DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO

AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

James G. Zupka, CPA, Inc.
Certified Public Accountants

OHIO AUDITOR OF STATE
KEITH FABER

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Board Members
Dayton Metropolitan Housing Authority
400 Wayne Avenue
Dayton, Ohio 45401

We have reviewed the *Independent Auditor's Report* of the Dayton Metropolitan Housing Authority, Montgomery County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2018 through June 30, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

February 20, 2020

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DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board
Dayton Metropolitan Housing Authority
Dayton, Ohio

Regional Inspector General of Audit
Department of Housing and Urban
Development

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Dayton Metropolitan Housing Authority, Ohio, (the Authority) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Dayton Metropolitan Housing Authority as of June 30, 2019, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2020, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

January 9, 2020

As management of the Dayton Metropolitan Housing Authority (Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- Total assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources as of June 30, 2019, by $35,108,975 (a decrease of $744,984, or 2 percent, from June 30, 2018).

- Net investment in capital assets totaled $31,831,446 as of June 30, 2019 (a decrease of $2,342,383**,** or 7 percent, from June 30, 2018). Unrestricted net position totaled $2,270,804 as of June 30, 2019, (an increase of $3,741,412 from June 30, 2018).

- The Authority had total operating revenue of $50,247,095 (an increase of $7,125,993 or 14 percent, from June 30, 2018). The Authority had total operating expenses of $49,428,159 (a $2,099,990 increase, or 4 percent, from June 30, 2018), resulting in a net operating gain of $318,936 for the year ended June 30, 2019, and had other non-operating expenses and losses in a net amount of $35,433 and $461,481 in capital contributions, resulting in an increase in total net position of $744,984 for the year.

- The Authority's capital additions for the year were $1,088,003.

USING THIS ANNUAL REPORT

This Management's Discussion and Analysis is intended to serve as an introduction to the Authority's financial statements. The following is a list of the financial statements included in this report:

MD&A
Management Discussion and Analysis

Financial Statements
Statement of Net Position,
Statement of Revenues, Expenses, and Changes in Net Position,
Statements of Cash Flows,
Notes to the Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private sector business.

The S*tatement of Net Position* presents information on all of the Authority's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The focus of the *Statement of Net Position* is to present the available assets and deferred outflows of resources, net of liabilities and deferred inflows of resources, which are available to the Authority. Net position is reported in three broad categories:

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

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

Unrestricted Net Position: Consists of net position that does not meet the definition of "Net Investment in Capital Assets" or "Restricted Net Position".

The S*tatement of Revenues, Expenses, and Changes in Net Position* is similar to an income statement. This Statement includes operating revenues, such as rental income; operating expenses, such as administrative, utilities, maintenance, and depreciation; and non-operating revenue and expenses, such as grant revenue, investment income, gains and losses on capital assets disposals, and interest expense.

The focus of the *Statement of Revenues, Expenses, and Changes in Net Position* is the "Changes in Net Position", which is similar to Net Income or Loss.

The S*tatement of Cash Flows* provides information about the Authority's cash receipts and cash payments during the reporting period. The Statement reports cash receipts, cash payments, and net changes in cash resulting from operating activities, capital and related financing activities, and investing activities.

The N*otes to the Financial Statements* provide additional information essential to a full understanding of the data provided in the basic financial statements.

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

Public and Indian Housing - Under the Conventional Public Housing Program, the Authority rents units it owns to low-income households. This Program is operated under an Annual Contribution Contract (ACC) with HUD. Beginning in fiscal year 2008, the Authority adopted the HUD-directed Asset Management Project (AMP) structure for its public housing operations. Under Asset Management, public housing units were organized into AMPs. Each AMP is treated as a separate entity with the AMPs paying a fee to the Central Office Cost Center (COCC) for various centralized services. As in previous years, the HUD-provided operating subsidy allows the AMPs to provide housing at a rent that is based upon 30 percent of adjusted gross household income.

Under Asset Management, the operating subsidy is transferred in proportional shares to the individual AMPs as monthly subsidy revenue. Along with rent collection revenue, the AMPs administer their properties in a fashion similar to rental properties operated in the private sector. The AMP managers utilize program management, planning, bookkeeping, and other centralized services provided by the Authority's Central Office. The AMPs pay a monthly fee based on the number of units assigned and/or occupied for these services.

Public Housing Capital Fund Program (CFP) - The Public Housing Capital Fund Program 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.

Section 8 Housing Choice Voucher Program - Under the Section 8 Housing Choice Voucher Program, low-income tenants lease housing units directly from private landlords rather than from the Authority. HUD contracts with the Authority, which in turn contracts with the private landlords and makes assistance payments for the difference between the approved contract rent and the actual rent paid by the low-income tenants.

Section 8 New Construction and Substantial Rehabilitation Program - The objective of the Program is to help eligible low-income families obtain decent, safe, and sanitary housing through a system of rental subsidies. Under this project-based cluster program, the rental subsidy is tied to a specific unit, and when a family moves from the unit, they have no right to continued assistance.

Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation - The objective of the Program is to help eligible low-income families obtain decent, safe, and sanitary housing through a system of rental subsidies. Under this project-based cluster program, the rental subsidy is tied to a specific unit, and when a family moves from the unit, they have no right to continued assistance.

Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI) - The HOPE VI Demolition Program supports site acquisition, demolition, and relocation costs for the HOPE VI Revitalization Program. Under this Program, residents of identified neighborhoods are relocated to other Public Housing and Section 8 Voucher units. Vacated public housing units are then demolished in preparation for the development under the HOPE VI Revitalization Program. This Program seeks to rebuild public housing neighborhoods through various financing and construction development agreements. Following the demolition of existing public housing units under the HOPE VI Demolition Grant, the Revitalization Program will seek to rebuild the neighborhood areas using a community anchor facility, new construction, and existing street patterns. While a significant portion of the redevelopment effort will be accomplished with HOPE VI funds, the majority will be completed using a variety of public and private resources.

Resident Opportunity and Supportive Services (ROSS) - The ROSS Program promotes the development of local strategies to coordinate the use of assistance under the Public Housing Program with public and private resources to enable participating families to achieve economic independence and housing self-sufficiency.

Family Self-Sufficiency (FSS) – The FSS Program promotes the development of local strategies to coordinate the use of assistance under the Housing Choice Voucher Program and the Public Housing Program with public and private resources to enable participating families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

Business Activities Programs **-** The Business Activities Programs expand the supply of decent and affordable housing by using local non-federal resources to enable home ownership through loan assumption programs and affordable tenant rent units owned by the Authority.

Component Units – The Authority has established three component units to operate and develop mixed financing and/or tax credit housing. Each of the organizations listed below act as an affiliate unit as defined in HUD's PIH Notice 2008-15. The levels of participation and responsibility for each of the component units differs based on the type of development. The Authority's component units include:

Dayton Metro Homes, LLC – The Authority has established Dayton Metro Homes, LLC, dba Premier Asset Management (PAM), as a wholly-owned subsidiary. PAM was established for the purpose of owning an investment as general partner or ownership entity in tax credit and mixed financing projects. Currently, PAM operates 35 low-moderate income housing units in Germantown, Ohio. The assets, liabilities, and results of operations are included as part of the accompanying financial statements.

Windcliff Village II GP, Inc. – Windcliff Village II GP, Inc. was established as a single purpose for-profit corporation to manage the tax credit project Windcliff Village II. The development is operated by Windcliff Village II LP with Windcliff Village II GP, Inc. as the general partner. The assets, liabilities, and results of operations for Windcliff Village II GP, Inc., are included as part of the accompanying financial statements. The assets, liabilities, and results of operations for Windcliff Village II LP are not included in the accompanying financial statements, but are reported separately under provisions of the tax credit agreement.

North Star Commons, LLC – North Star Commons, LLC was formed to participate as a special partner in the Dayton View Commons II, LLC development. Under the provisions of the development agreement, North Star Commons, LLC will receive a partnership fee of which half must be held as a deferral until certain development objectives have been met. North Star Commons, LLC does not operate or own property in the Dayton View Commons II, LLC development. North Star Commons, LLC's assets, liabilities, and results of operations are included as part of the accompanying financial statements.

FINANCIAL ANALYSIS OF THE AUTHORITY

Statement of Net Position

The following table represents condensed Statements of Net Position.

