



OHIO AUDITOR OF STATE
KEITH FABER



**IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
SEPTEMBER 30, 2023**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor’s Report	1
Prepared by Management:	
Management’s Discussion and Analysis	5
Basic Financial Statements:	
Statement of Net Position	13
Statement of Revenues, Expenses and Changes in Fund Net Position.....	14
Statement of Cash Flows	15
Notes to the Basic Financial Statements	16
Required Supplementary Information:	
Schedule of the Authority’s Proportionate Share of the Net Pension Liability Last Ten Fiscal Years	41
Schedule of the Authority’s Contributions – Pension Ohio Public Employees Retirement System For the Last Ten Fiscal Years.....	42
Schedule of the Authority Proportionate Share of the Net OPEB Liability (Assets) For the Fiscal Years Available	43
Schedule of the Authority’s Contributions - OPEB Ohio Public Employees Retirement System For the Last Ten Fiscal Years	44
Notes to Required Supplementary Information	45
Supplementary Information:	
Financial Data Schedules:	
Entity Wide Balance Sheet Summary	49
Entity Wide Revenue and Expense Summary	53
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	59
Schedule of Findings.....	61

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT

Ironton Metropolitan Housing Authority
Lawrence County
720 Washington Street
Ironton, Ohio 45638

To the Authority:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Ironton Metropolitan Housing Authority, Lawrence County, Ohio (Authority), as of and for the year ended September 30, 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 Ironton Metropolitan Housing Authority, Lawrence County, Ohio as of September 30, 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.

Emphasis of Matter

As discussed in Note 12 to the financial statements, the Authority restated beginning net position for an error noted in Accrued Compensated Absences. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedules (FDS) required by the Department of Housing and Urban Development are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedules 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 May 28, 2025, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
May 28, 2025

This page intentionally left blank.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

The Ironton 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 fiscal year 2023 the Authority’s Net Position decreased by \$993,570 (or -18.83%). Since the Authority engages only in business-type activities, the decrease is all in the category of business-type Net Position. Net Position was \$4,284,048 and \$5,277,618 for years 2023 and 2022, respectively.
- Revenue increased by \$60,697 (or 4.84%) during 2023 and was \$1,315,107 and \$1,254,410 for the years 2023 and 2022, respectively.
- Expenses increased by \$108,372 (or 4.93%). Expenses were \$2,308,677 and \$2,200,305 for the years 2023 and 2022, respectively.

USING THIS ANNUAL REPORT

The Report includes the following sections:

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

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

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.

Basic Financial Statements

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

These Statements include a Statement of Net Position, which is 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, net of accumulated depreciation, 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. The Authority does not have any outstanding debt.

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

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

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

The Authority's programs that are consolidated into a single enterprise fund are as follows:

Public Housing Program – The public housing program is designed to provide low-cost housing within Lawrence County. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Capital Fund Program (CFP) – Substantially all additions to land, structures, and equipment are accomplished through modernization programs (included in the financial statements under the public housing program). Modernization funds replace or materially upgrade deteriorated portions of existing Authority property.

Housing Choice Voucher Program – The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating family.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

AUTHORITY-WIDE STATEMENT

Statement of Net Position

The following table reflects the condensed Statement of Net Position compared to prior year.

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

	<u>2023</u>	<u>2022</u>
Current Assets	\$ 1,996,023	\$ 2,612,466
Noncurrent Assets	<u>2,667,077</u>	<u>3,098,539</u>
Total Assets	4,663,100	5,711,005
Deferred Outflows of Resources	<u>178,441</u>	<u>41,805</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 4,841,541</u>	 <u>\$ 5,752,810</u>
 Current Liabilities	 \$ 207,252	 \$ 132,594
Non-Current Liabilities	<u>348,020</u>	<u>152,327</u>
Total Liabilities	555,272	284,921
Deferred Inflows of Resources	<u>2,221</u>	<u>190,271</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>557,493</u>	 <u>475,192</u>
 Net Position:		
Net Investment in Capital Assets	2,667,077	3,059,450
Restricted Net Position	8,608	11,304
Unrestricted Net Position	<u>1,608,363</u>	<u>2,206,864</u>
Total Net Position	<u>4,284,048</u>	<u>5,277,618</u>
 Total Liabilities, Deferred Inflows and Net Position	 <u>\$ 4,841,541</u>	 <u>\$ 5,752,810</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 \$616,443 (23.6%) primarily due to operating losses. Noncurrent assets decreased \$431,462 (13.9%) due to depreciation of fixed assets. Current liabilities increased by \$74,658 (56.31%) due to accrual of expenses such as utilities. Noncurrent liabilities increased by \$195,693 (128.47%) due to Pension Liabilities. Net Position decreased due to net losses.

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 SEPTEMBER 30, 2023

Table 2 - Changes of Net Position

	Net Investment in Capital		
	Unrestricted	Assets	Restricted
Beginning Balance	\$2,206,864	\$3,059,450	\$11,304
Results of Operations	(993,570)	0	(2,696)
Adjustments:			
Current year Depreciation Expense (1)	407,735	(407,735)	0
Current Year Additions and Other Changes(2)	(12,666)	15,362	0
Ending Balance	<u>\$1,608,363</u>	<u>\$2,667,077</u>	<u>\$8,608</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 Asset Additions were funded with Unrestricted Net Position

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 SEPTEMBER 30, 2023

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

	<u>2023</u>	<u>2022</u> <u>(restated)</u>
<u>Revenues</u>		
Tenant Revenue	\$ 894,967	841,359
Government Operating Grants	295,171	284,467
Investment Income and Other Revenues	124,969	128,584
Total Revenues	<u>1,315,107</u>	<u>1,254,410</u>
<u>Expenses</u>		
Administrative	201,827	188,231
Utilities	446,618	380,389
Ordinary Maintenance and Operation	655,942	708,708
General Expenses	274,820	125,389
Housing Assistance Payments	321,735	357,412
Depreciation	407,735	440,176
Total Expenses	<u>2,308,677</u>	<u>2,200,305</u>
Net Increases (Decreases)	(993,570)	(945,895)
Beginning net position	5,277,618	6,223,513
Total net position - ending	<u>\$ 4,284,048</u>	<u>\$ 5,277,618</u>

Major Factors Affecting the Statement of Revenue, Expenses and Changes In Net Position

Tenant revenue increased \$53,608 (6.4%) due to higher average rent charges. Other categories of revenue remained relatively stable.

