



Single Audit

For the Year Ended December 31, 2020





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Columbus, Ohio 43215
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(800) 282-0370

Board of Directors
Akron Metropolitan Housing Authority
100 West Cedar Street
Akron, Ohio 44307

We have reviewed the *Independent Auditor's Report* of the Akron Metropolitan Housing Authority, Summit County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2020 through December 31, 2020. 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 Akron Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

October 08, 2021

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Akron Metropolitan Housing Authority
Summit County
For the Year Ended December 31, 2020

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Akron Metropolitan Housing Authority
Summit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Federal Grantor/Pass Through Grantor/ Program Title	CFDA Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>		
<u>Direct Programs:</u>		
<i>Public and Indian Housing:</i>		
Public and Indian Housing	14.850	\$ 19,758,731
Public and Indian Housing CARES Act	14.850	<u>2,860,750</u>
<i>Total Public and Indian Housing</i>		22,619,481
Resident Opportunity and Supportive Services - Service Coordinators	14.870	225,131
Public Housing Capital Fund	14.872	8,276,397
Family Self-Sufficiency Program	14.896	349,899
Jobs Plus Initiative Program	14.895	39,939
Section 8		
<i>Housing Voucher Cluster:</i>		
Housing Choice Vouchers	14.871	35,499,498
Housing Choice Vouchers CARES Act	14.871	2,778,353
Mainstream Vouchers	14.879	<u>162,191</u>
<i>Total Housing Voucher Cluster</i>		38,440,042
<i>Project-Based Cluster:</i>		
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	<u>44,604</u>
<i>Total Section Project-Based Cluster</i>		44,604
Shelter Plus Care	14.238	<u>485,398</u>
Total Section 8		38,970,044
<u>Passed through the County of Summit:</u>		
Community Development Block Grant	14.218	<u>40,000</u>
Total U.S. Department of Housing and Urban Development		70,520,891
<u>U.S. Department of Education</u>		
<u>Passed through the Ohio Department of Education :</u>		
Twenty-First Century Community Learning Centers	84.287	<u>163,074</u>
Total U.S. Department of Education		163,074
<u>U.S. Department of Health and Human Services</u>		
<u>Passed through the Summit County Department of Jobs and Family Services:</u>		
Temporary Assistance for Needy Families	93.558	<u>76,482</u>
Total U.S. Department of Health and Human Services		<u>76,482</u>
<i>Total Expenditures of Federal Awards</i>		<u>\$ 70,760,447</u>

See Notes to the Schedule of Expenditures of Federal Awards.

Akron Metropolitan Housing Authority
Summit County
Notes to the Schedule of Expenditures of Federal Awards
2 CFR 200.510(b)(6)
For the Year Ended December 31, 2020

Note A – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Akron Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

Note C – Indirect Costs

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

Note D – Matching Requirements

Certain Federal programs require the Authority to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Authority has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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

Akron Metropolitan Housing Authority
Summit County
100 West Cedar Street
Akron, OH 44307

Regional Inspector General of Audit
U. S. Department of Housing and Urban
Development

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States of America and 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 and the aggregate discretely presented component units of the Akron Metropolitan Housing Authority, Summit County, (the Authority) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated August 25, 2021. Our report includes a reference to other auditors who audited the financial statements of Wilbeth-Arlington Homes, LP, Building for Tomorrow, Summit Akron Development Corporation, Green Retirement Partnership, Eastland Woods, Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC, and Marian Hall Building, LLC, as described in our report to the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The audits of Wilbeth-Arlington Homes, LP, Building for Tomorrow, Summit Akron Development Corporation, Green Retirement Partnership, Eastland Woods Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC, and Marian Hall Building, LLC were not performed in accordance with *Government Auditing Standards*. We noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority.

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 appropriate in the circumstances for the purpose of expressing our opinions 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 of 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*.

However, we noted a certain matter not requiring inclusion in this report that we reported to the Authority's management in a separate letter dated August 25, 2021.

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.



Charles E. Harris & Associates, Inc.
August 25, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR
PROGRAMS AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Akron Metropolitan Housing Authority
Summit County
100 West Cedar Street
Akron, OH 44307

Regional Inspector General of Audit
U. S. Department of Housing and Urban
Development

To the Board of Directors:

Report on Compliance for the Major Federal Programs

We have audited the Akron Metropolitan Housing Authority's (the Authority) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Authority's major federal programs for the year ended December 31, 2020. The Authority's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

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 our opinions on compliance for the Authority's major federal programs 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 programs. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Major Federal Programs

In our opinion, the Akron 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 programs for the year ended December 31, 2020.

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 programs and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Akron Metropolitan Housing Authority, Summit County (the Authority) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated August 25, 2021, which contained an unmodified opinion on those financial statements. Our report includes a reference to other auditors who audited the financial statements of Wilbeth-Arlington Homes, LP, Building for Tomorrow, Summit Akron Development Corporation, Green Retirement Partnership, Eastland Woods, Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC, and Marian Hall Building, LLC, as described in our report to the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The audits Wilbeth-Arlington Homes, LP, Building for Tomorrow, Summit Akron Development Corporation, Green Retirement Partnership, Eastland Woods, Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC, and Marian Hall Building, LLC were not performed in accordance with *Government Auditing Standards*.

Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Charles E. Harris and Associates, Inc.
August 25, 2021

Akron Metropolitan Housing Authority
Summit County
Schedule of Findings
2 CFR § 200.515
December 31, 2020

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies reported at the financial statement level statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs:	Public & Indian Housing - CFDA#14.850 Public & Indian Housing CARES Act - CFDA# 14.850 Public Housing Capital - CFDA# 14.872 Housing Choice Voucher Cluster: Housing Choice Voucher - CFDA #14.871 Housing Choice Vouchers CARES Act - CFDA # 14.871 Mainstream Vouchers - CFDA # 14.879
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$2,122,813 Type B: all others
(d)(1)(ix)	Low Risk Auditee 2 CFR § 200.520?	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None



Summit County, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2020

Prepared by:

Debbie Barry, Interim Executive Director
Cathy Watson, Finance Director

Akron Metropolitan Housing Authority
Summit County
For the Year Ended December 31, 2020

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Akron Metropolitan Housing Authority
Summit County
For the Year Ended December 31, 2020

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*Introductory
Section*



Akron Metropolitan Housing Authority
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Akron, Ohio 44307
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www.akronhousing.org

August 25, 2021

The Board of Trustees
Akron Metropolitan Housing Authority
Akron, Ohio 44307

We are pleased to present the Akron Metropolitan Housing Authority (“Authority”) Comprehensive Annual Financial Report (Financial Report) for the fiscal year ended December 31, 2020. This Financial Report was prepared by the Authority’s staff and audited by the public accounting firm of Charles E. Harris & Associates, Inc.

The U.S. Department of Housing and Urban Development’s (HUD) Real Estate Assessment Center (REAC) requires public housing authorities to annually publish a complete set of financial statements presented in conformity with United States of America (U.S.) generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the U.S. The Auditor of the State of Ohio is responsible for auditing over 5,900 governmental entities; however, the Auditor’s Office may elect to outsource the audit to a licensed certified public accounting firm. Charles E. Harris & Associates, Inc. of Cleveland, Ohio is the firm the State selected to audit the Authority for the fiscal periods January 1, 2011 through December 31, 2020.

Management of the Authority assumes full responsibility for the completeness and reliability of all the information presented in this report, and has established a comprehensive internal control framework that is designed to protect its assets from loss, theft, or misuse. Because the cost of internal controls should not outweigh their benefits, the Authority’s internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The purpose of the independent audit is to provide reasonable assurance that the financial statements of the Authority are free of any material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

The independent auditors issued an unmodified opinion on the Authority’s financial statements for the fiscal year ended December 31, 2020. The independent auditors’ report is presented as the first component of the financial section of this report.

More in-depth audit review and testing is required of entities that receive federal funds including states, local governments, and not-for-profit organizations and is commonly referred to as “Single Audits”. The Single Audit Act of 1984, as amended in 1996 and updated for the new U.S. Office, was enacted to standardize the requirements for auditing federal programs. Uniform Guidance provides that grantees are subject to one audit of all of their federal programs versus separate audits of each federal program, hence the term “Single Audit”.