	2019 (in thousands)	2018 (in thousands)
Assets and Deferred Outflows of Resources		
Current and Other Assets	$ 16,309	$ 13,705
Capital Assets	38,115	40,883
Other Non-Current Assets	6,493	3,582
Deferred Outflows of Resources	4,095	2,094
Total Assets and Deferred Outflows of Resources	65,012	60,264
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities and Deferred Inflows of Resources		
Current Liabilities	2,335	2,522
Non-Current Liablities	26,989	20,957
Deferred Inflows of Resources	579	2,421
Total Liabilities and Deferred Inflows of Resources	29,903	25,900
Net Position		
Net Investment in Capital Assets	31,831	34,174
Restricted	1,007	1,661
Unrestricted	2,271	(1,471)
Total Net Position	35,109	34,364
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 65,012	$ 60,264

By far the largest portion of the Authority's net position (87 percent) reflects its investment in capital assets, net of related debt. The decrease from 2018 was primarily the result of annual depreciation expense and the approved sale of excess property. The Authority uses these capital assets (e.g., buildings, machinery, and equipment) to provide housing services to residents; consequently, these assets are not available for future spending. The unrestricted net position of the Authority is available for future use to provide program services. The reduction in unrestricted net position was primarily due to GASB Statement No. 68 and GASB Statement No. 75 pension reporting.

Statements of Revenues, Expenses, and Changes in Net Position

The following table represents condensed Statements of Revenues, Expenses, and Changes in Net Position.

	2019 (in thousands)	2018 (in thousands)
Revenue		
Tenant Rental Revenue	$ 5,004	$ 4,802
Government Operating Grants	43,457	37,389
Other Revenue	1,786	930
Total Operating Revenue	50,247	43,121
Expenses		
Operating Expenses		
Operating Expenses	23,396	22,058
Depreciation Expense	3,829	3,888
Housing Assistance Payments	22,703	21,882
Total Operating Expenses	49,928	47,828
Net Operating Gain/(Loss)	319	(4,707)
Non-Operating Revenue (Expenses)	(35)	(227)
Income Before Contributions	284	(4,934)
Capital Contributions	461	3,718
Change in Net Position	745	(1,216)
Total Net Position, Beginning of Year	34,364	35,580
Total Net Position, End of Year	$ 35,109	$ 34,364

During 2019, the net position of the Authority increased by a total of $744,984.

The Authority's revenues are largely governmental operating grants received from cost reimbursement and capital grants. The Authority draws down monies from the grant awards for allowable program expenses, except for non-cash transactions, such as depreciation expense and changes in compensated absences. The Authority's governmental operating grants and charges for services were sufficient to cover all non-depreciation related expenses incurred during the year.

The Authority's operating grants increased by $6,067,970 and operating expenses increased by $2,099,990. Section 8 Housing Assistance payments increased by $820,677 from the previous year as a result of increased leasing.

Capital contributions decreased by $3,256,591 to $461,481 during 2019 due primarily to investment in properties not owned by the Agency. Total net non-operating expenses decreased by $191,487.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2019, the Authority's capital assets totaled $38,114,785 (capital assets net of accumulated depreciation) as reflected in the following schedule.

	2019 (in thousands)	2018 (in thousands)
Land	$ 9,521	$ 9,251
Buildings and Improvements	125,970	125,698
Equipment and Vehicles	5,888	5,468
Construction-in-Progress	1	234
Accumulated Depreciation	(103,265)	(99,769)
Total	$ 38,115	$ 40,882

The decrease in Land is due to the acquisition of land from investment properties not owned by the Authority, and the net increase in Buildings and Improvements is a result of the net purchase and disposal of properties. Additional information on the Authority's capital assets can be found on page 24 of this report.

Debt

As of June 30, 2019, the Authority had $6,283,339 of debt, a decrease of $425,264 from the prior year. The decrease was due to normal debt schedule payments made during the year.

Debt consists of the Fannie Mae Capital Fund Financing Program (CFFP) note and the note to County Corp.

During 2010, the Authority obtained a modernization note from Fannie Mae for $9,235,000 for the purpose of modernizing public housing units at four AMP locations. The note is twenty (20) years with an interest rate of 6.0 percent *per annum*. Repayment will be through a portion of future capital grant funds.

During 2010, the Authority obtained a note from County Corp. for $250,092, for the purpose of real estate acquisition in Germantown, Ohio. The note term is twenty (20) years with an interest rate of 0.0 percent *per annum*.

During 2019, the Authority's net pension and other post-employment benefits obligation increased by $6,480,748 due to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

Additional information on the Authority's long-term debt can be found on pages 24 and 25 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following factors were considered in preparing the Authority's budget for the 2020 fiscal year.

The Authority has continued to follow site-specific budgeting and accounting. Both FY2019 and FY2020 budgets were prepared using the site-specific format as directed by HUD. Under site-specific budget format, there are strict guidelines on how the Central Office Cost Center (COCC) will be funded. Funding for the COCC will be derived from fees charged to Asset Management Projects (AMP). The AMPs represent site-specific public housing areas and are managed as separate subsidiary organizations. As such, AMPs will have their own financial statements with revenues coming from subsidy transfers, rental accounts, and capital fund transfers. Oversight and supportive services will be provided on a fee basis by the Authority's COCC. Additional revenue for the COCC will be from the service fees charged to the Voucher programs and other smaller programs. Failure to maintain occupancy rates of 97 percent or higher for the AMPs will also reduce operating subsidy transfers from HUD.

Public housing operating subsidy revenue from HUD for FY2020 is expected to remain at its current low level (92 percent) of calculated amounts.

The Housing Choice Voucher (HCV) Program generates revenue for operations from administrative fees earned from HUD. A portion of these revenues are paid to the COCC as fees for supportive services. At this time the COCC does not charge the HCV Program the maximum rate for administrative fees so the HCV Program can balance its administrative budget. In FY2020, the COCC will continue to give a discount to the HCV Program, if required. HCV revenues for FY2020 are expected to be consistent with or slightly lower than previous levels. The Authority expects HUD to continue withholds in the Administrative Fee schedule further reducing resources to administer the Voucher programs.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Executive Officer, Dayton Metropolitan Housing Authority, 400 Wayne Avenue, Dayton, Ohio 45401-8750, or call (937) 910-7500.

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
STATEMENT OF NET POSITION
JUNE 30, 2019

ASSETS		
Current Assets		
Cash and Cash Equivalents	$	13,258,526
Restricted Cash and Cash Equivalents		1,505,969
Accounts Receivable, Net:		
Tenants, Net of Allowance for Doubtful Accounts of $96,276		16,991
HUD		271,185
Other Receivables		334,592
Inventory, Net of Allowance for Obsolete Inventory of $19,395		627,158
Prepaid Expenses		294,948
Total Current Assets		16,309,369
Non-Current Assets		
Capital Assets		
Capital Assets, Not Depreciated		9,521,703
Capital Assets, Being Depreciated, Net of Accumulated Depreciation		28,593,082
Total Capital Assets		38,114,785
Notes, Loans, and Mortgages Receivable Non-Current		6,453,703
Pension Assets		39,480
Total Non-Current Assets		44,607,968
Total Assets		60,917,337
Deferred Outflows of Resources		
Pension		3,591,479
OPEB		503,050
Total Deferred Outflows of Resources		4,094,529
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$	65,011,866
LIABILITIES		
Current Liabilities		
Accounts Payable	$	92,092
Accrued Wages and Benefits		350,253
Accrued Compensated Absences - Current Portion		191,295
Tenants' Security Deposits		253,208
Deferred Revenues		165,970
Other Current Liabilities		828,788
Current Portion of Note Payable		452,914
Total Current Liabilities		2,334,520
Non-Current Liabilities		
Notes Payable, Net of Current Portion		5,830,425
Compensated Absences, Net of Current Portion		1,084,005
Net Pension Liability		13,707,680
Net OPEB Liability		6,350,243
Other Non-Current Liabilities		16,734
Total Non-Current Liabilities		26,989,087
Total Liabilities		29,323,607
Deferred Inflows of Resources		
Pension		436,283
OPEB		143,001
Total Deferred Inflows of Resources		579,284
NET POSITION		
Net Investment in Capital Assets		31,831,446
Restricted		1,006,725
Unrestricted		2,270,804
TOTAL NET POSITION		35,108,975
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$	65,011,866

See accompanying notes to the financial statements.