Maintenance expenses declined as did Housing Assistance Payments and Depreciation. General expenses increased \$149,431 (119.2%) due to bad debt expense. The authority increased its allowance for doubtful accounts on tenant receivables and repayment agreements. Other expense categories experienced modest increases or decreases.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of September 30, 2023, the Authority had \$2,667,077 invested in capital assets as reflected in the following schedule, which represents a net change due to current year additions, disposals, and depreciation.

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

Table 4 - Condensed Statement of Changes in Capital Assets

	<u>2023</u>	<u>2022</u>
Land	\$ 500,242	\$ 500,242
Building and Improvement	16,108,427	16,073,995
Furniture & Equipment - Dwelling	269,087	266,888
Furniture & Equipment - Nondwelling	331,662	322,878
Construction in Progress		34,432
Accumulated Depreciation	<u>(14,542,341)</u>	<u>(14,138,985)</u>
 Total	 <u>\$ 2,667,077</u>	 <u>\$ 3,059,450</u>

Table 5 - Changes in Capital Assets

Beginning Balance	\$	3,059,450
Current year Additions and Other Changes		15,362
Current year Depreciation Expense		<u>(407,735)</u>
 Ending Balance	 \$	 <u><u>2,667,077</u></u>

Debt Outstanding

As of the fiscal year-end, the Authority has no outstanding debt (bonds, notes, etc.).

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

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 Katie Jones; Executive Director for the Ironton Metropolitan Housing Authority, at (740) 532-8658. Specific requests may be submitted to the Authority at 720 Washington Street, Ironton, OH 45638

IRONTON METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

ASSETS

Current assets

Cash and cash equivalents, unrestricted	\$ 1,800,582
Cash and cash equivalents, restricted	70,876
Receivables, net	111,590
Prepaid Expenses	12,975
Total current assets	<u>1,996,023</u>

Noncurrent assets

Capital assets:	
Non-Depreciable capital assets	500,242
Depreciable capital assets, net	2,166,835
Total capital assets	<u>2,667,077</u>
Total noncurrent assets	<u>2,667,077</u>
Total assets	<u>\$ 4,663,100</u>

Deferred Outflows of Resources

Pension	158,490
OPEB	19,951
Total Deferred Outflows of Resources	<u>178,441</u>
Total Assets and Deferred Outflows of Resources	<u>\$4,841,541</u>

LIABILITIES

Current liabilities

Accounts payable	\$ 5,751
Tenant Security Deposits	62,268
Due to Other Government	46,178
Accrued Wages and Benefits	5,670
Accrued Utilities	46,945
Accrued Compensated Absences - current	40,440
Total current liabilities	<u>207,252</u>

Noncurrent liabilities

Accrued Compensated Absences - Noncurrent	2,462
Net Pension Liability	338,824
Net OPEB Liability	6,734
Total noncurrent liabilities	<u>348,020</u>
Total liabilities	<u>\$ 555,272</u>

Deferred Inflows of Resources

OPEB	2,221
Total Deferred Inflows of Resources	<u>2,221</u>

NET POSITION

Invested in capital assets	2,667,077
Restricted net position	8,608
Unrestricted net position	1,608,363
Total net position	<u>4,284,048</u>

Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 4,841,541</u>
--	----------------------------

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

IRONTON METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

OPERATING REVENUES

Tenant Revenue	\$ 894,967
Operating grants	295,171
Other operating revenue	87,226
Total operating revenues	<u>1,277,364</u>

OPERATING EXPENSES

Administrative	201,827
Utilities	446,618
Ordinary Maintenance and Operation	655,942
General and insurance	274,820
Housing assistance payment	321,735
Depreciation	407,735
Total operating expenses	<u>2,308,677</u>
Operating income (loss)	<u>(1,031,313)</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	37,743
Total nonoperating revenues (expenses)	<u>37,743</u>
Change in net position	(993,570)
Beginning net position, restated	5,277,618
Total net position - ending	<u><u>\$ 4,284,048</u></u>

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

**IRONTON METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from HUD	\$ 295,171
Cash received from tenants	858,479
Cash received from other revenue	71,229
Cash payments for housing assistance payments	(321,735)
Cash payments to employees	(156,631)
Cash payments for administrative and other operating expenses	(1,261,091)
NET CASH PROVIDED BY OPERATING ACTIVITIES	(514,578)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of capital assets and other related adjustments	(15,362)
NET CASH (USED) BY CAPITAL AND FINANCING ACTIVITIES	(15,362)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment Income	46,644
NET CASH PROVIDED BY INVESTING ACTIVITIES	46,644
CHANGE IN CASH AND CASH EQUIVALENTS	(483,296)
CASH AND CASH EQUIVALENTS, BEGINNING	2,354,754
CASH AND CASH EQUIVALENTS, ENDING	\$ 1,871,458
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	\$ (1,031,313)
Adjustments to reconcile operating loss to net cash (used) by operating activities	
Depreciation	407,735
(Increase) decrease in:	
Receivables - net of allowance	80,279
Prepaid expenses	43,967
OPEB Asset	39,089
Deferred Outflow of Resources	(136,636)
Increase (decrease) in:	
Accounts payable	926
Accrued wages/payroll taxes	(2,343)
Accrued compensated absences	586
Accrued utilities	(6,794)
Accounts payable - other government	46,178
Tenant security deposits	2,912
Unearned revenue	(14,555)
Accrued pension and OPEB Liabilities	228,886
Deferred Inflows	(173,495)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (514,578)

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

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

1. DESCRIPTION OF THE REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Ironton Metropolitan Housing Authority (the Authority) is a political subdivision of the State of Ohio, created under Section 3735.27 of the Ohio Revised Code.