Special emphasis is placed on internal controls, legal requirements, and compliance associated with the administration of federal awards. The Authority received federal funds in 2020 from the U. S. Department of



Housing and Urban Development, the U.S. Department of Education passed through the State of Ohio, and the U.S. Department of Health and Human Services passed through the County of Summit. The Authority's Single Audit Report is available under separate cover.

The Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A. The Authority's MD&A can be found immediately following the report of the independent auditors.

Profile of the Authority

The Authority was established January 27, 1938 as a political subdivision of the State of Ohio, pursuant to the Housing Act of 1937, and was initially created as a part of President Franklin Roosevelt's "New Deal" initiative in response to those in need of help during the Great Depression. However, as the economy began to improve and the defense industry took off during WWII, the focus moved to defense housing to address these new housing demands. Over time, the priorities have fluctuated to address various program needs expressed by the federal government and eventually to where we are today—preserve the current housing stock, improve the quality of life for elderly and disabled individuals and provide a platform to assist those that are able to reach self-sufficiency.

The Authority operates several housing programs with HUD assistance, including Low-Income Public Housing (4,321 units), Housing Choice Voucher (5,032 baseline units), Shelter Plus Care (122 units), Veteran Affairs Supportive Housing (88 units), and Mod Rehab (6 units). In addition, the Authority owns and/or manages an additional 966 housing units through its own business activities, and blended and discretely presented component units. The Authority is a partner in several mixed finance transactions involving federal income tax credits used in the acquisition and construction of housing units. See Note 2 of the Notes to the Financial Statements for more detail related to blended and discretely presented component units associated with these developments.

Relevant Accounting and Financial Issues

The Authority is required to use the enterprise fund type to account for "business-type activities" similar to those found in the private sector. Business-type activities include services primarily funded through user charges. It is important to note that the total cost of the activity does not have to be paid for by the user charges; the government (i.e., HUD) may subsidize a significant portion of the costs of the enterprise fund. The full accrual basis of accounting is used, and the Authority's basic financial statements include the statement of net position (formerly balance sheet), statement of revenues, expenses and changes in net position (formerly income statement), and statement of cash flows.

Supplemental enterprise information includes combining program schedules of net position and revenues, expenses and changes in net position for the following programs:

- Low-Income Public Housing
- Family Self-Sufficiency
- Resident Opportunity and Supportive Services
- Housing Choice Voucher Program
- Shelter Plus Care

- State/Local Grants
- Business Activities
- Twenty-First Century Community Learning Centers
- Temporary Assistance for Needy Families
- Jobs Plus Initiative Program
- Section 8 Moderate Rehab Program
- Central Office Cost Center (COCC)

The Authority implemented project-based accounting following the issuance of HUD's asset management model in 2007 which provides the basic framework for compliance in financial reporting. Project-based accounting also provides the Authority with the ability to track key financial and operational performance indicators at the project level.

The Financial Report also includes the HUD-required Financial Data Schedule (FDS) created to standardize financial information reported by Public Housing Authorities (PHAs). REAC analyzes the FDS to assess the financial condition, viability, and effectiveness of overall resource management of PHAs compared to industry peers. The FDS discloses federal, state, and locally funded activities reported to HUD. These activities are the basis of the Authority's enterprise fund program schedules, which are combined in the basis financial statements.

The Authority is required by HUD to adopt annual operating budgets for its programs that receive federal funding. The Authority's Finance Department prepares an annual operating budget that is reviewed by executive management and approved by the Authority's Board of Trustees. Spending plans related to multi-year capital improvement projects are created by the Authority's Construction Department and also reviewed by executive management and approved by the Authority's Board of Trustees. Also required by HUD is an Annual Plan that is submitted to HUD after public hearings and approval by the Board of Trustees.

Economic Condition

Economic activity was curtailed in March and April due to the onset of the COVID-19 pandemic and efforts to contain it. National unemployment started the year 2020 at 3.6% and peaked at 14.7% in April. Unemployment has since dropped, with the most recent reported rate in June 2021 at 5.9%. The Bureau of Labor Statistics reports the consumer price index is up 5.4% for the first half of 2021 compared to 12 months ago.

Although economic growth and unemployment show signs of improvement, the current and projected need for public housing and related services is significant. The Authority serves approximately 10,000 households through its public housing, housing choice voucher, and other local housing authority programs; however, the current waitlist is more than 20,000 and has been at that level for several years. The need for affordable housing is greater than ever.

Long-Term Financial Planning

The success of the Authority's programs is dependent on congressional housing legislation and federal government appropriations. HUD's housing budget increased nearly 5% in 2020 and 6% in 2021. Also in 2020, there was a silver lining during the COVID-19 pandemic through additional unanticipated HUD funding. The

Authority drew down \$5.6 million in federal CARES Act funding to assist in addressing extra costs related to the pandemic as well as maintaining normal operations.

As recent as July 16, 2021, the House Appropriations Committee approved the fiscal year 2022 Transportation, and Housing and Urban Development, and Related Agencies (THUD) funding bill, but the bill still needs to go to the Senate. Current percentage increases in funding approved by the House include 1.7% for the public housing operating fund, 23% increase in the public housing capital fund, and 13.3% increase in the housing choice voucher program. While our funding has been better than anticipated recently, we are cautious knowing the pendulum could easily sway the other way at any time.

The Authority has made significant strides in cost-reduction efforts over the past several years through the cooperation of management and its workforces. We continue to provide safe, decent housing and are making the best of an uncertain future.

Awards and Acknowledgements

This is the fifth year that the Authority created and published a Comprehensive Annual Financial Report. The Government Finance Officers Association of the United States and Canada (GFOA) awards Certificates of Achievement for Excellence in Financial Reporting to eligible government agencies. In order to be awarded the certificate, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. GAAP and applicable legal requirements. The Authority is proud to have received GFOA awards for four consecutive years. The Authority is also proud that it has received the Ohio Auditor of State Award for Exemplary Financial Reporting in Accordance with GAAP for three consecutive years (FY 2014-FY 2016) and the Auditor of State Award with Distinction for three years (FY 2017-FY 2019).

The preparation of the Financial Report was accomplished through the dedicated efforts of the Finance Department's Assistant Finance Director Jasna Nolze, former Controller Steve Prange, current Controller John Conway, and Financial Analyst Tammy Zents. The Authority also wants to thank our auditors Charles E. Harris and Associates for their encouragement in steering Akron Metropolitan Housing Authority to be the first housing authority in the State of Ohio to prepare a Comprehensive Annual Financial Report. This is the last year Charles E. Harris & Associates will audit the Authority. Therefore, we especially thank Partner John Phillips for his industry expertise and former Audit Manager Morell Mendiola for her valued technical assistance with this Financial Report over the past ten years. Finally, we wish to acknowledge our former Executive Director Brian Gage, current Interim Executive Director Debbie Barry, and the members of the Board of Trustees for their ongoing support and guidance.