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Operating Revenues	
Rental Revenue	$ 5,003,872
Governmental Revenue	43,457,517
Other Revenue	1,785,706
Total Operating Revenues	50,247,095
Operating Expenses	
Administrative Expense	9,500,927
Tenant Services	312,999
Utilities Expense	2,446,408
Ordinary Maintenance and Operations	9,004,737
Protective Services	564,061
General Expenses	1,567,244
Housing Assistance Payments	22,702,478
Depreciation amd Amortization	3,829,305
Total Operating Expenses	49,928,159
Operating Loss	318,936
Nonoperating Revenues (Expenses)	
Interest and Investment Income	90,358
Interest Expense	(384,801)
Insurance Proceeds/(Casualty Losses)	284,539
Gain/(Loss) on Disposal of Capital Assets	(25,529)
Total Nonoperating Revenues (Expenses)	(35,433)
Income Before Contributions	283,503
Capital Contributions	461,481
Net Change in Net Position	744,984
Net Position - Beginning of Year-Restated	34,363,991
Net Position - End of Year	$ 35,108,975

See accompanying notes to the financial statements.

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Cash Flows from Operating Activities		
Receipts from Residents and Other Deposits	$	5,009,330
Governmental Operating Revenues		43,775,321
Other Receipts		1,884,031
Administrative Expenses		(6,882,483)
Other Operating Expenses		(14,214,164)
Housing Assistance Payments		(22,701,046)
Net Cash Provided by Operating Activities		6,870,989
Cash Flows from Capital and Related Financing Activities		
Capital Assets Additions		(1,088,003)
Debt Proceeds/Insurance Proceeds/(Casualty Loss)		284,539
Principal Paid on Debt		(425,264)
Cash from Disposal of Assets		816
Interest Paid on Debt		(384,801)
Capital Grants		461,481
Net Cash Provided by Capital and Related Financing Activities		(1,151,232)
Cash Flows from Investing Activities		
Investment Income		90,358
Investment in Notes Receivable		(2,911,007)
Net Cash Used in Investing Activities		(2,820,649)
Net Increase in Cash and Cash Equivalents		2,899,108
Cash and Cash Equivalents - Beginning of Year		11,865,387
Cash and Cash Equivalents - End of Year	$	14,764,495
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities		
Operating Income	$	318,936
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation		3,829,305
Decrease (Increase) in Deferred Outfows and Pension Assets		(2,000,004)
Decrease (Increase) in Tenant Receivables		(1,441)
Decrease (Increase) in HUD Receivables		175,635
Decrease (Increase) in Other Assets/Receivables		(33,267)
Decrease (Increase) in Inventory		32,843
Decrease (Increase) in Prepaid Expenses		120,981
Increase (Decrease) in Wages and Benefits Payable		(129,194)
Increase (Decrease) in Security Deposits		6,899
Increase (Decrease) in Accounts Payable		(339,662)
Increase (Decrease) in Compensated Absences		118,526
Increase (Decrease) in Accrued Liabilities		87,261
Increase (Decrease) in Unearned Revenue		142,169
Increase (Decrease) in Net Pension/OPEB Liability		6,480,748
Increase (Decrease) in Net Pension Deferred Inflows		(1,841,794)
Increase (Decrease) in Other Non-Current Liabilities		(96,952)
Net Cash Provided by Operating Activities	$	6,870,989

See accompanying notes to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity and Programs

The Dayton Metropolitan Housing Authority (the "Authority") is a political subdivision created under Ohio Revised Code Section 3735.27 to engage in the acquisition, development, leasing, and administration of a low-rent housing program.

The United States Department of Housing and Urban Development (HUD) has direct responsibility for administering the Low-Rent Housing Program under the United States Housing Act of 1937, as amended. HUD is authorized to contract with local housing authorities in financing the acquisition, construction, and/or leasing of housing units, to make housing assistance payments, and to make annual contributions (subsidies) to the local housing authorities for the purposes of maintaining the low-rent character of the local housing program. Under an administrative form of contract, HUD has conveyed certain federally built housing units to the Authority for low-rent operations.

Reporting Entity **–** The accompanying basic financial statements comply with the provisions of the Governmental Accounting Standard Board (GASB) Statement No. 14, *The Financial Reporting Entity* (as amended by GASB Statement No. 61), in that the financial statements include all divisions and operations for which the Authority is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization's government board and is able to impose its will on that organization. Financial accountability may also be deemed to exist if there is a potential for the organization to provide financial benefits to, or to impose specific financial burdens on, the primary government/component unit. On this basis, no governmental organization other than the Authority itself is included in the financial reporting entity.

A summary of the significant programs administered by the Authority is provided below:

Public and Indian Housing **-** Under the Conventional Public Housing Program, the Authority rents units it owns to low-income households. This Program is operated under an Annual Contribution Contract (ACC) with HUD. Beginning in fiscal year 2008, the Authority adopted the HUD-directed Asset Management Project (AMP) structure for its public housing operations. Under Asset Management, public housing units were organized into AMPs. Each AMP is treated as a separate entity with the AMPs paying a fee to the Central Office Cost Center (COCC) for various centralized services. As in previous years, the HUD-provided operating subsidy allows the AMPs to provide housing at a rent that is based upon 30 percent of adjusted gross household income.

Under Asset Management, the operating subsidy is transferred in proportional shares to the individual AMPs as monthly subsidy revenue. Along with rent collection revenue, the AMPs administer their properties in a fashion similar to rental properties operated in the private sector. The AMP managers utilize program management, planning, bookkeeping, and other centralized services provided by the Authority's Central Office. The AMPs pay a monthly fee based on the number of units assigned and/or occupied for these services.

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

A. **Description of the Entity and Programs** (Continued)

Public Housing Capital Fund Program (CFP) - The Public Housing 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.

Section 8 Housing Choice Voucher Program - Under the Section 8 Housing Choice Voucher Program, low-income tenants lease housing units directly from private landlords rather than from the Authority. HUD contracts with the Authority, which in turn contracts with the private landlords and makes assistance payments for the difference between the approved contract rent and the actual rent paid by the low-income tenants.

Section 8 New Construction and Substantial Rehabilitation Program - The objective of the Program is to help eligible low-income families obtain decent, safe, and sanitary housing through a system of rental subsidies. Under this project-based cluster program, the rental subsidy is tied to a specific unit and, when a family moves from the unit, they have no right to continued assistance.

Lower Income Housing Assistance Program – Section 8 Moderate Rehabilitation – The objective of the Program is to help eligible low-income families obtain decent, safe, and sanitary housing through a system of rental subsidies. Under this project-based cluster program, the rental subsidy is tied to a specified unit and, when a family moves from the unit, they have no right to continued assistance.

Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI) - The HOPE VI Demolition Program supports site acquisition, demolition, and relocation costs for the HOPE VI Revitalization Program. Under this Program, residents of identified neighborhoods are relocated to other Public Housing and Section 8 Voucher units. Vacated public housing units are then demolished in preparation for the development under the HOPE VI Revitalization Program. This Program seeks to rebuild public housing neighborhoods through various financing and construction development agreements. Following the demolition of existing public housing units under the HOPE VI Demolition Grant, the Revitalization Program will seek to rebuild the neighborhood areas using a community anchor facility, new construction, and existing street patterns. While a significant portion of the redevelopment effort will be accomplished with HOPE VI funds, the majority will be completed using a variety of public and private resources.

Resident Opportunity and Supportive Services (ROSS) - The ROSS Program promotes the development of local strategies to coordinate the use of assistance under the Public Housing Program with public and private resources to enable participating families to achieve economic independence and housing self-sufficiency.

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

A. **Description of the Entity and Programs** (Continued)

Family Self-Sufficiency (FSS) – The FSS Program promotes the development of local strategies to coordinate the use of assistance under the Housing Choice Voucher Program and the Public Housing Program with public and private resources to enable participating families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

Business Activities Programs **-** The Business Activities Programs expand the supply of decent and affordable housing by using local non-federal resources to enable home ownership through loan assumption programs and affordable tenant rent units owned by the Authority.

Component Units – The Authority has established three component units to operate and develop mixed financing and/or tax credit housing. Each of the organizations listed below act as an affiliate unit as defined in HUD's PIH Notice 2008-15. The levels of participation and responsibility for each of the component units differs based on the type of development. The Authority's component units include:

Dayton Metro Homes, LLC – The Authority has established Dayton Metro Homes, LLC, dba Premier Asset Management (PAM) as a wholly-owned subsidiary. PAM was established for the purpose of owning an investment as general partner or ownership entity in tax credit and mixed financing projects. Currently, PAM operates 35 low-moderate income housing units in Germantown, Ohio. The assets, liabilities, and results of operations are included as part of the accompanying financial statements.

