>

4. CAPITAL ASSETS

The following is a summary of capital assets on December 31, 2023:

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Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

	Balance			Balance
	12/31/2022	Additions	Deletions	12/31/2023
Capital Assets Not Being Depreciated:				
Land	\$282,114	\$0	\$0	\$282,114
Construction in Progress	207,060	\$9,500	(\$207,060)	9,500
Total Capital Assets Not Being Depreciated	489,174	9,500	(207,060)	291,614
Capital Assets Being Depreciated:				
Buildings and Improvement	1,921,103	471,433	(29,504)	2,363,032
Administration Equipment	41,991	0	0	41,991
Intangible Right-To Use: Leased Equipment	0	15,431	0	15,431
Total Capital Assets Being Depreciated	1,963,094	486,864	(29,504)	2,420,454
Accumulated Depreciation:				
Buildings and Improvement	(567,779)	(99,734)	345	(667,168)
Administration Equipment	(41,991)	0	0	(41,991)
Intangible Right-To Use: Leased Equipment	0	(3,094)	0	(3,094)
Total Accumulated Depreciation	(609,770)	(102,828)	345	(712,253)
Total Capital Assets Being Depreciated, Net	1,353,324	384,036	(29,159)	1,708,201
Total Capital Assets, Net	\$1,842,498	\$393,536	(\$236,219)	\$1,999,815

5. CONTRACT SERVICES

The Authority contracts with:

- Fayette County Commissioners to obtain financial services for the Authority. The Authority does not have any employees; instead, services are subcontracted from Fayette County.
- Highland Metropolitan Housing Authority to provide management and financial reporting services. Compensation shall be based on the amount allowed by HUD for performing these services.
- Fayette County Board of Developmental Disabilities (DD) to provide a rent subsidy program for persons with developmental disabilities. To provide these services, the Authority acquired residential houses on behalf of the DD. The DD will maintain a legal interest in the property acquired with community assistance funds while under the compliance period. Fayette County Board of Development and Disabilities will compensate the Authority expenses when vacancies occur in the properties.

6. ECONOMIC DEPENDENCY

The Authority is economically dependent of receiving operating subsidies from the U.S. Department of Housing and Urban Development (HUD).

7. RISK MANAGEMENT

The Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents, and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. There

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

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

8. LONG-TERM DEBT

The Authority has an obligation with the Ohio Department of Developmental Disabilities for which the Authority received several grants with the condition that the grant funds are used to acquire several properties or make repairs to those properties. The properties are then to be rented to DODD clients for the next 15 to 30 years. As long as the Authority complies with this restriction, the grant funds are forgiven for each year that has expired. These grants while they are under the compliance period are reported as long-term debt on the financial statements.

Below is a summary of the Authority debt with Merchants National Bank and DODD as of December 31, 2023:

Merchants National Bank:

On May 19, 2022, the Authority entered a loan with Merchants National Bank to consolidate its outstanding loans. The new loan was in the amount of \$267,399.58. The term of the loan was a 10-year loan maturing on May 15, 2032, with a fixed interest rate of 4.25%. The outstanding balance at December 31, 2023 was \$232,253.

\$232,253

Ohio Department of Development Disabilities

Loans to either purchase or rehab properties as follows:

Note Description	Origination Date	Maturity Date	Interest Rate	Original Loan Balance	Outstanding Balance
388 Leslie Trace - flooring	06/21/18	06/21/33	0.00%	\$ 7,330	\$ 4,683
412 Lindberg Ave	02/01/08	02/01/23	0.00%	\$ 81,075	\$ -
1254 Dayton Ave	07/01/10	07/01/25	0.00%	\$ 40,000	\$ 4,000
1254 Dayton Ave	07/23/13	07/23/28	0.00%	\$ 10,188	\$ 2,830
855 Blackstone St NW	09/26/18	09/26/48	0.00%	\$ 69,738	\$ 57,340
530 Pearl St	01/29/19	01/29/49	0.00%	\$ 91,887	\$ 76,573
818 Yeoman St	04/01/19	04/01/49	0.00%	\$ 95,454	\$ 80,341
364 Carolyn Rd - Fence	11/07/19	11/07/49	0.00%	\$ 7,087	\$ 6,103
1254 Dayton Ave - Windows	12/02/19	12/02/49	0.00%	\$ 17,650	\$ 15,248
363 Ely St	12/13/19	12/13/49	0.00%	\$ 84,757	\$ 73,220
834 Lincoln - Roof	12/19/19	12/19/49	0.00%	\$ 11,219	\$ 9,692
1103 Golfview DR	10/12/20	10/12/35	0.00%	\$ 19,810	\$ 15,518
818 Yeoman St	10/12/20	10/12/35	0.00%	\$ 4,668	\$ 3,657
1029 S Fayette St	04/24/20	04/24/35	0.00%	\$ 12,210	\$ 9,158
530 Pearl St	06/24/20	06/24/35	0.00%	\$ 4,850	\$ 3,692
1029 S Fayette St	03/29/21	03/29/36	0.00%	\$ 5,900	\$ 4,818
60 Hickory purchase	04/16/21	04/16/36	0.00%	\$ 127,818	\$ 105,095
905 Vine Street Purchase	08/24/21	08/24/36	0.00%	\$ 135,000	\$ 114,000
60 Hickory rehab	09/22/21	09/22/36	0.00%	\$ 56,552	\$ 48,069

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note Description	Origination Date	Maturity Date	Interest Rate	Original Loan Balance	Outstanding Balance
905 Vine Street Rehab	12/17/21	12/17/36	0.00%	\$ 16,230	\$ 14,066
1103 Golfview DR	01/31/22	01/31/37	0.00%	\$ 23,153	\$ 20,195
1254 Dayton Ave - Windows	02/14/22	02/11/37	0.00%	\$ 19,604	\$ 17,208
1412 Lindberg Ave	02/01/22	02/01/37	0.00%	\$ 15,869	\$ 13,841
364 Carolyn Rd	02/01/22	02/01/37	0.00%	\$ 16,225	\$ 14,152
363 Ely St	03/28/22	03/28/37	0.00%	\$ 24,825	\$ 21,929
60 Hickory lane	03/28/22	03/28/37	0.00%	\$ 76,425	\$ 67,509
Various property	05/16/22	05/16/37	0.00%	\$ 90,765	\$ 81,184
330 Oak Str	07/24/22	07/24/37	0.00%	\$ 25,757	\$ 23,181
60 Hickory	08/18/22	08/18/37	0.00%	\$ 32,325	\$ 29,452
330 Oak Str	08/18/22	08/18/37	0.00%	\$ 13,828	\$ 12,599
1220 Grace St	10/24/22	10/24/37	0.00%	\$ 114,730	\$ 105,807
1220 Grace St	02/23/23	02/23/53	0.00%	\$ 115,077	\$ 112,200
1220 Grace St	05/15/23	05/15/53	0.00%	\$ 25,000	\$ 24,514
1220 Grace St	06/29/23	06/29/53	0.00%	\$ 25,000	\$ 25,075

The following is a summary of changes in long-term debt for the year ended December 31, 2023:

	Balance			Balance	Due Within
	<u>12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2023</u>	<u>One Year</u>
Loan Payable - Bank	\$289,995	\$0	(\$57,742)	\$232,253	\$23,536
DODD Grant Funds Unexpired	1,127,805	165,577	(76,436)	1,216,946	77,716
Lease Liability	0	15,431	(3,094)	12,337	3,233
Total Long-Term Liabilities	<u>\$1,417,800</u>	<u>\$181,008</u>	<u>(\$137,272)</u>	<u>\$1,461,536</u>	<u>\$104,485</u>

Please note the total retirement of \$137,272 includes \$76,436 of debt forgiveness by ODODD.