Respectfully submitted,



Cathy Watson
Finance Director

Akron Metropolitan Housing Authority

LIST OF PRINCIPAL OFFICERS

December 31, 2020

Brian M. Gage
Executive Director

Deborah Barry
Deputy Director

John Fickes
Board Chairman

Cathy Watson
Finance Director

Thomas Harnden
Board Vice-Chairman

Laura Williams
Construction Director

Roberta Aber
Board Member

Erin Wojno Demiray
Real Estate Development Manager

Stepanie Norris
Board Member

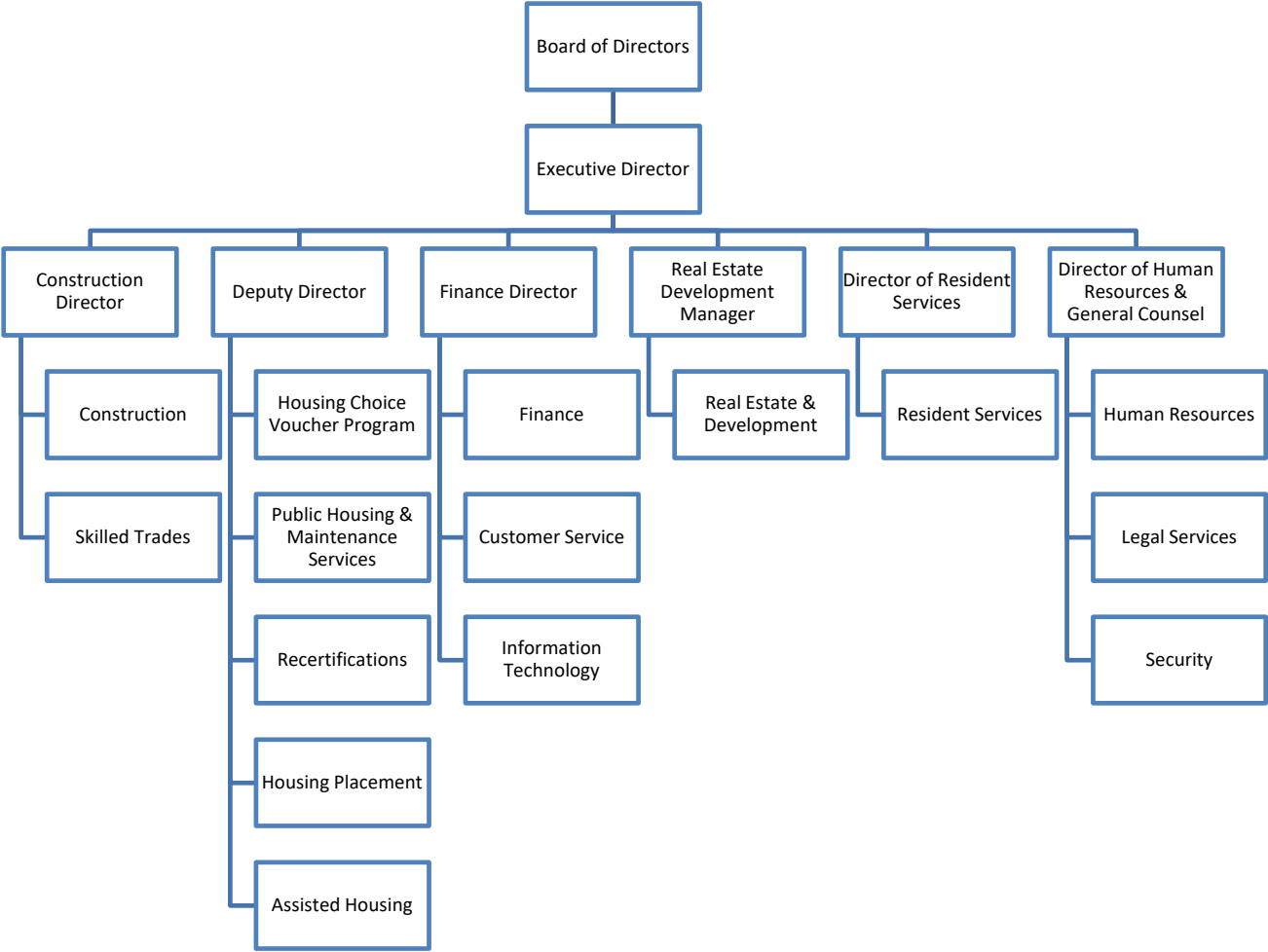
Christina Hodgkinson
Director of Resident Services

Marco Sommerville
Board Member

Darrin Toney
Director of Human Resources & General
Counsel

Akron Metropolitan Housing Authority

ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Akron Metropolitan Housing Authority
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

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*Financial
Section*

INDEPENDENT AUDITOR'S REPORT

Akron Metropolitan Housing Authority
Summit County
100 West Cedar Street
Akron, OH 44307

Regional Inspector General of Audit
U. S. Department of Housing and Urban
Development

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Akron Metropolitan Housing Authority, Summit County, Ohio (the Authority), as of and for the year ended December 31, 2020, 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 opinions on these financial statements based on our audit. We did not audit the financial statements of the blended component units of Wilbeth-Arlington Homes, LP, Building for Tomorrow, Summit Akron Development Corporation, Green Retirement Partnership and Eastland Woods. These blended component units represent 9% of assets, -0.5% of net position and 7% of revenues of the business-type activities of the Authority. We also did not audit the financial statements of Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC, and Marian Hall Building, LLC, which represent 100% of assets, 100% of net position and 100% of revenues of the Authority's discretely presented component units. Those statements, which were prepared in accordance with the accounting standards issued by the Financial Accounting Standards Board, were audited by other auditors whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to conform the presentation of the financial statements of the blended component units and discretely presented component units, which conform those financial statements to accounting standards issued by the Governmental Accounting Standards Board. Our opinion, insofar as it related to the amounts included for the discretely presented component units, prior to these conversion adjustments, is based solely on the reports of the other auditors.

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. The other auditors audited the financial statements of the aggregate discretely presented component units and the blended component units in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards*.

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 opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate discretely presented component units of the Akron Metropolitan Housing Authority, Summit County, Ohio, as of December 31, 2020, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

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 liabilities, net postemployment liabilities, pension contributions and other postemployment contributions 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, to 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

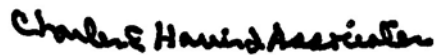
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, combining statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Statement of ROSS Grant Costs-Completed and Modernization Costs-Completed and the Financial Data Schedules as listed in the table of contents are presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development and are also not a required part of the basic financial statements.

The combining statements, Statement of ROSS Grant Costs-Completed and Modernization Costs-Completed and the Financial Data Schedules 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 combining statements, Statement of ROSS Grant Costs-Completed and Modernization Costs-Completed and the Financial Data Schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2021, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
August 25, 2021

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2020

The Akron Metropolitan Housing Authority's (the Authority) Management Discussion and Analysis (MD&A) is designed to assist the reader on significant financial issues and activities and to identify changes in the Authority's financial position. This analysis is also designed to address the subsequent year's challenges and to identify individual fund issues.

The data presented in the following pages should be read in conjunction with the audited consolidated financial statements and related footnote disclosures.

Financial Highlights – Primary Government

- The Authority's net position increased by \$3,872,633 during the year ended December 31, 2020 or 2.1% from 2019's restated total net position. Net position was \$185,113,261 and \$181,240,628 (restated) at December 31, 2020 and 2019, respectively.
- Total operating and non-operating revenue activity increased by \$10,303,914 or 12.4% during the year ended December 31, 2020. Total revenues were \$93,704,295 and \$83,400,381 for the years ended December 31, 2020 and 2019, respectively.
- Total operating and non-operating expenses of all Authority programs increased by \$1,194,158 or 1.3% during the year ended December 31, 2020. Total expenses were \$89,831,662 and \$88,637,504 for the years ended December 31, 2020 and 2019, respectively.

Financial Statements

The financial statements are designed to provide the reader with a corporate-like overview of a consolidation for the entire Authority. The discretely presented component units of the Authority have been included in the financial statements but not in this MD&A. The statements include the following:

Statement of Net Position: This statement, which is similar to a balance sheet, reports all financial and capital resources for the Authority. The statement is presented in the format where assets plus deferred outflows of resources minus liabilities and deferred inflows of resources equals "Net Position". Both assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year) and "Non-Current". Over time, changes in net position may serve as a useful indication of whether the financial position of the Authority is improving or deteriorating.

Statement of Revenues, Expenses, and Changes in Net Position: This statement, similar to an income statement, includes Operating Revenues, such as grant revenue and rental income; Operating Expenses, such as administrative, utilities, maintenance, and depreciation; and Non-Operating Revenue and Expenses, such as investment income and interest expense.

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

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

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

Unrestricted: This component of net position consists of net position that does not meet the definition of “Net Investment in Capital Assets” or “Restricted”.

The focus of the *Statement of Revenues, Expenses, and Changes in Net Position* is the “Change in Net Position”, which is similar to net income and loss.

Statement of Cash Flows: This statement discloses net cash provided by or used for operating activities, investing activities, capital and related financing activities and from non-capital financing activities.