The Ironton Metropolitan Housing Authority was established for the purpose of engaging the development, acquisition, and administrative activities of the low-income housing program and other programs with similar objectives. The United States Department of Housing and Urban Development (HUD) has direct responsibility for administering the low-income housing program under the United States Housing Act of 1937, as amended. HUD is authorized to enter into contracts with local housing authorities to make grants to assist the local housing authorities in financing the acquisition, construction, and/or leasing of housing units and to make annual contributions (subsidies) to the local housing authorities for the purpose of maintaining the low-rent character of the local housing program.

Description of the Programs

A. PUBLIC HOUSING PROGRAM

The public housing program is designed to provide low-cost housing within Lawrence County. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

B. CAPITAL FUND PROGRAM (CFP)

The Capital Fund Program also is the primary funding source for physical and management improvements to the Authority's properties. CFP funding is based on a formula allocation that takes into consideration the size and age of the Authority's housing stock.

C. HOUSING ASSISTANCE PAYMENTS PROGRAM - SECTION 8

The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating family.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the Authority are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the Authority. For the Authority, this includes general operations, public housing, Section 8, and modernization programs. Component units are legally separate organizations for which the Authority is financially accountable.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

The Authority is financially accountable for an organization if the Authority appoints a voting majority of the organization's governing board and (1) the Authority is able to significantly influence the programs or services performed or provided by the organization or (2) the Authority is legally entitled to or can otherwise access the organization's resources; (3) the Authority is legally obligated or has assumed responsibility to finance the deficits of, or provide fiscal support to, the organization; (4) the Authority is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Authority in that the Authority approves the budget, the levying of taxes or issuance of debt. The Authority did not have any component units or other related organizations in 2023.

The basic financial statements of the Ironton 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.

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.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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.

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.

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

Cash and cash equivalents consist of funds deposited in checking accounts and certificates of deposit. Cash equivalents, such as certificates of deposit, are stated at cost, which approximates market value.

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 September 30, 2023, total restricted cash to be used for housing assistance was \$8,608.

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 \$31,460 as of September 30, 2023.

Due From/To Other Programs

There were no Inter-program receivables and payables as of September 30, 2023, on the Financial Data Schedule.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2023, are recorded as prepaid items by using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

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

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

Capital Assets

The capital asset values initially were determined by assigning original acquisition costs when such information was available. In cases where information supporting original costs was not available, estimated historical costs were developed. Donated capital assets are capitalized at acquisition value on the date donated. The Authority uses a capitalization threshold of \$200.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements which extend the useful life or increase the capacity or operating efficiency of the asset are capitalized at cost.

Enterprise Fund Capital Assets: Capital assets reflected in the enterprise fund are stated at historical cost (or estimated historical cost or acquisition value) and are updated for the cost of additions and retirements during the year. Depreciation has been provided on a straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	20-40 years
Building Improvements	20 years
Equipment, Furniture and Fixtures	5-10 years
Other Equipment and Machinery	3-10 years

Capital assets acquired from resources externally restricted for capital acquisition (e.g. capital grants) are recorded as revenue in the benefiting proprietary fund. Depreciation on these assets is recorded as an expense.

Compensated Absences

The Authority accounts for compensated absences in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*. 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. 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 of 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 current liability.

Unearned Revenues

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as a receivable or revenue, or unearned revenue of the current fiscal period.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Tax Liability

The Authority is by law exempt from all federal, state, and local taxes and assessments. The Authority has elected to pay a Payment in Lieu of Taxes (PILOT) based principally on a percentage of tenant dwelling income received from HUD-assisted programs.

Pensions/Other Postemployment Benefits (OPEB)

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.

Deferred Inflow/Outflow of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period will not be recognized as an outflow of resources (expenses/expenditure) until then. For the Authority, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Note 5 and 6.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources include pension and OPEB. Deferred inflows of resources related to pension and OPEB are reported on the basic statement of net position. The deferred inflows of resources related to pension and OPEB are explained in Note 5 and 6.

Net Position

Net position represents the difference between assets and deferred outflow of resources, and liabilities and deferred inflow of resources. The investment in capital assets consists of capital assets net of accumulated depreciation. 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. When an expense is incurred for purposes which both restricted and unrestricted net position is available, the Authority first applies restricted resources. The Authority did report restricted net position for HAP reserves of \$8,608 as of September 30, 2023.

Budgetary Accounting

The Authority annually prepares its budget as prescribed by HUD.

2. DEPOSITS AND INVESTMENTS

The provisions of GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires the disclosures regarding credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

A. 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 for 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.

At fiscal year end, the carrying amount of the Authority's deposits was \$1,871,458 and the bank balance was \$1,889,461.

Custodial Credit Risk

Custodial Credit Risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority's policy is to place deposits with major local banks approved by the Board. The financial institution collateral pool that insures public deposits must maintain collateral in excess of 105 percent of deposits, as permitted by Chapter 135 of the Ohio Revised Code. As of the fiscal year-end deposits totaling \$1,889,461 was covered by Federal Deposit Insurance (FDIC) and pledged collateral.