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

Loan maturity is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$101,252	\$9,392	\$110,644
2025	100,939	8,520	109,459
2026	100,671	7,598	108,269
2027	101,781	6,983	108,764
2028	102,373	5,093	107,466
2029-2033	475,572	7,575	483,147
2034-2038	257,994	0	257,994
2039-2043	90,560	0	90,560
2044-2048	89,784	0	89,784
2049-2053	28,273	0	28,273
Total	<u>\$1,449,199</u>	<u>\$45,161</u>	<u>\$1,494,360</u>

9. CONTINGENCIES

- A. The Authority has received several Federal and state grants for specific purposes which are subject to audit and adjustment 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, 2023.
- B. The Authority is unaware of any outstanding lawsuits or other contingencies.

10. LEASES

GASB Statement No. 87, *Leases* (GASB 87), is a comprehensive change by the governmental accounting standards board for lease arrangements. Previous GASB lease guidance, including GASB 13 and GASB 62, did not require all leases to be recognized on the statement of financial position. Instead, only those classified as capital leases were recognized and disclosed as assets and liabilities in the financial statements.

To improve the consistency and transparency of accounting and financial reporting for leases by governments, GASB 87 requires lessees to recognize an intangible right-to-use asset and liability for leases that were previously classified as operating leases and establishes a single classification model for leases going forward.

GASB 87 requires lessees to recognize a lease asset associated with their lease agreements. Therefore, one of the newly required quantitative disclosures is to disclose the total amount of lease assets and the related accumulated amortization, summarized by the major classifications of the underlying assets.

Fayette Metropolitan Housing Authority
Notes to the Financial Statements
For the Year Ended December 31, 2023

<u>PURPOSE</u>	<u>LEASE COMMENCEMENT DATE</u>	<u>TERM (YEARS)</u>	<u>LEASE END DATE</u>	<u>PAYMENT METHOD</u>
Copy Machine	February 1, 2023	5	February 28, 2028	Monthly

The table below report projects the undiscounted cash flows to be made in the future:

Fiscal Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
December 31, 2024	\$3,233	\$206	\$3,439
December 31, 2025	3,091	348	3,439
December 31, 2026	2,956	484	3,440
December 31, 2027	2,595	844	3,439
December 31, 2028	462	113	575
Total	<u>\$12,337</u>	<u>\$1,995</u>	<u>\$14,332</u>

11. 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.

Fayette Metropolitan Housing Authority (OH056)

Washington CH, OH

Entity Wide Balance Sheet Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 12/31/2023

	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$29,387	\$174,899	\$23,366	\$438,307	\$18,208	\$684,167	\$0	\$684,167
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$0	\$0	\$0	\$28,487	\$28,487	\$0	\$28,487
114 Cash - Tenant Security Deposits	\$0	\$2,144	\$0	\$0	\$0	\$2,144	\$0	\$2,144
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$29,387	\$177,043	\$23,366	\$438,307	\$46,695	\$714,798	\$0	\$714,798
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$9,633	\$29,442	\$0	\$39,075	\$0	\$39,075
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$24	\$0	\$24	\$0	\$24
126 Accounts Receivable - Tenants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0	\$26,834	\$0	\$26,834	\$0	\$26,834
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	(\$26,834)	\$0	(\$26,834)	\$0	(\$26,834)
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$9,633	\$29,466	\$0	\$39,099	\$0	\$39,099
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
143 Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144 Inter Program Due From	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$29,387	\$177,043	\$32,999	\$467,773	\$46,695	\$753,897	\$0	\$753,897
161 Land	\$0	\$282,114	\$0	\$0	\$0	\$282,114	\$0	\$282,114
162 Buildings	\$0	\$1,757,186	\$0	\$0	\$0	\$1,757,186	\$0	\$1,757,186
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fayette Metropolitan Housing Authority (OH056)