Windcliff Village II GP, Inc. – Windcliff Village II GP, Inc. was established as a single purpose for-profit corporation to manage the tax credit project Windcliff Village II. The development is operated by Windcliff Village II, LP with Windcliff Village II GP, Inc. as the general partner. The assets, liabilities, and results of operations for Windcliff Village II GP, Inc., are included as part of the accompanying financial statements. The assets, liabilities, and results of operations for Windcliff Village II, LP are not included in the accompanying financial statements, but are reported separately under provisions of the tax credit agreement.

North Star Commons, LLC – North Star Commons, LLC was formed to participate as a special partner in the Dayton View Commons II, LLC development. Under the provisions of the development agreement, North Star Commons, LLC will receive a partnership fee of which half must be held as a deferral until certain development objectives have been met. North Star Commons, LLC does not operate or own property in the Dayton View Commons II, LLC development. North Star Commons, LLC's assets, liabilities, and results of operations are included as part of the accompanying financial statements.

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

B. **Summary of Significant Accounting Policies**

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

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

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

Basis of Accounting – The Authority's activities are financed and operated as a single enterprise fund such that the costs and expenses, including depreciation, of providing the services are recovered primarily through user charges. The measurement focus is on the determination of revenues, expenses, financial position, and cash flows as the identification of these items is necessary for appropriate capital maintenance, public policy, management control, and accountability. The Authority's financial transactions are recorded on the accrual basis of accounting where revenues are recognized when earned and expenses are recognized as incurred. Revenues received in advance are deferred and recognized as earned over the period to which they relate.

Cash and Cash Equivalents – During fiscal year 2019, cash and cash equivalents included amounts in demand deposits and the State Treasury Asset Reserve (STAR Ohio) and STAR Plus. Both STAR Ohio investment programs are very liquid investments and are reported as a cash equivalent in the basic financial statements.

For the purpose of the Statement of Cash Flows, cash and cash equivalents include all highly liquid investment instruments with original maturities of three months or less.

Restricted Cash and Cash Equivalents and Investments – Cash and cash equivalents and investments have been classified as restricted on the balance sheet for funds held for public housing residents' security deposits, amounts held in escrow under the HCV and Family Self-Sufficiency (FSS) programs and funds on deposit under the Fannie Mae Modernization Program. Funds authorized by HUD for Housing Assistance Payments (HAP) and Housing Development programs are also classified as restricted.

Investments – The provisions of the HUD Regulations restrict investments. Investments are valued at market value.

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

B. **Summary of Significant Accounting Policies** (Continued)

Receivables/Bad Debts – 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.

Inventory – Inventory consists of supplies and maintenance parts carried at the lower of cost and market using the average cost method, and are expensed as they are consumed.

Capital Assets – Land, structures, and equipment are recorded at historical cost. Donated land, structures, and equipment are recorded at their fair value on the date donated. Depreciation is calculated on a straight-line method using half-year convention over the estimated useful lives. When depreciable property is disposed of or sold, the cost and related accumulated depreciation are removed from the accounts, with any gain or loss reflected in operations. The Authority capitalizes all assets with a cost of $1,000 or more ($2,000 or more for computer equipment). Software purchases are capitalized if the cost exceeds $5,000. The estimated useful lives are as follows:

Equipment and Vehicles	3-7 years
Building and Site Improvements	15 years
Buildings	40 years

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

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees if both 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.

Compensated absences are expensed when earned with the amount reported as a fund liability.

Debt Obligations – Debt obligations of the Authority consist of mortgages for a homeownership program, capital projects, and property acquisition.

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

B. **Summary of Significant Accounting Policies** (Continued)

Net Position – Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The amount reported as restricted net position at fiscal year end represents the amounts restricted by HUD for future housing assistance payments and amounts from unspent debt proceeds. When an expense is incurred for purposes which both restricted and unrestricted net position are available, the Authority first applied restricted net position.

Revenue Recognition – Grant revenue is recognized when the earnings process is complete and exchange has taken place, and any restrictions imposed by the terms of the grant have been met. Rent revenue is recognized over the period for which housing has been provided. Investment income is recognized and recorded when earned and is allocated to programs based upon monthly investment balances.

Operating Revenues and Expenses – Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the Authority, these revenues are tenant revenues, operating grants, and other miscellaneous revenue. Non-operating revenues are HUD capital grants, interest income, and gains on disposal of capital assets. Operating expenses are those that are expended directly for the primary activity of the propriety fund. For the Authority, these expenses are administrative, tenant services, utilities, maintenance and operation, protective services, general expenses, housing assistance payments, depreciation, and amortization. Non-operating expenses include interest expense and losses on disposal of capital assets.

Capital Contributions – Contributions of capital arise from the contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

Budgetary Accounting – The Authority annually prepares its budget as prescribed by HUD. The Authority's budgets are submitted to HUD and, once approved, are adopted by the Board of the Authority.

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

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

B. **Summary of Significant Accounting Policies** (Continued)

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

Deferred Outflows/Inflows of Resources – In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 7 and 8.

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

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.

NOTE 2: **CHANGE IN ACCOUNTING PRINCIPLES**

For fiscal year 2019, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 83, *Certain Assets Retirement Obligations*, and GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.*

GASB Statement No. 83 sets out to address the accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The implementation of GASB Statement No. 83 did not have an effect on the financial statements.

NOTE 2: **CHANGE IN ACCOUNTING PRINCIPLES** (Continued)

GASB Statement No. 88 sets out to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. If applicable, GASB Statement No. 88 has been implemented in the notes to the financial statements.

NOTE 3: **DEPOSITS AND INVESTMENTS**

A. **Deposits**

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

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

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

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

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

NOTE 3: **DEPOSITS AND INVESTMENTS** (Continued)

A. **Deposits** (Continued)

At fiscal year end, the carrying amount of the Authority's deposits totaled $12,107,251, of which $2,600 was held in petty cash. The corresponding bank balances totaled $12,314,085. Based on criteria described in GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, as of June 30, 2019, $11,993,914 was exposed to custodial risk as discussed below, while $320,170 was covered by the Federal Depository Insurance Corporation.

Custodial credit risk is the risk that, in the event of a bank failure, the Authority will not be able to recover the deposits. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve banks or a member bank of the Federal Reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds, or as specific collateral held at the Federal Reserve Bank in the name of the Authority. At June 30, 2019, $11,993,915 was covered by specific collateral.

B. **Investments**

HUD, state statute, and Board resolutions authorize the Authority to invest in obligations of the U.S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, money market deposit accounts, municipal depository fund, super NOW accounts, sweep accounts, separate trading of registered interest and principal of securities, mutual funds, bonds, and other obligations of this State, and the State Treasurer's investment pool. Investments in stripped principal or interest obligations reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Authority, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The Authority's investments at June 30, 2019 were as follows:

Uncategorized Investments	Fair Value	Weighted Average Maturity	Rating
STAROhio	$ 2,657,244	60 days	AAAm*

* Standard & Poor's

NOTE 3: **DEPOSITS AND INVESTMENTS** (Continued)

B. **Investments** (Continued)

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The Authority's investment policy has no requirements beyond what the Ohio Revised Code requires.

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Authority's investments in STAR Ohio are rated AAAm by Standards and Poor's. The Authority's investments in STAR Plus are FDIC insured.

Concentration of Credit Risk – The Authority places no limit on the amount the Authority may invest with one issuer.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of failure of the counterparty the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Authority has no policy beyond what the Ohio Revised Code requires for custodial credit risk.

A reconciliation of cash, cash equivalents, and investments is as follows:

	Cash and Cash Equivalents *	Investments
Per Statement of Net Position	$ 14,764,495	$ 0
STAR Ohio	(2,657,244)	2,657,244
Per GASB Statement No. 3	$ 12,107,251	$ 2,657,244

* Includes restricted cash and cash equivalents.