Programs

Low-Income Public Housing

The Low-Income Public Housing (LIPH) Program consists of approximately 4,300 units leased to qualified low-income households, the elderly and persons with disabilities. The Authority operates under an Annual Contributions Contract (ACC) with HUD. Rent is based upon 30 percent of household income and HUD provides an annual operating subsidy.

Capital Fund Program (CFP)

The Capital Fund Program is the source for funding the physical and management improvements of the low-income public housing units.

Shelter Plus Care

The Authority receives HUD funding for the purpose of housing low-income individuals recovering from drug addiction, those who have contracted the AIDS virus, and individuals who have been homeless for an excessive amount of time. The Shelter Plus Care Program consists of 122 vouchers.

Central Office Cost Center

In fiscal year 2007, the Authority implemented and successfully converted to HUD’s Asset Management and Project-Based Accounting model. With the conversion, a new Central Office Cost Center (COCC) was established. With the new accounting format, all central office costs are tracked as a separate entity, and revenue is generated through fees for services (e.g., skilled trades) and management, bookkeeping, and asset management fees charged to the individual projects in the Low-Income Housing Program, as well as fees charged to the Housing Choice Voucher Program and other programs.

**Akron Metropolitan Housing Authority
Summit County**

*Management Discussion and Analysis
For the Year Ended December 31, 2020*

Housing Choice Voucher Program

Under the Housing Choice Voucher (HCV) Program, the Authority administers contracts with independent landlords who own rental property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. This program is administered under a Consolidated Annual Contributions Contract (CACC) with HUD. HUD provides funding to enable the Authority to structure the tenant leases that set the rent at 30 percent of household income. The Authority operates with a baseline of 5,032 vouchers, that includes 104 mainstream vouchers and 12 family unification vouchers.

Veterans Affair Supportive Housing (VASH)

The HUD VASH program combines HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs. The Authority's program consists of 88 vouchers.

Mainstream Voucher Program

This program assists non-elderly persons with disabilities. Aside from serving a special population, mainstream vouchers are administered using the same rules as other housing choice vouchers. Funding and financial reporting for mainstream vouchers is separate from the regular tenant-based voucher program.

Moderate Rehabilitation Program

Under this program, project-based rental assistance is provided to low-income families. The program was repealed in 1991 and no new projects are authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a HAP contract between an owner and a public housing agency. The Authority's existing program consists of 6 units.

Family Self-Sufficiency (FSS) Program

This program enables families living in low-income public housing and rental properties under HCV to increase their earned income and reduce their dependency on public assistance and rental subsidies. Under the FSS program, families are provided opportunities for education, job training, counseling and other forms of social service assistance so they can obtain skills necessary to achieve self-sufficiency. HUD funding is provided for the salary of FSS coordinators. This program has a requirement of an escrow account for its participants and provides one-year funding.

Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinators Program

Under this program, the Authority receives grant funds from HUD for the purpose of providing a service coordinator to coordinate supportive services and other activities designed to help public housing residents attain economic and housing self-sufficiency. This program provides three-year funding and includes administrative expenses and training as eligible uses of funds.

Akron Metropolitan Housing Authority
Summit County

Management Discussion and Analysis
For the Year Ended December 31, 2020

Local Housing Authority (LHA)/Other Business Activities

Under this program, the Authority has approximately 200 units that are owned by the Local Housing Authority (LHA) and are under the HUD Section 8 Project-Based Rental Assistance Program. Housing Assistance Payments (HAP) are received from HUD to offset the difference between the contract rents and the tenants' rental payments.

Component Units

The Authority has four discretely presented component units as a result of tax credit financing activities. A mixed finance project at Edgewood Village composed of four phases and entities contains 128 public housing units and 98 tax credit units. The Authority also has five blended component units. In 2020, the Authority determined a previous discretely-presented component unit—Eastland Woods, LLC—would be more properly classified as a blended component unit after the tax credit period expired and since the Authority became 100% owner. In 2015, the Authority determined a previous discretely-presented component unit—Wilbeth-Arlington Homes Limited Partnership—would be more properly classified as a blended component unit after the tax credit period expired and since the Authority became 100% owner. Green Retirement Partnership (of which the Authority was a partner) was formed in 2000 to construct, lease and operate a 58-unit apartment complex. In 2018, the Authority purchased the other partners' interests and became sole owner of the project. In addition, Building for Tomorrow--a non-profit entity that is considered a blended component unit--has a primary focus on early childhood education services for the Authority's residents. The most recent incorporated Authority affiliated non-profit—Summit Akron Development Corporation (SADC)—was created to assist with the development of a 12-unit public housing complex for homeless, disabled youth. SADC is also considered a blended component unit.

Statement of Net Position

The following table represents the condensed statement of net position compared to the prior year for all the Authority's programs combined.

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2020

Table 1 - Statement of Net Position - Primary Government

	12/31/2020	12/31/2019	Change
<u>Assets</u>			
Current Assets	\$ 71,172,391	\$ 51,804,766	\$ 19,367,625
Other Non-Current Assets	34,703,402	39,882,842	(5,179,440)
Capital Assets, Net of Accumulated Depr.	140,420,718	137,526,480	2,894,238
Total Assets	246,296,511	229,214,088	17,082,423
Deferred Outflows of Resources	5,071,177	8,962,503	(3,891,326)
Total Assets and Deferred Outflows of Resources	\$251,367,688	\$238,176,591	\$ 13,191,097
<u>Liabilities and Net Position</u>			
<u>Liabilities</u>			
Current Liabilities	\$ 8,857,253	\$ 6,740,579	\$ 2,116,674
Non-Current Liabilities	50,843,382	51,886,505	(1,043,123)
Total Liabilities	59,700,635	58,627,084	1,073,551
Deferred Inflows of Resources	6,553,792	752,585	5,801,207
Total Liabilities and Deferred Inflows of Resources	66,254,427	59,379,669	6,874,758
<u>Net Position</u>			
Net Investment in Capital Assets	121,491,494	111,808,047	9,683,447
Restricted	19,862,079	10,805,758	9,056,321
Unrestricted	43,759,688	56,183,117	(12,423,429)
Total Net Position	185,113,261	178,796,922	6,316,339
Total Liabilities and Net Position	\$251,367,688	\$238,176,591	\$ 13,191,097

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Total assets and deferred outflows of resources increased approximately \$13.2 million from the prior period. Current assets increased by \$19.4 million, primarily from higher cash balances for the public housing program. Loan proceeds of approximately \$6.3 million were received in December 2020 for Phase IV of the energy conservation program. Also, rent, operating subsidy, capital grants and other revenue were all higher in 2020. Capital assets increased nearly \$2.9 million as a result of an increase in construction-in-progress. Other non-current assets decreased about \$5.2 million from the prior period, the majority of which is attributable to the reclassification of the Eastland Woods, LLC component unit. Also, deferred outflows of resources decreased by \$3.9 million due to a decrease in the net pension liability. This amount was computed by taking the Authority's share of the net difference between projected and actual earnings on pension plan investments and adding the Authority's contributions subsequent to OPERS' measurement date. Non-current liabilities decreased approximately \$1 million due to a decrease in the net OPEB liability. Deferred inflows of resources increased \$5.8 million due mostly to the decrease in the net pension liability.

Total net position increased \$6.3 million due primarily to the reclassification of the Eastland Woods, LLC component unit.