3. RESTRICTED CASH

The Authority had \$8,608 in restricted cash as of September 30, 2023. Restricted cash is the unspent HAP funding provided for the Housing Choice Voucher, and Mainstream programs.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

4. CAPITAL ASSETS

The following is a summary of capital assets on September 30, 2023:

	Balance 9/30/2022	Additions	Deletions	Balance 9/30/2023
Capital Assets Not Depreciated:				
Land	\$500,242		\$0	\$500,242
Construction in Progress	\$34,432		(\$34,432)	\$0
Total Capital Assets Not Depreciated	534,674		(34,432)	500,242¹
Capital Assets Depreciated:				
Building and Improvements	16,073,995	34,432		16,108,427
Equipment	589,766	10,983	0	600,749
Total Capital Assets Being Depreciated	16,663,761	45,415	0	16,709,176¹
Accumulated Depreciation:				
Building and Improvements	(13,645,544)	(373,895)	0	(14,019,439)
Equipment	(493,441)	(33,840)	4,379	(522,902)
Total Accumulated Depreciation	(14,138,985)	(407,735)	4,379	(14,542,341)
Total Capital Assets Depreciated, Net	2,524,776	(362,320)	4,379	2,166,835¹
Total Capital Assets, Net	\$3,059,450	(\$362,320)	(\$30,053)	\$2,667,077¹

NOTE 5: 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

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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 the accrual basis 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' ACFR referenced above for additional information):

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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

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

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

When a 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.

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan. Death benefits are not available to beneficiaries of Member-Directed Plan participants.

The OPERS Board of Trustees approved a proposal at its October 2019 meeting to create a new tier of membership in the OPERS traditional pension plan. OPERS currently splits its non-retired membership into Group A, B or C depending on age and service criteria. Retirement Group D would consist of OPERS contributing members hired in 2022 and beyond. Group D will have its own eligibility standards, benefit structure and unique member features designed to meet the changing needs of Ohio public workers. It also will help OPERS address expected investment market volatility and adjust to the lack of available funding for health care.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

	State and Local
The Statutory Maximum Contribution Rates:	
- Employer	14.00%
- Employee	10.00%

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 employer contributions allocated to health care was 0.0 percent for 2023.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution for pension was \$23,328 for fiscal year ending September 30, 2023.

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

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

The total Pension liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2022. The total pension liability used to calculate the net pension liability. 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
Proportionate Share of Net Pension Liability	\$338,824
Proportion of the Net Pension Liability	
- Prior Measurement Date	0.001341%
- Current Measurement Date	0.001147%
Change in Proportion from Prior	-0.000194%
Pension Expense (Income)	\$49,235

On September 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional Plan
Deferred Outflows of Resources	
Assumption Changes	\$3,579
Net Difference between projected and actual earnings on pension plan investments	\$96,576
Difference between expected and actual experience	11,254
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	30,771
Authority contributions subsequent to the measurement date	16,310
Total Deferred Outflows of Resources	\$158,490
	Traditional Plan
Deferred Inflows of Resources	-0-

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

\$16,310 reported as deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2024. \$30,771 in changes in Proportionate share are amortized over 5 years. 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
Fiscal Year Ending September 30:	
2024	\$13,112
2025	22,561
2026	28,426
2027	47,310
Total	\$111,409

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, 2022, using the following key actuarial assumptions and methods 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:

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

Actuarial Information	Traditional Plan
Measurement and Valuation Date	December 31, 2022
Experience Study	5-year ended 12/31/2020
Actuarial Cost Method	Individual entry age
Actuarial Assumption:	
Investment Rate of Return	6.9%
Wage Inflation	2.75%
Future Salary Increases, including inflation 2.75%	2.75 - 10.75 %
Cost-of-Living Adjustment	Pre 01/07/13 Retirees: 3.0% Simple Post 01/07/13 Retirees: 3.0% Simple through 2022, then 2.05% Simple

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

The discount rate used to measure the total pension liability was 6.9% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. 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 benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

Asset Class	Target Allocation as of December 31, 2022	Weighted Average Long- Term Expected Real Rate of Return
Fixed Income	22.00%	2.62%
Domestic Equities	22.00%	4.60%
Real Estate	13.00%	3.27%
Private Equity	15.00%	7.53%
International Equities	21.00%	5.51%
Risk Parity	2.00%	4.37%
Other Investments	5.00%	3.27%
TOTAL	100.00%	

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

The following table presents the net pension liability or asset calculated using the discount rate of 6.9%, and the expected net pension liability or asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate.

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
Authority's proportionate share of the net pension liability			
- Traditional Pension Plan	\$507,547	\$338,824	\$198,477

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

NOTE 6: OTHER POST EMPLOYMENT BENEFITS

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 / asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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 (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 OPEB plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each OPEB plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net OPEB liability / asset. Resulting adjustments to the net OPEB liability / asset 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 OPEB liability / asset on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in intergovernmental payable on the accrual basis 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

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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' ACFR 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 2023, 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 2022. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2022 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 2022 was 4.0 percent. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

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

The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, 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/asset was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Health Care Plan
Proportionate Share of Net OPEB Liability	\$6,734
Proportion of the Net OPEB Liability	
- Prior Measurement Date	0.001248%
- Current Measurement Date	0.001068%
Change in Proportion from Prior Year	-0.000180%
OPEB Expense (Revenue)	(\$11,788)

On September 30, 2023, 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 earnings on pension plan investments	\$ 13,374
Changes of Assumptions	6,577
Total Deferred Outflows of Resources	\$19,951
Deferred Inflows of Resources	
Changes of Assumptions	542
Difference between expected and actual experience	1,679
Total Deferred Inflows of Resources	\$2,221

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

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 September 30:	
2024	\$2,208
2025	4,891
2026	4,170
2027	6,461
Total	\$17,730

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions.