Restricted cash consists of the following:

Unspent Debt Proceeds	$ 423,164
Security Deposits	253,208
HCV, HAP, and Other HCV Fu nds	800,678
Proceeds from Public Housing Dispositions	28,919
	$ 1,505,969

Restricted equity consists of the following:

Unspent Debt Proceeds	$ 423,164
Proceeds from Public Housing Disposition	28,919
Housing Choice Voucher HAP Funding	554,642
	$ 1,006,725

NOTE 4: CAPITAL ASSETS

A summary of changes in the Authority's capital assets for the year ended June 30, 2019 follows:

	Balance June 30, 2018	Additions	Deletions	Reclasses	Balance June 30, 2019
Capital Assets Not Being Depreciated					
Land	$ 9,251,162	$ 272,294	$ (1,753)	$ 0	$ 9,521,703
Construction in Progress	234,113	122,393	0	(356,506)	0
Total Capital Assets Not Being Depreciated	9,485,275	394,687	(1,753)	(356,506)	9,521,703
Capital Assets Being Depreciated					
Buildings and Improvements	125,697,954	393,978	(325,224)	203,506	125,970,214
Equipment and Vehicles	5,468,283	299,338	(32,408)	153,000	5,888,213
Subtotal Capital Assets Being Depreciated	131,166,237	693,316	(357,632)	356,506	131,858,427
Total Cost	140,651,512	1,088,003	(359,385)	0	141,380,130
Accumulated Depreciation					
Buildings and Improvements	(94,691,083)	(3,693,895)	300,632	0	(98,084,346)
Equipment and Vehicles	(5,077,997)	(135,410)	32,408	0	(5,180,999)
Total Accumulated Depreciation	(99,769,080)	(3,829,305)	333,040	0	(103,265,345)
Total Capital Assets, Net	$ 40,882,432	$ (2,741,302)	$ (26,345)	$ 0	$ 38,114,785

During the year, the Authority continued with HUD approved sales and demolition of various projects.

NOTE 5: LONG-TERM OBLIGATIONS

Changes in the Authority's long-term obligations during fiscal year 2019 are as follows:

	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
Fannie Mae Note	$ 6,568,971	$ 0	$ 412,762	$ 6,156,209	$ 440,409
County Corp. Note	139,632	0	12,502	127,130	12,505
Net Pension/OPEB Liablity	13,577,175	6,480,748	0	20,057,923	0
Compensated Absences	1,156,774	203,887	85,360	1,275,301	191,296
Total Long-Term Obligations	$ 21,442,552	$ 6,684,635	$ 510,624	$ 27,616,563	$ 644,210

The Fannie Mae Modernization note matures as follows:

Year Ended June 30	Principal Amount	Interest Amount	Total
2020	$ 440,409	$ 358,755	$ 799,164
2021	467,572	331,592	799,164
2022	496,411	302,753	799,164
2023	527,028	272,136	799,164
2024	559,534	239,630	799,164
2025-2029	3,359,923	635,896	3,995,819
2030	305,332	4,937	310,269
Total	$ 6,156,209	$ 2,145,699	$ 8,301,908

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

The County Corp. note matures as follows:

Year Ended June 30	Principal Amount	Interest Amount	Total
2020	$ 12,505	$ 0	$ 12,505
2021	12,505	0	12,505
2022	12,505	0	12,505
2023	12,505	0	12,505
2024	12,505	0	12,505
2025-2029	62,525	0	62,525
2030	2,080	0	2,080
Total	$ 127,130	$ 0	$ 127,130

NOTE 6: **RISK MANAGEMENT**

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

The Authority is covered for property damage, general liability, automobile liability, public official's liability, and other crime liabilities through membership in the Ohio Housing Authority Property Casualty, Inc. (OHAPCI) and the Public Entity Risk Consortium (PERC). OHAPCI is an insurance risk sharing and purchasing pool comprised of three Ohio housing authorities. PERC is an Ohio public entity joint self-insurance pool restricted to mid-size public entities including pools (of which OHAPCI is a member).

OHAPCI is a corporation governed by a Board of Trustees, consisting of a representative appointed by each of the member housing authorities. The Board of Trustees elects the officers of the Corporation, with each Trustee having a single vote. The Board is responsible for its own financial matters, and the Corporation maintains its own books of account. Budgeting and financing of OHAPCI is subject to the approval of the Board. The following is a summary of insurance coverage in effect as of June 30, 2019:

Coverage	Limit
Real and Personal Property	$ 250,000,000
General Liability	8,000,000
Automobile	8,000,000
Public Officials	8,000,000
Crime	1,000,000
Pollution	1,000,000
Boiler and Machinery	100,000,000

NOTE 6: **RISK MANAGEMENT** (Continued)

As of June 30, 2019, the Pool maintained a reserve in excess of actual and estimated claims relative to the Authority. During the year, settled claims for the Authority did not exceed the coverage provided by OHAPCI.

The Authority also maintains employee bonding and employee major medical, dental, and vision coverage with private carriers.

NOTE 7: **DEFINED BENEFIT PENSION PLAN**

Net Pension Liability

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

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or 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.

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

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

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

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

	State and Local
2019 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2019 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

* Member contributions within combined plan are not used to fund the defined benefit retirement allowance.
** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with remainder going to pension.

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

The Authority's contractually required contributions was $979,627 for fiscal year ending June 30, 2019.

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

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

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

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.051817%	0.029073%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	0.050050%	0.035306%	
Change in Proportionate Share	-0.001767%	0.006233%	
Proportionate Share of the Net Pension Liability/(Asset)	$ 13,707,680	$ (39,480)	$ 13,668,200
Pension Expense	$ 2,633,680	$ (2,487)	$ 2,631,193

At June 30, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$ 1,860,514	$ 8,504	$ 1,869,018
Differences between expected and actual experience	633	0	633
Changes of assumptions	1,193,280	8,818	1,202,098
Changes in proportion and differences between Authority contributions and proportionate share of contributions	15,860	4,516	20,376
Authority contributions subsequent to the measurement date	487,974	11,380	499,354
Total Deferred Outflows of Resources	$ 3,558,261	$ 33,218	$ 3,591,479
Deferred Inflows of Resources			
Differences between expected and actual experience	$ 179,990	$ 16,125	$ 196,115
Changes in proportion and differences between Authority contributions and proportionate share of contributions	231,590	8,578	240,168
Total Deferred Inflows of Resources	$ 411,580	$ 24,703	$ 436,283

$499,354 reported as deferred outflows of resources related to pension resulting from Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Year Ending June 30:			
2020	$ 1,116,813	$ 693	$ 1,117,506
2021	504,018	(1,008)	503,010
2022	172,599	(825)	171,774
2023	865,277	1,836	867,113
2024	0	(1,663)	(1,663)
Thereafter	0	(1,898)	(1,898)
Total	$ 2,658,707	$ (2,865)	$ 2,655,842

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

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

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

Actuarial Assumptions - OPERS

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 2.94 percent for 2018.

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

Actuarial Assumptions – OPERS (Continued)

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

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

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent, post-experience study results. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Traditional Pension Plan	$ 20,250,230	$ 13,707,680	$ 8,270,763
Combined Plan	$ (13,063)	$ (39,480)	$ (58,608)

NOTE 8: **DEFINED BENEFIT OPEB PLANS**

Net OPEB Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2019 remained at 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

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

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

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

The Authority's contractually required contribution was $8,290 for fiscal year ending June 30, 2019.

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

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

	OPERS
Proportion of the Net OPEB Liability:	
Prior Measurement Date	0.050170%
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.048707%
Change in Proportionate Share	-0.001463%
Proportionate Share of the Net OPEB Liability	$ 6,350,243
OPEB Expense	$ 512,150

At June 30, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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

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

	OPERS
Deferred Outflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	$ 291,121
Differences between expected and actual experience	2,150
Changes of assumptions	204,739
Authority contributions subsequent to the measurement date	5,040
Total Deferred Outflows of Resources	$ 503,050
Deferred Inflows of Resources	
Differences between expected and actual experience	$ 17,230
Changes in proportion and differences between Authority contributions and proportionate share of contributions	125,771
Total Deferred Inflows of Resources	$ 143,001

$5,040 reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS
Year Ending June 30:	
2020	$ 159,024
2021	3,026
2022	46,300
2023	146,659
Total	$ 355,009

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.

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

Actuarial Assumptions – OPERS (Continued)

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

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.96 percent
Prior Measurement date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.71 percent
Health Care Cost Trend Rate	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age

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

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

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

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

Actuarial Assumptions – OPERS (Continued)

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

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	100.00 %	5.16 %

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.71 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

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

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

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
Authority's proportionate share of the net OPEB liability	$ 8,124,328	$ 6,350,243	$ 4,939,377

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.0 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability	$ 6,103,961	$ 6,350,243	$ 6,633,893

NOTE 9: **CONTINGENCIES**

Litigations and Claims

In the normal course of operations, the Authority may be subjected to litigation and claims. At June 30, 2018, the Authority is involved in several matters. While the outcome of these matters cannot be presently determined, management believes that the ultimate resolution will not have a material effect on the financial statements.