Washington CH, OH

Entity Wide Balance Sheet Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 12/31/2023

	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
164 Furniture, Equipment & Machinery - Administration	\$0	\$1,849	\$0	\$55,573	\$0	\$57,422	\$0	\$57,422
165 Leasehold Improvements	\$0	\$605,846	\$0	\$0	\$0	\$605,846	\$0	\$605,846
166 Accumulated Depreciation	\$0	(\$669,016)	\$0	(\$43,237)	\$0	(\$712,253)	\$0	(\$712,253)
167 Construction in Progress	\$0	\$9,500	\$0	\$0	\$0	\$9,500	\$0	\$9,500
168 Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$1,987,479	\$0	\$12,336	\$0	\$1,999,815	\$0	\$1,999,815
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$0	\$1,987,479	\$0	\$12,336	\$0	\$1,999,815	\$0	\$1,999,815
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$29,387	\$2,164,522	\$32,999	\$480,109	\$46,695	\$2,753,712	\$0	\$2,753,712
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$0	\$2,307	\$0	\$56,077	\$0	\$58,384	\$0	\$58,384
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
322 Accrued Compensated Absences - Current Portion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
341 Tenant Security Deposits	\$0	\$2,144	\$0	\$0	\$0	\$2,144	\$0	\$2,144
342 Unearned Revenue	\$0	\$0	\$0	\$0	\$26,791	\$26,791	\$0	\$26,791
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0	\$101,252	\$0	\$3,233	\$0	\$104,485	\$0	\$104,485
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fayette Metropolitan Housing Authority (OH056)

Washington CH, OH

Entity Wide Balance Sheet Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 12/31/2023

	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
346 Accrued Liabilities - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347 Inter Program - Due To	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$0	\$105,703	\$0	\$59,310	\$26,791	\$191,804	\$0	\$191,804
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$1,347,948	\$0	\$9,103	\$0	\$1,357,051	\$0	\$1,357,051
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$0	\$1,347,948	\$0	\$9,103	\$0	\$1,357,051	\$0	\$1,357,051
300 Total Liabilities	\$0	\$1,453,651	\$0	\$68,413	\$26,791	\$1,548,855	\$0	\$1,548,855
400 Deferred Inflow of Resources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
508.4 Net Investment in Capital Assets	\$0	\$538,279	\$0	\$0	\$0	\$538,279	\$0	\$538,279
511.4 Restricted Net Position	\$0	\$0	\$0	\$0	\$1,696	\$1,696	\$0	\$1,696
512.4 Unrestricted Net Position	\$29,387	\$172,592	\$32,999	\$411,696	\$18,208	\$664,882	\$0	\$664,882
513 Total Equity - Net Assets / Position	\$29,387	\$710,871	\$32,999	\$411,696	\$19,904	\$1,204,857	\$0	\$1,204,857
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$29,387	\$2,164,522	\$32,999	\$480,109	\$46,695	\$2,753,712	\$0	\$2,753,712

Fayette Metropolitan Housing Authority (OH056)

Washington CH, OH

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 12/31/2023

	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$0	\$189,787	\$0	\$0	\$0	\$189,787	\$0	\$189,787
70400 Tenant Revenue - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70500 Total Tenant Revenue	\$0	\$189,787	\$0	\$0	\$0	\$189,787	\$0	\$189,787
70600 HUD PHA Operating Grants	\$75,458	\$0	\$805,208	\$1,647,335	\$115,385	\$2,643,386	\$0	\$2,643,386
70610 Capital Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70710 Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70720 Asset Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70730 Book Keeping Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70740 Front Line Service Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70750 Other Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70700 Total Fee Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70800 Other Government Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$0	\$86	\$0	\$1,227	\$2	\$1,315	\$0	\$1,315
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$6,428	\$0	\$6,428	\$0	\$6,428
71500 Other Revenue	\$0	\$76,677	\$0	\$133,069	\$0	\$209,746	\$0	\$209,746
71600 Gain or Loss on Sale of Capital Assets	\$0	(\$29,159)	\$0	\$0	\$0	(\$29,159)	\$0	(\$29,159)
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70000 Total Revenue	\$75,458	\$237,391	\$805,208	\$1,788,059	\$115,387	\$3,021,503	\$0	\$3,021,503
91100 Administrative Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91200 Auditing Fees	\$0	\$0	\$0	\$6,314	\$0	\$6,314	\$0	\$6,314
91300 Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91600 Office Expenses	\$0	\$0	\$0	\$7,449	\$0	\$7,449	\$0	\$7,449
91700 Legal Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fayette Metropolitan Housing Authority (OH056)