The actuarial valuation used the following key actuarial assumptions and methods, reflecting experience study results, applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

Actuarial Information	
Actuarial Valuation Date	December 31, 2021
Rolled-Forward Measurement Date	December 31, 2022
Experience Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age
Actuarial Assumptions	
Single Discount Rate	5.22%
Investment Rate of Return	6.00%
Municipal Bond Rate	4.05%
Wage Inflation	2.75%
Future Salary Increases, including inflation 2.75%	2.75 - 10.75%
Health Care Cost Trend Rate	5.5% initial, 3.5% ultimate in 2036
Prior Year Assumptions	
Wage Inflation	3.25%
Single Discount Rate	6.00%
Municipal Bond Rate	1.84%

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

A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. 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 4.05 percent (Fidelity Index's "20-Year Municipal GO AA Index"). 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 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

IRONTON METROPOLITAN HOUSING AUTHORITY
 LAWRENCE COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

The allocation of investment assets within the Health Care portfolio is approved by the Board 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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. 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 rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation as of December 31, 2022	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	34.00%	2.56%
Domestic Equities	26.00%	4.60%
REITs	7.00%	4.70%
International Equities	25.00%	5.51%
Risk Parity	2.00%	4.37%
Other Investments	6.00%	1.84%
TOTAL	100.00%	

During 2022, 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 15.6% for 2022.

The following table presents the net OPEB liability or asset calculated using the single discount rate of 5.22%, and the expected net OPEB liability or asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	1% Decrease (4.22%)	Single Discount Rate (5.22%)	1% Increase (6.22%)
Authority's proportionate share of the net OPEB liability	\$22,919	\$6,734	(\$6,622)

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 or asset calculated using the assumed trend rates, and the expected net OPEB liability or asset if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability	\$6,312	\$6,734	\$7,209

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

7. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities on September 30, 2023:

	Balance 9/30/2022	Additions	Deletions	Balance 9/30/2023	Due Within One Year
Compensated Absences	\$42,316	\$586		\$42,902	\$40,440
Net Pension and OPEB Liabilities	116,672	228,886	0	345,558	0
Total Long-Term Liabilities	\$158,988	\$229,472	\$0	\$388,460	\$40,440

See Note 5 for information on the Authority's net pension liability.

See Note 6 for information on the Authority's net OPEB liability.

See Note 12 for information on the Authority's Compensated Absences restatement for 2022.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

8. CONTINGENT LIABILITIES

A. Grants

Amounts grantor agencies pay to the Authority 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 on September 30, 2023.

B. Litigation

No contingent liabilities concerning litigation are known at the date this report is issued.

9. SUBSEQUENT EVENTS

Ironton Metropolitan Housing Authority entered into a contract with Crimson Design and Construction for Office Renovations in November 2024 for \$167,355. They also entered into contracts with DC Elevator Company in March 2025 for the installation of two elevators at a total cost of \$615,000.

10. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority participates in the State Housing Authorities Risk Pool (SHARP), a public entity risk plan that operates as a common risk management and insurance program for housing authorities. The Authority pays insurance premiums directly to SHARP. The Authority pays insurance premiums directly to SHARP. Premiums are paid on an annual prepaid basis. The Authority also pays unemployment claims to the State of Ohio as incurred.

The Authority continues to carry commercial insurance for other risks of loss. There has been no significant reduction in insurance coverage from coverage in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

11. RECEIVABLES

Receivables at September 30, 2023, consisted of accounts receivable from tenants for rent and materials, miscellaneous receivables which includes late charges and utilities owed to the Authority by the tenants and accrued interest receivable.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

12. RESTATEMENT OF BEGINNING NET POSITION

The Housing Authority's beginning Net Position as of October 1, 2022 was restated due to a correction to the Accrued Compensated Absences liability. Accrued Compensated Absences were overstated by \$178,925. This correction resulted in an increase to beginning Net Position from \$5,098,693 to \$5,277,618.

13. CHANGE IN ACCOUNTING PRINCIPLE

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

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

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

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

GASB Statement No. 96, "Subscription-Based Information Technology Arrangements": This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

GASB 96 provides an exception to governments that are no longer under the initial noncancelable term of the SBITA contract. As of September 30, 2023 the Ironton Metropolitan Housing Authority was no longer under the initial term of the contract but renews on a year-to-year basis cancelable by either the SBITA vendor and/or the Housing Authority. In this case, GASB 96 does not apply. The Authority purchased new software during the summer of 2024 and will be subject to GASB 96 in the subsequent fiscal year ended September 30, 2024.

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

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

Ironton Metropolitan Housing Authority
Required Supplementary Information
Schedule of Authority's
Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

Traditional Plan	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.001147%	0.001341%	0.001377%	0.001358%	0.001417%	0.001367%	0.001105%	0.001427%	0.001488%	0.001488%
Authority's Proportionate Share of the Net Pension Liability	\$ 338,824	\$116,672	\$203,904	\$268,148	\$388,088	\$214,456	\$250,927	\$247,174	\$179,469	\$175,416
Authority's Covered-Employee Payroll	\$ 166,629	\$193,579	\$192,171	\$192,843	\$190,443	\$205,715	\$149,231	\$126,258	\$183,233	\$189,758
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	203.34%	60.27%	106.11%	139.05%	203.78%	104.25%	168.15%	195.77%	97.95%	92.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.10%	86.50%	86.40%

1) The amounts presented for each fiscal year were determined as of the calendar year-end occurring within the fiscal year.