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SIX FISCAL YEARS (1)

Traditional Plan	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Liability	0.050050%	0.051817%	0.052365%	0.047814%	0.045155%	0.045155%
Authority's Proportionate Share of the Net Pension Liability	$ 13,707,680	$ 8,129,083	$ 11,891,201	$ 8,281,989	$ 5,446,198	$ 5,323,186
Authority's Covered Payroll	$ 6,760,156	$ 6,847,639	$ 6,769,301	$ 5,950,984	$ 5,535,661	$ 5,889,134
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	202.77%	118.71%	175.66%	139.17%	98.38%	90.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Combined Plan	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Asset	0.035306%	0.029073%	0.039646%	0.035980%	0.020933%	0.020933%
Authority's Proportionate Share of the Net Pension (Asset)	$ (39,480)	$ (39,578)	$ (22,066)	$ (17,506)	$ (8,060)	$ (2,196)
Authority's Covered Payroll	$ 151,000	$ 119,069	$ 154,324	$ 130,934	$ 76,519	$ 70,503
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	26.15%	33.24%	14.30%	13.37%	10.53%	3.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

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

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

See accompanying notes to the required supplementary information.

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS (1)

	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contributions							
Traditional Plan	$ 957,325	$ 918,717	$ 881,192	$ 736,730	$ 688,100	$ 700,539	$ 772,257
Combined Plan	22,302	15,975	20,089	16,210	12,866	6,493	11,297
Total Required Contributions	979,627	934,692	901,281	752,940	700,966	707,032	783,554
Contributions in Relation to the Contractually Required Contribution	(979,627)	(934,692)	(901,281)	(752,940)	(700,966)	(707,032)	(783,554)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll							
Traditional Plan	$ 6,838,036	$ 6,803,710	$ 7,060,833	$ 6,139,417	$ 5,734,167	$ 5,837,825	$ 5,940,438
Combined Plan	$ 159,300	$ 118,305	$ 160,970	$ 135,083	$ 107,217	$ 54,108	$ 86,900
Pension Contributions as a Percentage of Covered Payroll							
Traditional Plan	14.00%	13.50%	12.48%	12.00%	12.00%	12.00%	13.00%
Combined Plan	14.00%	13.50%	12.48%	12.00%	12.00%	12.00%	13.00%

(1) - Information prior to 2013 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as the information becomes available.

See accompanying notes to the required supplementary information

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST THREE FISCAL YEARS (1)

	2019	2018	2017
Authority's Proportion of the Net OPEB Liability	0.048707%	0.050170%	0.050610%
Authority's Proportionate Share of the Net OPEB Liability	$ 6,350,243	$ 5,448,092	$ 5,111,782
Authority's Covered Payroll	$ 7,064,813	$ 7,106,737	$ 6,994,666
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	89.89%	76.66%	73.08%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information.

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS - OPEB
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS (1)

	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 8,290	$ 41,051	$ 112,879	$ 126,958	$ 118,019
Contributions in Relation to the Contractually Required Contribution	(8,290)	(41,051)	(112,879)	(126,958)	(118,019)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0
Authority Covered Payroll	$ 7,204,578	$ 7,165,990	$ 7,236,270	$ 6,353,000 0	$ 5,936,159
Contributions as a Percentage of Covered Payroll	0.12%	0.57%	1.56%	2.00%	1.99%

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

See accompanying notes to the required supplementary information

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

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

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

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2019.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2018. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00%.

DAYTON METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
JUNE 30, 2019

	Project Total	14.895 Jobs-Plus Pilot Initiative	14.892 Choice Neighborhoods Planning Grants	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	14.866 Revitalization of Severely Distressed Public Housing	14.182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	7,160,207	-	108,051	-	-	238,199	-	32,656	1,222,086	2,170,255	2,327,072	13,258,526	-	13,258,526
112 Cash - Restricted - Modernization and Development	423,164	-	-	-	-	-	-	-	-	-	-	423,164	-	423,164
113 Cash - Other Restricted	28,919	-	-	-	554,642	-	-	-	-	-	-	583,561	-	583,561
114 Cash - Tenant Security Deposits	248,864	-	-	-	-	4,344	-	-	-	-	-	253,208	-	253,208
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-	246,036	-	-	-	-	-	-	246,036	-	246,036
100 Total Cash	7,861,154	-	108,051	-	800,678	242,543	-	32,656	1,222,086	2,170,255	2,327,072	14,764,495	-	14,764,495
122 Accounts Receivable - HUD Other Projects	30,179	32,559	-	61,697	-	-	-	-	-	-	146,750	271,185	-	271,185
125 Accounts Receivable - Miscellaneous	271,315	268	789	-	14,793	30,041	-	-	-	950	2,000	320,156	-	320,156
126 Accounts Receivable - Tenants	109,931	-	-	-	-	3,336	-	-	-	-	-	113,267	-	113,267
126.1 Allowance for Doubtful Accounts -Tenants	-93,441	-	-	-	-	-2,835	-	-	-	-	-	-96,276	-	-96,276
128 Fraud Recovery	-	-	-	-	25,341	-	-	-	-	-	-	25,341	-	25,341
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	-	-10,905	-	-	-	-	-	-	-10,905	-	-10,905
120 Total Receivables, Net of Allowances for Doubtful Accounts	317,984	32,827	789	61,697	29,229	30,542	-	-	-	950	148,750	622,768	-	622,768
142 Prepaid Expenses and Other Assets	275,856	-	-	-	4,610	5,293	-	-	-	-	9,189	294,948	-	294,948
143 Inventories	638,081	-	-	-	-	8,472	-	-	-	-	-	646,553	-	646,553
143.1 Allowance for Obsolete Inventories	-19,141	-	-	-	-	-254	-	-	-	-	-	-19,395	-	-19,395
144 Inter Program Due From	-	-	-	-	160,151	-	-	-	-	-	-	160,151	-160,151	-
150 Total Current Assets	9,073,934	32,827	108,840	61,697	994,668	286,596	-	32,656	1,222,086	2,171,205	2,485,011	16,469,520	-160,151	16,309,369
161 Land	8,107,481	-	-	-	-	64,000	827,588	-	460,335	5,292	56,839	9,521,535	-	9,521,535
162 Buildings	118,617,155	-	-	-	-	1,787,550	2,168,842	-	3,241,372	140,276	15,019	125,970,214	-	125,970,214
163 Furniture, Equipment & Machinery - Dwellings	811,717	-	-	-	-	-	-	-	-	-	14,069	825,786	-	825,786
164 Furniture, Equipment & Machinery - Administration	3,289,346	-	-	-	301,307	42,323	-	-	103,319	-	1,326,132	5,062,427	-	5,062,427
165 Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
166 Accumulated Depreciation	-96,591,948	-	-	-	-243,441	-963,946	-1,596,574	-	-2,534,482	-56,799	-1,278,155	-103,265,345	-	-103,265,345
167 Construction in Progress	-	-	-	-	168	-	-	-	-	-	-	168	-	168
160 Total Capital Assets, Net of Accumulated Depreciation	34,233,751	-	-	-	58,034	929,927	1,399,856	-	1,270,544	88,769	133,904	38,114,785	-	38,114,785
171 Notes, Loans and Mortgages Receivable - Non-Current	6,453,703	-	-	-	-	-	-	-	-	-	-	6,453,703	-	6,453,703
174 Other Assets	-	-	-	-	-	-	-	-	-	-	39,480	39,480	-	39,480
180 Total Non-Current Assets	40,687,454	-	-	-	58,034	929,927	1,399,856	-	1,270,544	88,769	173,384	44,607,968	-	44,607,968
200 Deferred Outflow of Resources	1,997,930	-	-	-	543,303	68,214	-	-	-	-	1,485,082	4,094,529	-	4,094,529
290 Total Assets and Deferred Outflow of Resources	51,759,318	32,827	108,840	61,697	1,596,005	1,284,737	1,399,856	32,656	2,492,630	2,259,974	4,143,477	65,172,017	-160,151	65,011,866
312 Accounts Payable <= 90 Days	70,541	-	-	-	1,836	-	-	-	-	-	1,911	74,288	-	74,288
321 Accrued Wage/Payroll Taxes Payable	13,499	528	76	-	4,334	79	-	157	234	-	331,346	350,253	-	350,253
322 Accrued Compensated Absences - Current Portion	86,662	177	-	2,077	20,767	-	-	-	1,027	-	80,585	191,295	-	191,295
325 Accrued Interest Payable	-	-	-	-	-	35	-	-	-	-	-	35	-	35
331 Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	17,769	-	-	-	17,769	-	17,769
341 Tenant Security Deposits	248,864	-	-	-	-	4,344	-	-	-	-	-	253,208	-	253,208
342 Unearned Revenue	142,025	18,900	-	-	-	5,045	-	-	-	-	-	165,970	-	165,970
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	440,409	-	-	-	-	12,505	-	-	-	-	-	452,914	-	452,914
345 Other Current Liabilities	116,033	375	33	33,856	292,260	97,733	-	60	-	-	191,254	731,604	-	731,604
346 Accrued Liabilities - Other	96,734	-	-	-	-	-	-	-	-	450	-	97,184	-	97,184
347 Inter Program - Due To	-	-	-	-	-	-	-	-	-	-	160,151	160,151	-160,151	-
310 Total Current Liabilities	1,214,767	19,980	109	35,933	319,197	119,741	-	17,986	1,261	450	765,247	2,494,671	-160,151	2,334,520
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	5,715,800	-	-	-	-	114,625	-	-	-	-	-	5,830,425	-	5,830,425
353 Non-current Liabilities - Other	16,610	-	-	-	-	124	-	-	-	-	-	16,734	-	16,734
354 Accrued Compensated Absences - Non Current	491,086	1,001	-	11,770	117,682	-	-	-	5,819	-	456,647	1,084,005	-	1,084,005
357 Accrued Pension and OPEB Liabilities	9,767,999	-	-	-	2,656,251	333,504	-	-	-	-	7,300,169	20,057,923	-	20,057,923
350 Total Non-Current Liabilities	15,991,495	1,001	-	11,770	2,773,933	448,253	-	-	5,819	-	7,756,816	26,989,087	-	26,989,087
300 Total Liabilities	17,206,262	20,981	109	47,703	3,093,130	567,994	-	17,986	7,080	450	8,522,063	29,483,758	-160,151	29,323,607