Statement of Revenues, Expenses and Changes in Net Position

The following table compares the revenues and expenses for the current year and previous year for all the Authority's programs:

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
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Table 2 - Statement of Revenues and Expenses - Primary Government

	12/31/2020	12/31/2019	Change
<u>Operating and Non-Operating Revenues</u>			
Tenant Revenue	\$ 17,719,222	\$ 15,758,723	\$ 1,960,499
Operating and Capital Grants	70,351,943	61,766,814	8,585,129
Investment Income	1,089,368	1,465,426	(376,058)
Other Revenues	4,543,762	4,409,418	134,344
<i>Total Operating and Non-Operating Revenues</i>	93,704,295	83,400,381	10,303,914
<u>Operating Expenses</u>			
Administrative	16,129,433	18,420,600	(2,291,167)
Tenant Services	3,483,777	2,634,787	848,990
Utilities	5,600,260	5,361,239	239,021
Maintenance/Security	15,799,121	13,576,382	2,222,739
Housing Assistance Payments	32,132,090	30,413,211	1,718,879
Depreciation/Amortization Expense	11,614,010	11,048,683	565,327
Other General Expenses	4,229,680	5,740,473	(1,510,793)
<i>Total Operating Expenses</i>	88,988,371	87,195,375	1,792,996
<u>Non-Operating Expenses</u>			
Interest Expense	391,731	386,413	5,318
Casualty Loss	422,285	999,361	(577,076)
Loss on Sale of Capital Assets	29,275	56,355	(27,080)
<i>Total Other Expenses</i>	843,291	1,442,129	(598,838)
<i>Total Operating and Non-Operating Expenses</i>	89,831,662	88,637,504	1,194,158
Change in Net Position	3,872,633	(5,237,123)	9,109,756
Net Position, Beginning of Period, restated	181,240,628	184,034,045	(2,793,417)
Net Position, End of Period	\$ 185,113,261	\$ 178,796,922	\$ 6,316,339

Total operating and non-operating revenues increased by 12.4% in part through additional funding received from the CARES Act. Total operating and non-operating expenses increased by 1.3% due to the Authority's efforts to control expenditures to the extent feasible.

Net position was restated at the beginning of the year from \$178,796,922 to \$181,240,628 to reflect the addition of Eastland Woods, LLC as a blended component unit of the Authority. Eastland Woods, LLC was a discretely presented component unit prior to the expiration of the tax credit period.

Akron Metropolitan Housing Authority
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The net pension liability (NPL) is the largest single liability reported by the Authority at December 31, 2020 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions— an Amendment of GASB Statement 27*. The net OPEB liability (NOL) is reported pursuant to GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Authority’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB. Performing this calculation results in a net position of \$219,247,553 instead of \$185,113,261.

Governmental Accounting Standards Board (GASB) standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s net pension liability or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio’s statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the Authority’s proportionate share of each plan’s collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees’ past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Authority is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer’s promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the Authority's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing the accounting standard for pension and OPEB, the Authority is reporting a significant net pension liability, net OPEB liability and related deferred inflows of resources for the fiscal year which have a negative effect on net position. In addition, the Authority is reporting deferred outflows of resources and a decrease in expenses related to pension and OPEB, which have a positive impact on net position. The decrease in pension and OPEB expense is the difference between the contractually required contributions and the pension and OPEB expense resulting from the change in the liability that is not reported as deferred inflows or outflows. These amounts can be found in the reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities. To further explain the impact of these accounting standards on the Authority's net position, additional information is presented below.

	<u>2020</u>	<u>2019</u>
Deferred outflows - pension	\$ 2,908,168	\$ 7,936,042
Deferred outflows - OPEB	2,163,009	1,026,461
Deferred inflows - pension	(4,463,454)	(587,594)
Deferred inflows - OPEB	(2,090,337)	(164,991)
Net pension liability	(18,989,085)	(27,119,844)
Net OPEB liability	<u>(13,662,593)</u>	<u>(13,088,617)</u>
Impact of GASB 68 and GABB 75 on net position	<u>\$ (34,134,292)</u>	<u>\$ (31,998,541)</u>
Net expense impact	\$ (2,135,749)	\$ (4,764,998)

For 2020, the net expense impact of GASB 68 and 75 was \$2,135,749. This was from reporting the increase in the Authority's proportionate share of the pension and other post-employment benefit liability of the Ohio Public Employment Retirement board. This adjustment was a positive expense which increased expenses.

Notes 8 and 9 to the financial statements provide additional information regarding the net pension/OPEB liabilities.

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2020

The following table reflects operating revenues and expenses by program, but excludes depreciation:

Table 3 - Revenue and Expenses by Program

	Revenue	Expenses
Low-Income Public Housing (LIPH)	\$40,315,901	\$39,101,297
Central Office Cost Center	8,954,447	8,625,090
Section 8 Housing Choice Voucher Program (excludes HAP)	3,839,367	2,866,765
Section 8 Moderate Rehab Program (excludes HAP)	5,261	6,351
Temporary Assistance for Needy Families (TANF)	76,482	76,482
LHA Business Activities	4,069,459	3,481,377
Resident Opportunity and Supportive Services (ROSS)	225,131	225,131
Twenty-First Century Community Learning Centers	163,074	163,074
Family Self-Sufficiency under ROSS	349,899	349,899
Shelter Plus Care (excludes HAP)	11,955	11,955
Mainstream Vouchers (excludes HAP)	930	930
Jobs-Plus Pilot Initiative	39,939	39,939
Public Housing CARES Act Funding (PHC)	2,860,750	2,860,467
Central Office Cost Center CARES Act Funding (CCC)	344,287	381,365
Housing Choice Voucher CARES Act Funding (HCV) (excludes HAP)	1,441,082	1,441,082
Eastland Woods, LLC	1,419,595	1,768,017
Building for Tomorrow	770,020	695,680
Wilbeth-Arlington Homes Limited Partnership	3,463,530	3,884,678
Summit Akron Development Corporation (Spicer Terrace)	82,506	152,811
Green Retirement Partnership	531,972	623,081
Totals	<u>\$68,965,587</u>	<u>\$66,755,471</u>

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2020

Capital Assets

During the year ended December 31, 2020, the change in capital assets amounted to a net increase of \$2,894,238, due to the reclassification of the Eastland Woods, LLC component unit and depreciation expense. The following table represents the changes in the asset accounts by category as follows:

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

	12/31/2020	12/31/2019	Change
Land	\$ 27,059,404	\$ 26,049,604	\$ 1,009,800
Buildings	390,974,595	370,630,517	20,344,078
Equipment	4,886,685	4,371,952	514,733
Construction-in-Progress	21,244,348	21,905,128	(660,780)
Total Capital Assets	444,165,032	422,957,201	21,207,831
Accumulated Depreciation	(303,744,314)	(285,430,721)	(18,313,593)
Total Capital Assets (Net)	\$ 140,420,718	\$ 137,526,480	\$ 2,894,238

See Note 4 to the financial statements for additional information regarding capital assets.

Debt

Excluding the internal blended component unit debt and the net pension and net OPEB liabilities, during the year ended December 31, 2020, approximately \$2.2 million of principal was repaid on all general obligations and capital leases and a net amount of approximately \$218,068 of compensated absences was increased. The following table compares outstanding debt for the current and previous fiscal periods.

Table 5 - Outstanding Debt at Year End

	12/31/2020	12/31/2019
Outstanding Debt	\$ 18,929,224	\$ 12,581,783
Less: Current Portion	(2,170,191)	(2,157,695)
Long-Term Debt	\$ 16,759,033	\$ 10,424,088

See Note 5 to the financial statements for additional information regarding long-term debt obligations.

Akron Metropolitan Housing Authority
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For the Year Ended December 31, 2020

Unrestricted Net Position

The following table shows the changes in unrestricted net position for the year ended December 31, 2020:

Table 6 - Change in Unrestricted Net Position

Unrestricted Net Position at December 31, 2019		\$ 56,183,117
Change in Net Position	3,872,633	
Adjustments:		
Depreciation (a)	<u>11,614,010</u>	
Adjusted Results from Operations		15,486,643
Debt Expenditures		(2,209,626)
Capital Grants and Contributions		(11,622,163)
Adjustment to Operations		<u>(14,078,283)</u>
Unrestricted Net Position at December 31, 2020		<u>\$ 43,759,688</u>

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

Economic Factors and Budgets

No one could anticipate in the fall of 2019 when we were finalizing the Fiscal Year 2020 budgets what we would be facing come March of 2020. As with most businesses during the pandemic, excluding the health care industry of course, many operations slowed down while employees practiced social distancing. For our industry, this meant prioritizing our work orders and only performing essential work items. It also meant this was a time when our residents needed more help than ever, and our resident services department stepped to the plate, delivering food and supplies for many in need.