Washington CH, OH

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 12/31/2023

	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
91800 Travel	\$0	\$0	\$0	\$5,714	\$0	\$5,714	\$0	\$5,714
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91900 Other	\$0	\$28,180	\$123,724	\$286,975	\$2,297	\$441,176	\$0	\$441,176
91000 Total Operating - Administrative	\$0	\$28,180	\$123,724	\$306,452	\$2,297	\$460,653	\$0	\$460,653
92000 Asset Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93100 Water	\$0	\$1,026	\$0	\$0	\$0	\$1,026	\$0	\$1,026
93200 Electricity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93300 Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93400 Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93600 Sewer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93000 Total Utilities	\$0	\$1,026	\$0	\$0	\$0	\$1,026	\$0	\$1,026
94100 Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
94200 Ordinary Maintenance and Operations - Materials and Other	\$0	\$808	\$0	\$0	\$0	\$808	\$0	\$808
94300 Ordinary Maintenance and Operations Contracts	\$0	\$36,162	\$0	\$0	\$0	\$36,162	\$0	\$36,162
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
94000 Total Maintenance	\$0	\$36,970	\$0	\$0	\$0	\$36,970	\$0	\$36,970
95100 Protective Services - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fayette Metropolitan Housing Authority (OH056)

Washington CH, OH

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 12/31/2023

	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$0	\$2,810	\$0	\$0	\$0	\$2,810	\$0	\$2,810
96120 Liability Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96130 Workmen's Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96140 All Other Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96100 Total insurance Premiums	\$0	\$2,810	\$0	\$0	\$0	\$2,810	\$0	\$2,810
96200 Other General Expenses	\$0	\$0	\$0	\$3,095	\$0	\$3,095	\$0	\$3,095
96210 Compensated Absences	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96300 Payments in Lieu of Taxes	\$0	\$1,194	\$0	\$0	\$0	\$1,194	\$0	\$1,194
96400 Bad debt - Tenant Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$0	\$1,194	\$0	\$3,095	\$0	\$4,289	\$0	\$4,289
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$11,432	\$0	\$58	\$0	\$11,490	\$0	\$11,490
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$11,432	\$0	\$58	\$0	\$11,490	\$0	\$11,490
96900 Total Operating Expenses	\$0	\$81,612	\$123,724	\$309,605	\$2,297	\$517,238	\$0	\$517,238
97000 Excess of Operating Revenue over Operating Expenses	\$75,458	\$155,779	\$681,484	\$1,478,454	\$113,090	\$2,504,265	\$0	\$2,504,265
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$63,184	\$0	\$693,184	\$1,461,579	\$98,345	\$2,316,292	\$0	\$2,316,292
97350 HAP Portability-In	\$0	\$0	\$0	\$14,679	\$0	\$14,679	\$0	\$14,679
97400 Depreciation Expense	\$0	\$99,734	\$0	\$0	\$0	\$99,734	\$0	\$99,734
97500 Fraud Losses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fayette Metropolitan Housing Authority (OH056)