DAYTON METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
JUNE 30, 2019

	Project Total	14.895 Jobs-Plus Pilot Initiative	14.892 Choice Neighborhoods Planning Grants	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	14.866 Revitalization of Severely Distressed Public Housing	14.182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
400 Deferred Inflow of Resources	282,663	-	-	-	76,864	9,650	-	-	-	-	210,107	579,284	-	579,284
508.4 Net Investment in Capital Assets	28,077,542	-	-	-	58,034	802,797	1,399,856	-	1,270,544	88,769	133,904	31,831,446	-	31,831,446
511.4 Restricted Net Position	452,083	-	-	-	554,642	-	-	-	-	-	-	1,006,725	-	1,006,725
512.4 Unrestricted Net Position	5,740,768	11,846	108,731	13,994	-2,186,665	-95,704	-	14,670	1,215,006	2,170,755	-4,722,597	2,270,804	-	2,270,804
513 Total Equity - Net Assets / Position	34,270,393	11,846	108,731	13,994	-1,573,989	707,093	1,399,856	14,670	2,485,550	2,259,524	-4,588,693	35,108,975	-	35,108,975
600 Total Liabilities, Deferred Inflow of Resources, and Equity - Net	51,759,318	32,827	108,840	61,697	1,596,005	1,284,737	1,399,856	32,656	2,492,630	2,259,974	4,143,477	65,172,017	-160,151	65,011,866

DAYTON METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Project Total	14.895 Jobs-Plus Pilot Initiative	14.892 Choice Neighborhoods Planning Grants	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	14.866 Revitalization of Severely Distressed Public Housing	14.182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	4,886,695	-	-	-	-	100,290	-	-	-	-	-	4,986,985		4,986,985
70400 Tenant Revenue - Other	16,797	-	-	-	-	90	-	-	-	-	-	16,887		16,887
70500 Total Tenant Revenue	4,903,492	-	-	-	-	100,380	-	-	-	-	-	5,003,872	-	5,003,872
70600 HUD PHA Operating Grants	17,578,687	541,750	233,212	122,427	24,758,878	-	-	222,563	-	-	-	43,457,517		43,457,517
70610 Capital Grants	461,481	-	-	-	-	-	-	-	-	-	-	461,481		461,481
70710 Management Fee	-	-	-	-	-	-	-	-	-	-	2,726,184	2,726,184	-2,726,184	-
70720 Asset Management Fee	-	-	-	-	-	-	-	-	-	-	315,379	315,379	-315,379	-
70730 Book Keeping Fee	-	-	-	-	-	-	-	-	-	-	513,824	513,824	-513,824	-
70740 Front Line Service Fee	-	-	-	-	-	-	-	-	-	-	131,592	131,592	-131,592	-
70700 Total Fee Revenue	-	-	-	-	-	-	-	-	-	-	3,686,979	3,686,979	-3,686,979	-
71100 Investment Income - Unrestricted	17,251	-	6	-	348	48	-	3	29,235	8,202	35,265	90,358		90,358
71400 Fraud Recovery	-	-	-	-	33,918	-	-	-	-	-	-	33,918		33,918
71500 Other Revenue	1,264,921	-	35,000	-	27,970	9,338	-	280	5,000	243,964	165,315	1,751,788		1,751,788
71600 Gain or Loss on Sale of Capital Assets	1,114	-	-	-	-	-	-	-	-26,643	-	-	-25,529		-25,529
70000 Total Revenue	24,226,946	541,750	268,218	122,427	24,821,114	109,766	-	222,846	7,592	252,166	3,887,559	54,460,384	-3,686,979	50,773,405
91100 Administrative Salaries	1,427,871	58,844	15,534	-	894,782	8,831	-	22,961	43,837	10,986	2,115,202	4,598,848		4,598,848
91200 Auditing Fees	31,402	-	-	-	11,480	1,686	-	130	-	-	-	44,698		44,698
91300 Management Fee	2,393,929	-	-	-	298,582	23,990	-	7,828	-	1,855	-	2,726,184	-2,726,184	-
91310 Book-keeping Fee	213,414	-	-	-	292,839	2,588	-	4,893	-	90	-	513,824	-513,824	-
91500 Employee Benefit contributions - Administrative	973,088	16,202	4,633	-	648,337	22,512	-	8,274	8,507	3,099	1,602,463	3,287,115		3,287,115
91600 Office Expenses	485,971	143,909	159,995	-	206,132	6,197	-	5,925	3,621	12,728	127,386	1,151,864		1,151,864
91900 Other	58,276	236,112	3,391	-	33,334	1,670	-	748	2,262	762	81,847	418,402		418,402
91000 Total Operating - Administrative	5,583,951	455,067	183,553	-	2,385,486	67,474	-	50,759	58,227	29,520	3,926,898	12,740,935	-3,240,008	9,500,927
92000 Asset Management Fee	312,379	-	-	-	-	3,000	-	-	-	-	-	315,379	-315,379	-
92100 Tenant Services - Salaries	87,007	27,720	-	66,387	48,227	611	-	-	-	-	-179	229,773		229,773
92300 Employee Benefit Contributions - Tenant Services	25,822	10,000	-	26,327	12,998	224	-	-	-	-	-	75,371		75,371
92400 Tenant Services - Other	6,920	-	-	-	935	-	-	-	-	-	-	7,855		7,855
92500 Total Tenant Services	119,749	37,720	-	92,714	62,160	835	-	-	-	-	-179	312,999	-	312,999
93100 Water	393,044	-	-	-	-	4,767	-	-	-	642	1,345	399,798		399,798
93200 Electricity	1,193,223	-	-	-	-	4,265	-	-	-	2,975	50,649	1,251,112		1,251,112
93300 Gas	428,736	-	-	-	-	3,214	-	-	-	4,895	1,722	438,567		438,567
93600 Sewer	340,755	-	-	-	-	8,789	-	-	-	4,913	2,474	356,931		356,931
93000 Total Utilities	2,355,758	-	-	-	-	21,035	-	-	-	13,425	56,190	2,446,408	-	2,446,408
94100 Ordinary Maintenance and Operations - Labor	2,214,695	-	-	-	-	17,963	-	-	-	-	111,713	2,344,371		2,344,371
94200 Ordinary Maintenance and Operations - Materials and Other	888,711	-	-	-	6,832	6,103	-	110	-	-	19,868	921,624		921,624
94300 Ordinary Maintenance and Operations Contracts	3,778,294	68,314	420	-	96,931	33,709	-	287	-	4,376	286,608	4,268,939	-131,592	4,137,347
94500 Employee Benefit Contributions - Ordinary Maintenance	1,527,124	-	-	-	-	25,216	-	-	-	-	49,055	1,601,395		1,601,395
94000 Total Maintenance	8,408,824	68,314	420	-	103,763	82,991	-	397	-	4,376	467,244	9,136,329	-131,592	9,004,737
95100 Protective Services - Labor	56,251	-	-	-	-	756	-	-	-	-	-6,453	50,554		50,554
95200 Protective Services - Other Contract Costs	463,466	-	-	-	191	3,790	-	-	-	-	-	467,447		467,447
95300 Protective Services - Other	97	-	-	-	-	1,998	-	-	-	-	250	2,345		2,345
95500 Employee Benefit Contributions - Protective Services	40,198	-	-	-	-	2,203	-	-	-	-	1,314	43,715		43,715
95000 Total Protective Services	560,012	-	-	-	191	8,747	-	-	-	-	-4,889	564,061	-	564,061
96110 Property Insurance	730,606	-	-	-	13,138	8,794	-	329	-	-	7,369	760,236		760,236
96130 Workmen's Compensation	114,023	2,332	204	1,871	25,735	905	-	333	1,622	268	59,190	206,483		206,483
96140 All Other Insurance	3,979	-	-	-	1,483	-	-	37	-	-	-	5,499		5,499
96100 Total insurance Premiums	848,608	2,332	204	1,871	40,356	9,699	-	699	1,622	268	66,559	972,218	-	972,218
96200 Other General Expenses	121,185	531	-	-	13,249	370	-	-	-	-	5,976	141,311		141,311
96210 Compensated Absences	80,482	1,177	-	13,848	27,568	153	-	-	-	-	104,280	227,508		227,508
96300 Payments in Lieu of Taxes	122,350	-	-	-	-	1,099	-	-	-	13,198	6,792	143,439		143,439
96400 Bad debt - Tenant Rents	72,205	-	-	-	-	1,948	-	-	-	-	-	74,153		74,153
96800 Severance Expense	3,215	-	-	-	-	5,126	-	274	-	-	-	8,615		8,615