In 2020, the agency benefitted from the Federal Government through CARES Act funding, including \$2,860,750 for public housing and \$2,778,353 for the Housing Choice Voucher program. These funds assisted our bottom line and helped defray costs associated with COVID-19, including personal protective equipment for staff and residents, extra sanitization of all of our buildings, and installation of safety features to ensure limited contact.

Despite the fact that unemployment soared during the pandemic, our rent collections were only about 1.3% below the prior year amount. Even so, the total amount collected was actually higher in 2020 due to an increase of about \$383,000 in rent charges. HUD's proration factor for public housing was 112% compared to our budget of 97%, due to adding the CARES Act appropriations into the total available funds. If the CARES Act were not included, proration would have been 97%--in line with last year's proration factor of 97.77%.

Akron Metropolitan Housing Authority
Summit County
Management Discussion and Analysis
For the Year Ended December 31, 2020

HUD awarded \$11,581,959 for the 2020 Capital Fund program, an increase of over \$300,000 from 2019. Although this was the third increase in a row since 2017, there are still insufficient funds to address the long overdue backlog of needs that all housing authorities face with their portfolios.

Our Housing Choice Voucher program continues to expand. In 2020, HUD awarded us 14 additional vouchers for the Veterans Affairs Supportive Housing (VASH) program and 104 new vouchers for the Mainstream program. Operating funds for all of the voucher programs exceeded the budget by about \$4.8 million, mostly due to the unbudgeted CARES Act funding. Proration of the administrative fees remains about the same as last year, i.e., 81%, and proration of the housing assistance payments remains close to 100%.

While funding from Congress remains unpredictable, the Authority remains committed to its residents and maintaining high housing standards. We will continue our conservative approach to budgeting while striving to maintain our high performer status in the industry.

This financial report is designed to provide a general overview of the finances of the Akron Metropolitan Housing Authority 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 Debbie Barry, Interim Executive Director, Akron Metropolitan Housing Authority, 100 West Cedar Street, Akron, Ohio 44307.

*Akron Metropolitan Housing Authority
Statement of Net Position
Proprietary Fund Type
December 31, 2020*

	Primary Government	Component Units
<u>Assets</u>		
Current Assets		
Cash and Cash Equivalents	\$ 28,639,703	\$ 1,035,018
Investments - Unrestricted	10,058,725	-
Restricted Cash and Cash Equivalents	13,399,984	3,501,791
Investments - Restricted	7,344,913	-
Accrued Interest Receivable	7,927,196	-
Other Receivables, Net	2,986,252	43,737
Inventories, Net	725,335	-
Prepaid Expenses and Other Assets	90,283	-
Total Current Assets	71,172,391	4,580,546
Noncurrent Assets		
Capital Assets, Not Being Depreciated	48,303,752	-
Capital Assets, Net of Depreciation	92,116,966	29,569,606
Notes Receivable from Component Units and Other	34,020,197	-
Other Noncurrent Assets	683,205	420,314
Total Noncurrent Assets	175,124,120	29,989,920
Deferred Outflows of Resources		
Pension/OPEB	5,071,177	-
Total Deferred Outflows of Resources	5,071,177	-
Total Assets and Deferred Outflows of Resources	251,367,688	34,570,466
<u>Liabilities</u>		
Current Liabilities		
Accounts Payable	1,615,746	532,844
Accrued Liabilities	1,593,874	2,171,445
Tenant Security Deposits	440,026	105,043
Unearned Revenue	456,529	724,771
Bonds, Notes, and Loans Payable	2,170,191	266,711
Other Current Liabilities	2,580,887	-
Total Current Liabilities	8,857,253	3,800,814
Non-Current Liabilities		
Bonds, Notes, and Loans Payable	16,759,033	492,000
Accrued Compensated Absences, Non-Current	1,079,669	-
Notes Payable to Primary Government	-	25,642,694
Non-Current Liabilities - Other	353,003	-
Net Pension Liability	18,989,085	-
Net OPEB Liability	13,662,592	-
Total Non-Current Liabilities	50,843,382	26,134,694
Deferred Inflows of Resources		
Pension/OPEB	6,553,792	-
Total Deferred Inflows of Resources	6,553,792	-
Total Liabilities and Deferred Inflows of Resources	66,254,427	29,935,508
<u>Net Position</u>		
Net Investment in Capital Assets	121,491,494	3,168,201
Restricted for:		
Housing Assistance Payments - Section 8	1,702,657	-
Operating Reserve Funds for Blended Component Units	1,567,254	1,235,820
Public Housing Bond Pool Reserves	606,186	-
Public Housing Energy Conservation Measures	6,342,149	-
Proceeds from Norton Homes Sale	9,643,833	-
ACC Reserve Fund	-	1,376,930
Replacement Reserve Fund	-	700,282
Tax and Insurance Escrows	-	80,540
Unrestricted	43,759,688	(1,926,815)
Total Net Position	\$ 185,113,261	\$ 4,634,958

See accompanying notes to the financial statements

Akron Metropolitan Housing Authority
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund Type
For the Year Ended December 31, 2020

	<u>Primary Government</u>	<u>Component Units</u>
<u>Operating Revenue:</u>		
Tenant Revenue	\$ 17,719,222	\$ 1,762,037
Government Operating Grants	65,071,929	-
Other Revenue	4,543,762	371,720
Total Operating Revenue	<u>87,334,913</u>	<u>2,133,757</u>
<u>Operating Expenses:</u>		
Administrative	16,129,433	518,946
Tenant Services	3,483,777	-
Utilities	5,600,260	258,838
Maintenance	13,742,554	561,888
Protective Services	2,056,567	-
General	2,582,815	129,860
Housing Assistance Payment	32,132,090	-
Insurance	1,646,865	122,367
Depreciation and Amortization	11,614,010	2,074,772
Total Operating Expenses	<u>88,988,371</u>	<u>3,666,671</u>
Operating Income (Loss)	(1,653,458)	(1,532,914)
<u>Non-Operating Revenues(Expenses):</u>		
Interest and Investment Revenue	1,089,368	5,850
Casualty Gain/(Loss)	(422,285)	-
Interest Expense and Amortization Cost	(391,731)	(202,074)
Gain (Loss) on Sale of Capital Assets	(29,275)	-
Total Non-Operating Revenues (Expenses)	<u>246,077</u>	<u>(196,224)</u>
Income(Loss) Before Capital Contributions	(1,407,381)	(1,729,138)
<u>Capital Revenue</u>		
Capital Contributions	5,280,014	-
Total Capital Revenue	<u>5,280,014</u>	<u>-</u>
Change in Net Position	3,872,633	(1,729,138)
Net Position, Beginning of Period, Restated	<u>181,240,628</u>	<u>6,364,096</u>
Total Net Position, End of Period	<u>\$ 185,113,261</u>	<u>\$ 4,634,958</u>

See accompanying notes to the financial statements

*Akron Metropolitan Housing Authority
Statement of Cash Flows
Proprietary Fund Type
For the Year Ended December 31, 2020*

	Primary Government
<u>Cash Flows from Operating Activities</u>	
Cash Received from HUD	\$ 65,071,929
Cash Received from Tenants and Other	17,719,222
Cash Received from Other Revenue	2,983,416
Cash Payments for Housing Assistance Payment	(32,132,090)
Cash Payments for Administrative	(16,129,433)
Cash Payments for Ordinary Maintenance	(13,825,025)
Cash Payments for Other Operating Expenses	(11,013,450)
Net Cash Provided (Used) by Operating Activities	12,674,569
<u>Cash Flows from Capital and Related Financing Activities</u>	
Debt Principal and Interest Payments	(2,386,970)
Acquisition and Construction of Capital Assets	(5,072,239)
Notes to/(From) Primary Government	(186,866)
Proceeds from Capital Grants and Contributions	5,280,014
Net Cash Provided (Used) by Capital and Other Related Financing Activities	(2,366,061)
<u>Cash Flows from Noncapital Financing Activities</u>	
Casualty loss - Noncapitalized	(422,285)
Net Cash Provided (Used) by Noncapital Financing Activities	(422,285)
<u>Cash Flows from Investing Activities</u>	
Notes Receivable	5,270,915
Purchase of Investments	(18,435,285)
Redemption of Investments	19,409,000
Investment Income	1,089,368
Net Cash Provided (Used) by Investing Activities	7,333,998
Change in Cash	17,220,221
Cash and Cash Equivalents, Beginning of Year, Restated	24,819,466
Cash and Cash Equivalents, End of Year	\$ 42,039,687
<u>Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities:</u>	
Operating Income/(Loss)	\$ (1,653,458)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation and Amortization	11,614,010
(Increase)/Decrease in Deferred Outflows of Resources	3,891,326
Increase/(Decrease) in Deferred Inflows of Resources	5,801,207
Increase/Decrease in Operating Assets and Liabilities:	
Accounts Receivable - Tenant and Other	(1,522,341)
Accrued Interest Receivable	(270,460)
Inventory	(82,471)
Prepays and Other Assets	(15,730)
Accounts Payable	486,923
Accrued Payroll and Compensated Absences	186,376
Unearned Revenue	232,455
Other Liabilities	1,384,800
Other Non-Current Liabilities	178,714
Net Pension Liability	(8,130,759)
Net OPEB Liability	573,977
Total Adjustments	14,328,027
Net Cash Provided (Used) by Operating Activities	\$ 12,674,569