Ironton Metropolitan Housing Authority
 Required Supplementary Information
 Schedule of Authority's Contributions - Pension
 Ohio Public Employees Retirement System
 For the Last Ten Fiscal Years

<u>Traditional Plan</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution Pension	\$ 23,328	\$27,101	\$26,904	\$26,998	\$26,662	\$26,743	\$19,400	\$15,151	\$21,988	\$22,771
Contributions in Relation to the Contractually Required Contribution	(23,328)	(27,101)	(26,904)	(26,998)	(26,662)	(26,743)	(19,400)	(15,151)	(21,988)	(22,771)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered-Employee Payroll	\$ 166,629	\$193,579	\$192,171	\$192,843	\$190,443	\$205,715	\$149,231	\$126,258	\$183,233	\$189,758
Contributions as a Percentage of Covered-Employee Payroll Pension	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	13.00%	12.00%	12.00%	12.00%

Ironton Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority
Proportionate Share of the Net OPEB Liability (Assets)
For the Fiscal Years Available

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's Proportion of the Net OPEB Liability/Asset	0.001068%	0.001248%	0.001282%	0.001265%	0.001319%	0.001280%	0.001030%
Authority's Proportionate Share of the Net OPEB Liability (Asset)	\$ 6,734	\$ (39,089)	\$ (22,841)	\$ 174,729	\$ 171,966	\$ 138,999	\$ 104,033
Authority's Covered-Employee Payroll	\$ 166,629	\$ 193,579	\$ 192,171	\$ 192,843	\$ 190,443	\$ 205,715	\$ 149,231
Authority's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Employee Payroll	4.04%	(20.19%)	(11.89%)	90.61%	90.30%	67.57%	69.71%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%	54.05%

1) The amounts presented for each fiscal year were determined as of the calendar year-end occurring within the fiscal year.

2) Information prior to 2017 is not available. This schedule is intended to show ten years of information, additional years will be displayed as it become available.

Ironton Metropolitan Housing Authority
Required Supplementary Information
Schedule of Authority's Contributions - OPEB
Ohio Public Employees Retirement System
For the Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution										
OPEB	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,616	\$ 2,985	\$ 2,525	\$ 3,665	\$ 1,898
Contributions in Relation to the										
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,616)	\$ (2,985)	\$ (2,525)	\$ (3,665)	\$ (1,898)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered-Employee Payroll	\$ 166,629	\$ 193,579	\$ 192,171	\$ 192,843	\$ 190,443	\$ 205,715	\$ 149,231	\$ 126,258	\$ 183,233	\$ 189,758
Contributions as a Percentage of										
Covered-Employee Payroll										
OPEB	0.00%	0.00%	0.00%	0.00%	0.00%	0.79%	2.00%	2.00%	2.00%	1.00%

1) The amounts presented for each fiscal year were determined as of the calendar year-end occurring within the fiscal year.

IRONTON METROPOLITAN HOUSING AUTHORITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Ohio Public Employees' Retirement System

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2023.

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

During the 2022 OPERS plan year, the following assumptions changed with respect to the Net Pension Liability:

Wage inflation: decreased from 3.25% to 2.75%

Salaries increases: decreased from 3.25% to 2.75%

Investment rate of return: decreased from 7.2% to 6.9%

Cost of Living Adjustment: from .5 percent simple thru 2021, and then 2.15 percent simple, to 3 percent simple through 2022, then 2.05 percent simple

**IRONTON METROPOLITAN HOUSING AUTHORITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Amounts reported beginning in 2022 use mortality rates based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Postretirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Net OPEB Liability

Changes in benefit terms: On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

Changes in assumptions:

Wage Inflation:

2023 and 2022	2.75 percent
2021 and prior	3.25 percent

Projected Salary Increases (including wage inflation):

2023 and 2022	2.75 to 10.75 percent
2021 and prior	3.25 to 10.75 percent

Investment Return Assumption:

Beginning in 2019	6.00 percent
2018	6.50 percent

Municipal Bond Rate:

2023	4.05 percent
2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent

**IRONTON METROPOLITAN HOUSING AUTHORITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Single Discount Rate:

2023	5.22 percent
2022	6.00 percent
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
2017	4.23 percent

Health Care Cost Trend Rate:

2023	5.5 percent, initial 3.5 percent, ultimate in 2036
2022	5.5 percent, initial 3.5 percent, ultimate in 2034
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub- 2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all these tables.

For 2020, 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 the above-described tables.

FINANCIAL DATA SCHEDULES

Ironton Metropolitan Housing Authority (OH019)
 IRONTON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
111 Cash - Unrestricted	\$1,534,172	\$266,410	\$1,800,582	\$1,800,582
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted		\$8,608	\$8,608	\$8,608
114 Cash - Tenant Security Deposits	\$62,268		\$62,268	\$62,268
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$1,596,440	\$275,018	\$1,871,458	\$1,871,458
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous		\$15,997	\$15,997	\$15,997
126 Accounts Receivable - Tenants	\$125,841		\$125,841	\$125,841
126.1 Allowance for Doubtful Accounts - Tenants	-\$31,460		-\$31,460	-\$31,460
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable	\$1,212		\$1,212	\$1,212
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$95,593	\$15,997	\$111,590	\$111,590
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$12,975		\$12,975	\$12,975
143 Inventories				

Ironton Metropolitan Housing Authority (OH019)

IRONTON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14,871 Housing Choice Vouchers	Subtotal	Total
143.1 Allowance for Obsolete Inventories				
144 Inter Program Due From	\$0		\$0	\$0
145 Assets Held for Sale				
150 Total Current Assets	\$1,705,008	\$291,015	\$1,996,023	\$1,996,023
161 Land	\$500,242		\$500,242	\$500,242
162 Buildings	\$16,108,427		\$16,108,427	\$16,108,427
163 Furniture, Equipment & Machinery - Dwellings	\$269,087		\$269,087	\$269,087
164 Furniture, Equipment & Machinery - Administration	\$330,102	\$1,560	\$331,662	\$331,662
165 Leasehold Improvements				
166 Accumulated Depreciation	-\$14,540,781	-\$1,560	-\$14,542,341	-\$14,542,341
167 Construction in Progress				
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,667,077	\$0	\$2,667,077	\$2,667,077
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$2,667,077	\$0	\$2,667,077	\$2,667,077
200 Deferred Outflow of Resources	\$178,441		\$178,441	\$178,441
290 Total Assets and Deferred Outflow of Resources	\$4,550,526	\$291,015	\$4,841,541	\$4,841,541