Washington CH, OH

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 12/31/2023

	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
97600 Capital Outlays - Governmental Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97700 Debt Principal Payment - Governmental Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
90000 Total Expenses	\$63,184	\$181,346	\$816,908	\$1,785,863	\$100,642	\$2,947,943	\$0	\$2,947,943
10010 Operating Transfer In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10020 Operating transfer Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10060 Proceeds from Property Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$12,274	\$56,045	(\$11,700)	\$2,196	\$14,745	\$73,560	\$0	\$73,560
11020 Required Annual Debt Principal Payments	\$0	\$101,252	\$0	\$0	\$0	\$101,252	\$0	\$101,252
11030 Beginning Equity	\$17,113	\$654,826	\$44,699	\$409,500	\$5,159	\$1,131,297	\$0	\$1,131,297
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11060 Changes in Contingent Liability Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11070 Changes in Unrecognized Pension Transition Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11080 Changes in Special Term/Severance Benefits Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11100 Changes in Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11170 Administrative Fee Equity	\$0	\$0	\$0	\$411,696	\$0	\$411,696	\$0	\$411,696

Fayette Metropolitan Housing Authority (OH056)

Washington CH, OH

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 12/31/2023

	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
11180 Housing Assistance Payments Equity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11190 Unit Months Available	204	168	2,124	3,612	180	6,288	0	6,288
11210 Number of Unit Months Leased	188	168	1,843	3,251	168	5,618	0	5,618
11270 Excess Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11610 Land Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11620 Building Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

Federal Grantor/ Pass Through Grantor/ Program Title	Assistance Listing Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>		
Direct Programs:		
Housing Voucher Program - Cluster		
Housing Choice Voucher Program	14.871	1,647,335
Emergency Housing Voucher	14.871	<u>115,385</u>
Total Housing Choice and Emergency Vouchers		1,762,720
Mainstream Voucher Program	14.879	<u>805,208</u>
Total Housing Voucher Program - Cluster		2,567,928
Section 8 Housing New Construction and Substantial Rehab	14.182	<u>75,458</u>
Total Direct Awards		<u>2,643,386</u>
Total U.S. Department of Housing and Urban Development		<u>2,643,386</u>
Total Federal Expenditures		<u><u>2,643,386</u></u>

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

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Authority and is presented on the full accrual basis of accounting. The information in this schedule is presented 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 GAAP 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, 2023.

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, 2023.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the year ended December 31, 2023.

OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215
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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

Fayette Metropolitan Housing Authority
Fayette County
121 E. East Street
Washington Court House, Ohio 43160

To the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Fayette Metropolitan Housing Authority, Fayette County, (the Authority) as of and for the year ended December 31, 2023, and the related notes to the financial statements and have issued our report thereon dated September 16, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio
September 16, 2024



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

Fayette Metropolitan Housing Authority
Fayette County
121 E East Street
Washington Court House, Ohio 43160

To the Board of Directors:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Fayette Metropolitan Housing Authority's, Fayette County, (Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Fayette Metropolitan Housing Authority's major federal program for the year ended December 31, 2023. Fayette Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Fayette Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2023.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

Fayette Metropolitan Housing Authority
Fayette County
Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Federal Program and on Internal Control Over Compliance
and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance
Page 3

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

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



Keith Faber
Auditor of State
Columbus, Ohio
September 16, 2024

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**FAYETTE METROPOLITAN HOUSING AUTHORITY
FAYETTE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2023**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material 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):	Housing Choice Voucher Program Cluster
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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FAYETTE METROPOLITAN HOUSING AUTHORITY

121 E. East Street, Washington Court House, Ohio 43160

(740) 335-7525 Fax: (740) 335-7525

www.fayette-co-oh.com

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

2 CFR 200.511(b)

December 31, 2023

Finding Number	Finding Summary	Status	Additional Information
2022-001	Error in GAAP computation of net investment in capital assets	Corrected	

OHIO AUDITOR OF STATE KEITH FABER



FAYETTE METROPOLITAN HOUSING AUTHORITY

FAYETTE 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 9/24/2024

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

This report is a matter of public record and is available online at
www.ohioauditor.gov