See accompanying notes to the financial statements

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Description of the Entity

The Akron Metropolitan Housing Authority (the Authority) is a political subdivision organized under the laws of the State of Ohio. The Authority is responsible for operating certain low-income housing programs in Summit County under programs administered by the U.S. Department of Housing and Urban Development (HUD). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

Reporting Entity

The reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus and Amendment of GASB Statements No. 14 and No. 34* and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The reporting entity is composed of the primary government and component units. The primary government consists of all organizations, activities, and functions that are not legally separate from the Authority. For the Authority, this includes general operations.

Component units are legally separate organizations for which the Authority is financially accountable. The Authority is financially accountable for an organization if the Authority appoints a voting majority of the organization's Governing Board and a) the Authority is able to significantly influence the programs or services performed or provided by the organization; or b) the Authority is legally entitled to or can otherwise access the organization's resources; or c) the Authority is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or d) the Authority is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Authority in that the Authority approves the budget or the issuance of debt. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the Authority has five blended component units and four discretely presented component units, which are discussed below.

Blended Component Units

Building for Tomorrow (BFT) was established in 2010 as a non-profit, 501(c)(3) tax exempt organization. BFT receives fundraising support from programs grants, contributions from various charitable organizations, individual contributions and in-kind support from the Authority. The funds are used to reimburse the Authority for the program costs for educational programming, social services, education services, and financial assistance to low income residents in the Authority's housing developments and/or participants in certain federal, state or local voucher programs. BFT has no employees; all programs and functions are provided by employees of the Authority. BFT is considered a blended component unit since it has substantially the same governing body as the Authority and which approves the respective annual budgets. The Authority is able to impose its will on BFT because the Authority can significantly influence the programs, projects and activities.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Description of the Entity (continued)

Summit Akron Development Corporation (SADC) was incorporated in 2014 as an instrumentality of the Authority to assist with development of a housing project that focuses on homeless, disabled youth. SADC is considered a blended component unit since its governing body is the same as the governing body of the Authority, and the financing provided for the project benefits the Authority through housing additional clients with specific needs.

Wilbeth-Arlington Homes, Limited Partnership was formed in 1996 for the purchase, rehabilitation and operation of a 328-unit multi-family complex. Prior to 2015, the Partnership was composed of 99% limited partners (the Ohio Equity Fund for Housing L.P VI at 83.73% and Ohio Equity Fund for Housing L.P. VII at 15.27%) and 1% general partner (Arlington Housing Partners, Inc., of which the Authority held 79% ownership and indirect control). Tenants are assisted with their rent through a HUD Section 8 Housing Assistance Payment (HAP) Contract. During 2015, the Authority became 100% owner of Arlington Housing Partners, Inc. and the sole member of Wilbeth-Arlington Homes, Limited Partnership. Subsequently, the Authority determined that this Partnership no longer qualified as a discrete component unit since the Authority has 100% direct control and reclassified the Partnership as a blended component unit.

Green Retirement Partnership was formed in 2000 to construct, lease and operate a 58-unit apartment complex. The partnership was composed of Green Retirement, Inc. (.07% general partner), Green Residence Corporation (.03% general partner and affiliate of the Authority) and Ohio Equity Limited Partner II (99.9% limited partner). In 2018, the tax credit compliance period ended and the Authority and its affiliate purchased the other partnership interests, thereby owning directly and indirectly 100% of the partnership. The partnership has renewed the contract to continue management services with an outside party to handle the day-to-day operations. Green Retirement Partnership is considered a blended component unit since its governing body is the same as that of the Authority and has obtained loans from the Authority.

Eastland Woods, LLC was formed in 2004 to acquire, rehabilitate and operate 100 affordable rental homes. The project receives Section 8 project based rental assistance payments under a Housing Assistance Contract (HAP) through October 2024. During 2020, the tax credit compliance period ended and the Authority purchased the limited partners' interest from National City Community Development and Ohio Equity Fund for Housing Limited Partnership XIV, making the Authority the sole owner of Eastland Woods, LLC. The Authority determined that the entity no longer qualifies as a discrete component unit since the Authority has 100% direct control and reclassified Eastland Woods, LLC as a blended component unit effective December 31, 2020.

These entities are included in the primary government column of the financial statements. The financial statements for the blended component units are for the year ending December 31, 2020.

Discretely Presented Component Units

Per GASB Statement No. 61, *The Financial Reporting Entity: Omnibus and Amendment of GASB Statements No. 14 and No. 34* and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14*, the four Limited Liability Companies (LLC) described below are considered discretely presented component units of the Authority since none of these component units meet the blending criteria.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Description of the Entity (continued)

The following four component units were formed to participate in the Low-Income Housing Tax Credit (LIHTC) Program under Section 42 of the Internal Revenue Code:

Akron Edgewood Homes, LLC was formed in 2007 to acquire, construct and lease 80 units of affordable housing in 35 buildings. The Authority controls the general partner (Akron Edgewood Management Corporation). Two members of the Authority's Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Akron Edgewood Homes, LLC leased the land from the Authority on which the property is situated and has obtained loans through the Authority. In addition, the Authority is the property manager for the rental units. Of the 80 units, 49 units are considered low-rent and receive an operating subsidy that is passed through the Authority under its Annual Contributions Contract with HUD.

Edgewood Village, LLC was formed in 2008 to acquire, construct and lease 48 units of affordable rental housing in 29 buildings. The Authority controls the general partner (Edgewood Village Management Corporation). Two members of the Authority's Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Edgewood Village, LLC leased the land from the Authority on which the property is situated and has obtained loans through the Authority. In addition, the Authority is the property manager for the rental units. Of the 48 units, 23 units are considered low-rent and receive an operating subsidy that is passed through the Authority under its Annual Contributions Contract with HUD.

Edgewood Village South, LLC was formed in 2010 to acquire, construct and lease 50 units of affordable rental housing in 19 buildings. The Authority controls the general partner (Edgewood Village South Management Corporation). Two members of the Authority's Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Edgewood Village South, LLC leased the land from the Authority on which the property is situated and has obtained loans through the Authority. In addition, the Authority is the property manager for the rental units. Of the 50 units, 20 units are low-rent and receive an operating subsidy that is passed through the Authority under its Annual Contributions Contract with HUD.

Marian Hall Building, LLC was formed in 2011 to acquire, construct and lease an affordable 48 unit, mid-rise apartment building. The Authority controls the general partner (Edgewood Village V Management Corporation). Two members of the Authority's Board of Directors and the Executive Director serve as the Board of Directors for the general partner corporation. Marian Hall Building, LLC leased the land from the Authority on which the property is situated and has obtained loans through the Authority. In addition, the Authority is the property manager for the rental units. Of the 48 units, 36 units are low-rent and receive an operating subsidy that is passed through the Authority under its Annual Contributions Contract with HUD. In addition, the 12 remaining units are under a Project-Based Voucher HAP Contract with HUD.