DAYTON METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Project Total	14.895 Jobs-Plus Pilot Initiative	14.892 Choice Neighborhoods Planning Grants	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.2 Component Unit - Blended	14.866 Revitalization of Severely Distressed Public Housing	14.182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
96000 Total Other General Expenses	399,437	1,708	-	13,848	40,817	8,696	-	274	-	13,198	117,048	595,026	-	595,026
96710 Interest of Mortgage (or Bonds) Payable	384,801	-	-	-	-	-	-	-	-	-	-	384,801		384,801
96700 Total Interest Expense and Amortization Cost	384,801	-	-	-	-	-	-	-	-	-	-	384,801	-	384,801
96900 Total Operating Expenses	18,973,519	565,141	184,177	108,433	2,632,773	202,477	-	52,129	59,849	60,787	4,628,871	27,468,156	-3,686,979	23,781,177
97000 Excess of Operating Revenue over Operating Expenses	5,253,427	-23,391	84,041	13,994	22,188,341	-92,711	-	170,717	-52,257	191,379	-741,312	26,992,228	-	26,992,228
97200 Casualty Losses - Non-capitalized	-258,729	-	-	-	-	-25,807	-	-	-	-	-	-284,536		-284,536
97300 Housing Assistance Payments	-	-	-	-	22,534,322	-	-	168,156	-	-	-	22,702,478		22,702,478
97400 Depreciation Expense	3,464,017	-	-	-	12,755	101,596	125,694	-	105,439	4,295	15,509	3,829,305		3,829,305
90000 Total Expenses	22,178,807	565,141	184,177	108,433	25,179,850	278,266	125,694	220,285	165,288	65,082	4,644,380	53,715,403	-3,686,979	50,028,424
10010 Operating Transfer In	-	-	-	-	-	50,377	-	-	-	-	-	50,377		50,377
10020 Operating transfer Out	-50,377	-	-	-	-	-	-	-	-	-	-	-50,377		-50,377
10091 Inter Project Excess Cash Transfer In	661,000	-	-	-	-	-	-	-	-	-	-	661,000		661,000
10092 Inter Project Excess Cash Transfer Out	-661,000	-	-	-	-	-	-	-	-	-	-	-661,000		-661,000
10100 Total Other financing Sources (Uses)	-50,377	-	-	-	-	50,377	-	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	1,997,762	-23,391	84,041	13,994	-358,736	-118,123	-125,694	2,561	-157,696	187,084	-756,821	744,981	-	744,981
11020 Required Annual Debt Principal Payments	461,072	-	-	-	-	-	-	-	-	-	-	461,072		461,072
11030 Beginning Equity	32,272,631	35,237	24,690	-	-1,215,253	825,216	1,525,550	12,109	2,643,246	2,072,440	-3,831,872	34,363,994		34,363,994
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-		-
11170 Administrative Fee Equity	-	-	-	-	-2,128,631	-	-	-	-	-	-	-2,128,631		-2,128,631
11180 Housing Assistance Payments Equity	-	-	-	-	554,642	-	-	-	-	-	-	554,642		554,642
11190 Unit Months Available	31,876	-	-	-	50,182	300	-	876	-	-	-	83,234		83,234
11210 Number of Unit Months Leased	29,332	-	-	-	46,850	256	-	640	-	-	-	77,078		77,078

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Federal Grantor *Pass-Through Grantor/* Program/Title	**Federal CFDA Number**	**Federal Expenditures**
U.S. Department of Housing and Urban Development		
Direct Programs		
Section 8 Project Based Cluster:		
Section 8 New Construction and Substantial Rehabilitation Programs:		
Section 8 New Construction and Substantial Rehabilitation	14.182	$ 222,563
Total Section 8 Project Based Cluster		222,563
Public and Indian Housing	14.850	9,676,456
Resident Opportunities and Self-Sufficiency - Service Coordinators	14.870	122,427
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	24,758,878
Total Housing Voucher Cluster		24,758,878
Public Housing Capital Fund	14.872	8,363,712
Choice Neighborhoods Planning Grants	14.892	233,212
JOBS-Plus Pilot Initiative	14.895	541,750
Total Direct Programs		43,918,998
Total U.S. Department of Housing and Urban Development		43,918,998
TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 43,918,998

See accompanying notes to the Schedule of Expenditures of Federal Awards.

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 1: **BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Dayton Metropolitan Housing Authority under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the Dayton Metropolitan Housing Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Dayton Metropolitan Housing Authority.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3: **INDIRECT COST RATE**

The Dayton Metropolitan Housing Authority elected not to use the de minimus rate of 10 percent for indirect rate allowed under the Uniform Guidance.

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

To the Members of the Board
Dayton Metropolitan Housing Authority
Dayton, Ohio

Regional Inspector General of Audit
Department of Housing and Urban Development

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, the financial statements of the business-type activities of the Dayton Metropolitan Housing Authority, Ohio, (the Authority) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated January 9, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

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

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

January 9, 2020

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REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Board
Dayton Metropolitan Housing Authority
Dayton, Ohio

Regional Inspector General of Audit
Department of Housing and Urban Development

Report on Compliance for Each Major Federal Program

We have audited the Dayton Metropolitan Housing Authority, Ohio's (the Authority) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2019. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Dayton Metropolitan Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

Report on Internal Control over Compliance

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

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

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

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

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

January 9, 2020

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2019

1. SUMMARY OF AUDITOR'S RESULTS

2019(i)	Type of Financial Statement Opinion	Unmodified
2019(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2019(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2019(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2019(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2019(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2019(v)	Type of Major Programs' Compliance Opinion	Unmodified
2019(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2019(vii)	Major Programs (list): Housing Voucher Cluster Section 8 Housing Choice Vouchers - CFDA #14.871	
2019(viii)	Dollar Threshold: Type A\B Programs	$1,317,570 Type B: All Others
2019(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

DAYTON METROPOLITAN HOUSING AUTHORITY
MONTGOMERY COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

The prior audit report, as of June 30, 2018, included no citations, no instances of noncompliance, or no management letter recommendations.

OHIO AUDITOR OF STATE
KEITH FABER

DAYTON METROPOLITAN HOUSING AUTHORITY

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
MARCH 19, 2020

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