Ironton Metropolitan Housing Authority (OH019)

IRONTON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	\$5,751		\$5,751	\$5,751
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable	\$5,008	\$662	\$5,670	\$5,670
322 Accrued Compensated Absences - Current Portion	\$21,499	\$18,941	\$40,440	\$40,440
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government	\$46,178		\$46,178	\$46,178
341 Tenant Security Deposits	\$62,268		\$62,268	\$62,268
342 Unearned Revenue				
343 Current Portion of Long-term Debt - Capital				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other	\$46,945		\$46,945	\$46,945
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	\$187,649	\$19,603	\$207,252	\$207,252
351 Long-term Debt, Net of Current - Capital Projects/Mortgage				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current	\$2,462		\$2,462	\$2,462
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				

Ironton Metropolitan Housing Authority (OH019)
 IRONTON, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
357 Accrued Pension and OPEB Liabilities	\$345,558		\$345,558	\$345,558
350 Total Non-Current Liabilities	\$348,020	\$0	\$348,020	\$348,020
300 Total Liabilities	\$535,669	\$19,603	\$555,272	\$555,272
400 Deferred Inflow of Resources	\$2,221		\$2,221	\$2,221
508.4 Net Investment in Capital Assets	\$2,667,077		\$2,667,077	\$2,667,077
511.4 Restricted Net Position		\$8,608	\$8,608	\$8,608
512.4 Unrestricted Net Position	\$1,345,559	\$262,804	\$1,608,363	\$1,608,363
513 Total Equity - Net Assets / Position	\$4,012,636	\$271,412	\$4,284,048	\$4,284,048
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$4,550,526	\$291,015	\$4,841,541	\$4,841,541

Ironton Metropolitan Housing Authority (OH019)

IRONTON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
70300 Net Tenant Rental Revenue	\$782,483		\$782,483	\$782,483
70400 Tenant Revenue - Other	\$112,484		\$112,484	\$112,484
70500 Total Tenant Revenue	\$894,967	\$0	\$894,967	\$894,967
70600 HUD PHA Operating Grants		\$295,171	\$295,171	\$295,171
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants				
71100 Investment Income - Unrestricted	\$29,192	\$8,551	\$37,743	\$37,743
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery				
71500 Other Revenue		\$87,226	\$87,226	\$87,226
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	\$924,159	\$390,948	\$1,315,107	\$1,315,107
91100 Administrative Salaries	\$60,679	\$19,270	\$79,949	\$79,949

Ironton Metropolitan Housing Authority (OH019)

IRONTON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
91200 Auditing Fees	\$3,800	\$1,000	\$4,800	\$4,800
91300 Management Fee				
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative	\$47,022	\$11,220	\$58,242	\$58,242
91600 Office Expenses	\$20,114	\$2,518	\$22,632	\$22,632
91700 Legal Expense	\$350		\$350	\$350
91800 Travel				
91810 Allocated Overhead				
91900 Other	\$7,525	\$28,329	\$35,854	\$35,854
91000 Total Operating - Administrative	\$139,490	\$62,337	\$201,827	\$201,827
92000 Asset Management Fee				
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other				
92500 Total Tenant Services	\$0	\$0	\$0	\$0
93100 Water	\$205,798		\$205,798	\$205,798
93200 Electricity	\$199,964		\$199,964	\$199,964
93300 Gas	\$40,856		\$40,856	\$40,856
93400 Fuel				
93500 Labor				
93600 Sewer				
93700 Employee Benefit Contributions - Utilities				

Ironton Metropolitan Housing Authority (OH019)

IRONTON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
93800 Other Utilities Expense				
93000 Total Utilities	\$446,618	\$0	\$446,618	\$446,618
94100 Ordinary Maintenance and Operations - Labor	\$68,462		\$68,462	\$68,462
94200 Ordinary Maintenance and Operations - Materials and	\$31,228		\$31,228	\$31,228
94300 Ordinary Maintenance and Operations Contracts	\$496,406		\$496,406	\$496,406
94500 Employee Benefit Contributions - Ordinary Maintenance	\$59,846		\$59,846	\$59,846
94000 Total Maintenance	\$655,942	\$0	\$655,942	\$655,942
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$18,663		\$18,663	\$18,663
96120 Liability Insurance	\$13,997		\$13,997	\$13,997
96130 Workmen's Compensation	\$4,665		\$4,665	\$4,665
96140 All Other Insurance	\$9,332		\$9,332	\$9,332
96100 Total insurance Premiums	\$46,657	\$0	\$46,657	\$46,657
96200 Other General Expenses	\$39,622		\$39,622	\$39,622
96210 Compensated Absences	\$8,768	\$1,230	\$9,998	\$9,998
96300 Payments in Lieu of Taxes	\$46,178		\$46,178	\$46,178
96400 Bad debt - Tenant Rents	\$132,365		\$132,365	\$132,365
96500 Bad debt - Mortgages				

Ironton Metropolitan Housing Authority (OH019)

IRONTON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
96600 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	\$226,933	\$1,230	\$228,163	\$228,163
96710 Interest of Mortgage (or Bonds) Payable				
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$1,515,640	\$63,567	\$1,579,207	\$1,579,207
97000 Excess of Operating Revenue over Operating Expenses	-\$591,481	\$327,381	-\$264,100	-\$264,100
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments		\$242,560	\$242,560	\$242,560
97350 HAP Portability-In		\$79,175	\$79,175	\$79,175
97400 Depreciation Expense	\$407,735		\$407,735	\$407,735
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$1,923,375	\$385,302	\$2,308,677	\$2,308,677
10010 Operating Transfer In				
10020 Operating transfer Out				

Ironton Metropolitan Housing Authority (OH019)

IRONTON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$999,216	\$5,646	-\$993,570	-\$993,570
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$4,832,927	\$265,766	\$5,098,693	\$5,098,693
11040 Prior Period Adjustments, Equity Transfers and	\$178,925		\$178,925	\$178,925
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity		\$262,804	\$262,804	\$262,804
11180 Housing Assistance Payments Equity		\$8,608	\$8,608	\$8,608

Ironton Metropolitan Housing Authority (OH019)
 IRONTON, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 09/30/2023

	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
11190 Unit Months Available	3012	683	3695	3695
11210 Number of Unit Months Leased	2837	660	3497	3497
11270 Excess Cash	\$1,378,081		\$1,378,081	\$1,378,081
11610 Land Purchases	\$0		\$0	\$0
11620 Building Purchases	\$0		\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0		\$0	\$0
11650 Leasehold Improvements Purchases	\$0		\$0	\$0
11660 Infrastructure Purchases	\$0		\$0	\$0
13510 CFFP Debt Service Payments	\$0		\$0	\$0
13901 Replacement Housing Factor Funds	\$0		\$0	\$0

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Ironton Metropolitan Housing Authority
Lawrence County
720 Washington Street
Ironton, Ohio 45638

To the Authority:

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 Ironton Metropolitan Housing Authority, Lawrence County, Ohio (the Authority) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated May 28, 2025, wherein we noted the Authority corrected an error associated with the compensated absences which resulted in a restatement of beginning net position.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a material weakness.

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*.

Authority's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying schedule of findings. The Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
May 28, 2025

**IRONTON METROPOLITAN HOUSING AUTHORITY
LAWRENCE COUNTY**

**SCHEDULE OF FINDINGS
SEPTEMBER 30, 2023**

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

FINDING NUMBER 2023-001

Material Weakness

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

Due to deficiencies in internal control related to financial reporting, the Authority misclassified various line items in the annual financial report submitted to the Auditor of State for fiscal year 2023. Some of these errors were not material and as such, are not listed below and were not adjusted on the financial statements. However, the following misstatements occurred and had to be adjusted on the financial statements:

- \$62,268 of Tenant Security Deposits Payable was misclassified on the financial statements as Accounts Payable.
- \$46,178 of Due to Other Governments was misclassified on the financial statements as Accounts Payable.
- \$5,670 of Accrued Wages was misclassified on the financial statements as Accounts Payable.
- \$187,145 of Compensated absences were overstated. This was mainly due to errors in prior year balances that had to be restated for a total of \$178,925.
- \$1,677,001 of Cash was misclassified on the financial statements as Investments.
- \$250,000 of Sales from Investments were reported on the Cash Flow Statement in error.
- \$156,631 of Cash Payments to Employees was misclassified on the Cash Flow Statement as Cash Payments for administrative and other operating expenses.

This resulted in audit adjustments and reclassifications to the financial statements. Any adjustments have been agreed to and posted to the Authority's accounting system, if necessary.

To ensure the Authority's financial statements and notes to the financial statements are complete and accurate, the Authority should adopt and implement policies and procedures, including a final review of the statements and footnotes by the Authority to identify and correct errors and omissions.

**FINDING NUMBER 2023-001
(Continued)**

Officials' Response :

The Unaudited Hinkle Submission for the fiscal year that ended September 30, 2023 was compiled by our Fee Accountant. Due to the departure of the former Executive Director and other employees, there was a delay in compiling and submitting both the HUD Financial Data Schedule (FDS) and the Hinkle. The State Auditor's Office informed us that they would consider the Housing Authority unauditible unless the Hinkle was compiled and submitted within a very short timeframe. This situation, in conjunction with near 100% turnover of staff, caused the compilation of the Hinkle to be rushed.

The Tenant Security Deposits Payable (\$62,268), Due to Other Governments (\$46,178), and Accrued Wages (\$5,670) were reported in the proper categories on the Authority's Financial Data Schedule (FDS) submitted to HUD's Real Estate Assessment Center. These liabilities were all reported on the Authority's Unaudited Hinkle submission, but we concede that they were aggregated under the caption of Accounts Payable. This has been corrected and will not recur going forward.

The Accrued Compensated Absences balance of \$187,145 was determined by the former Executive Director who separated from the Housing Authority in November 2023. The former Executive Director was responsible for in-house accounting. The Housing Authority experienced 100% turnover except for two maintenance employees. With the time constraints we had, we compiled the Financial Data Schedule submission and Unaudited Hinkle based upon the work he had completed, and it was supported by what appeared to be a policy statement he had in his files. This has also been corrected and will be handled in accordance with newly adopted policies, going forward.

The \$1,677,001 that is described in the finding as "misclassified" were Certificates of Deposit. Considering the near 100% turnover and lack of cooperation on the part of our former bank, we did not have the information to make the determination that the Certificates of Deposits should be classified as Cash rather than Investments. The auditor forwarded a confirmation to the bank and had the luxury of enough time to receive a response and make an audit adjustment to reclassify these funds from Investments to Cash. The \$250,000 entry on the Statement of Cash Flow occurred for the same reason.

Finally, concerning the issue noted on the Statement of Cash Flow, we have searched the Ohio State Auditors website and have identified multiple Metropolitan Housing Authorities that do not have a separate caption for Cash Payments to Employees. It appears these Authorities classified those expenses under Administrative and/or Operating Expenses. We were unaware of this rule and note that apparently other MHAs are as well. We will ensure this caption is shown separately in the future.

OHIO AUDITOR OF STATE KEITH FABER



IRONTON METROPOLITAN HOUSING AUTHORITY

LAWRENCE 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 6/3/2025

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