These four entities are reported in the component unit column of the financial statements. The financial statements for the discretely presented component units are for the year ended December 31, 2020.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Description of the Entity (continued)

Programs

The following programs are operated under the Annual Contributions Contract, C959:

Low-Income Public Housing Program – Under this program, the Authority owns and manages approximately 4,300 public housing units for eligible low-income families, the elderly and persons with disabilities. The Authority operates the program with rents received from tenants and subsidies received from HUD.

Public Housing Capital Fund Program – Under this program, the Authority receives assistance for modernization and development of public housing. A portion of these funds is also used for management improvement activities and assisting with operations of the sites and administration of the capital fund program.

Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinators Program – Under this program, the Authority receives grant funds from HUD for the purpose of providing a service coordinator to coordinate supportive services and other activities designed to help public housing residents attain economic and housing self-sufficiency. This program provides three-year funding and includes administrative expenses and training as eligible uses of funds.

The following programs are operated under the Annual Contributions Contract, C10003:

Housing Choice Voucher (HCV) Program – Under this HUD Section 8 Program, the Authority contracts with private landlords and subsidizes the rental of 5,007 authorized units. Housing assistance payments (HAP) are made to the landlord on behalf of the tenant for the difference between the contract rent amount and the amount the tenant is obligated to pay under the program.

Veterans Affair Supportive Housing (VASH) Program – The HUD VASH program combines HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs. The Authority’s existing program consists of 88 vouchers.

Moderate Rehabilitation Program – Under this program, project-based rental assistance is provided to low-income families. The program was repealed in 1991 and no new projects are authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a HAP contract between an owner and a public housing agency. The Authority’s existing program consists of 6 units.

Shelter Plus Care Program – This program is funded in five-year increments through a Community Development Block Grant. The Authority receives funds for the purpose of providing housing for those individuals who have contracted the AIDS virus, are recovering drug addicts, or have been homeless for an excessive amount of time. The Authority’s existing program consists of 122 units.

Mainstream Voucher Program – This program assists non-elderly persons with disabilities. Aside from serving a special population, mainstream vouchers are administered using the same rules as other housing choice vouchers. Funding and financial reporting for mainstream vouchers is separate from the regular tenant-based voucher program.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Description of the Entity (continued)

The Authority also operates the following programs separate from the above Annual Contribution Contracts:

Housing Assistance Payment (HAP) Program – Under this HUD Section 8 Program, the Authority receives rental subsidies for approximately 200 dwelling units. Project-based rental assistance payments are received by the Authority from HUD for the difference between the contract rent amount and the amount the tenant is able to pay.

Family Self-Sufficiency (FSS) Program – This program enables families living in low-income public housing and housing choice voucher programs to increase their earned income and reduce their dependency on public assistance and rental subsidies. Under the FSS program, families are provided opportunities for education, job training, counseling and other forms of social service assistance so they can obtain skills necessary to achieve self-sufficiency. HUD funding is provided for salaries of FSS coordinators. This program has a requirement of an escrow account for its participants and provides one-year funding.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government entities. 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*, the Authority follows GASB guidance as applicable to proprietary funds.

The Authority's financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. The Authority uses a single proprietary fund to maintain its financial records on an accrual basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Proprietary fund reporting focuses on the determination of the changes in net position, financial position and cash flows. A proprietary fund may be used to account for any activity for which a fee is charged to external users for goods and services.

Measurement Focus and Basis of Accounting

The proprietary fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. All assets and deferred inflows of resources and all liabilities and deferred outflows of resources associated with the operation of the Authority are included on the statement of net position. The statement of changes in net position presents increases (revenues) and decreases (expenses) in net total position. The statement of cash flows provides information about how the Authority finances and meets the cash flow needs of its enterprise activity.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 – Summary of Significant Accounting Policies (continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Authority's proprietary fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the proprietary fund include the costs of facility maintenance, housing assistance payments, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Investments

Cash and cash equivalents include investments with original maturities of three months or less at the time of purchase. Cash equivalents are carried at fair value. Investments with an initial maturity of more than three months are reported as investments. An analysis of the Authority's investment account at year end is provided in Note 3.

Capital Assets

All capital assets (including land, structures and equipment) are capitalized at cost and updated for additions and retirements during the fiscal period. Donated capital assets are recorded at their acquisition values as of the date received. The Authority maintains a capitalization threshold of \$5,000. The Authority does not possess any infrastructure. Improvements are capitalized, but the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated using the straight-line method. Improvements are depreciated over the remaining useful lives of the related capital assets. Buildings are depreciated over 40 years and equipment is depreciated over 3 to 5 years.

Compensated Absences

The Authority reports compensated absences in accordance with the provision of GASB Statement No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Authority will compensate the employees for the benefits through paid time off or some other means. The Authority records a liability for accumulated unused vacation time when earned for all employees.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the Authority's past experience of making termination payments.

The entire compensated absence liability is reported as a fund liability. The current portion of compensated absence liability is included in current liabilities in the financial statements.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 – Summary of Significant Accounting Policies (continued)

Recognition of Revenues and Expenses

The Authority accounts for transactions using the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred.

Contributions and subsidies received from HUD are generally recognized as revenues in the Annual Contributions Contract year, except for HAP payments received under the Project-Based Rental Assistance Program which are recognized as dwelling rental revenues when earned. Tenant rents are recognized as revenues in the month of occupancy.

Contributions under the Capital Fund Program (CFP) are recognized as revenues in the period in which expenses related to CFP projects were incurred. Rentals and grants received in advance of the period in which they are recognized are recorded as deferred inflows of resources.

Indirect Costs

The Authority began operating with a central office cost center (COCC) in 2010 for reporting all of its indirect costs, eliminating the requirement of an indirect cost allocation plan.

The COCC is funded from fees charged to the various programs as authorized by HUD.

Inventory

Inventory is valued using an average costing method. The expenses are recorded upon consumption.

Budgetary Accounting

The Authority annually prepares its budget as prescribed by HUD. This budget is adopted by the Board of the Authority and the Board resolution approving the budget is submitted to HUD annually.

Use of Estimates

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

Interprogram Balances

Receivables and payables resulting from short-term interprogram loans are classified as “Interprogram Due From/To” in the respective program financial statements. These amounts are eliminated in the Authority’s statements of net position in the financial statements.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 – Summary of Significant Accounting Policies (continued)

Pensions and 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.

The current accounting standard requires the Authority to report their proportionate share of the net pension/OPEB liability using the earning approach to pension and OPEB accounting instead of the funding approach as previously used. The funding approach limited pension and post employment costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/OPEB liability. Under the new standards, the net pension/OPEB liability equals the Authority proportionate share of the pension plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

Pension and OPEB obligations, whether funded or unfunded, are part of the employment exchange. The employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other post employment benefits. The unfunded portion of this benefit of exchange is a liability of the Authority. However, the Authority is not responsible for key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Benefit provisions and both employer and employee contribution rates are determined by State statute. The employee and employer enter the employment exchange with the knowledge that the exchange is limited by law. The pension system is responsible for the administration of the pension and OPEB plans.

There is no repayment schedule for the net pension liability or the net OPEB liability. The Authority has no control over the changes in the benefits, contributions rate, and return on investments affecting the balance of these liabilities. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not identify the responsible party for the unfunded portion. Due to the unique nature of how the pension liability and the OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed by creditors, grantors or laws or regulations of other governments. The Authority applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 3 – Deposits and Investments

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 treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

Protection of the Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by surety company bonds deposited with the Finance Director by the financial institution or by the financial institution's participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Interim monies may be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or other obligations of or securities issued by the United States treasury or any other obligation guaranteed as to the payment of principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 3 – Deposits and Investments (continued)

5. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligation, reverse repurchase agreement 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 only be made upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of the confirmation of transfer from the custodian.

Unrestricted Cash and Cash Equivalents

Cash on Hand

At December 31, 2020, the Authority had \$1,275 in undeposited cash on hand, which is included on the Statement of Net Position as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

At December 31, 2020, the carrying amount of the Authority's deposits was \$47,356,567 (including \$5,318,155 of negotiable CDs) and the bank balance was \$48,657,198. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of December 31, 2020, none of the Authority's bank balance was exposed to custodial credit risk.

Custodial credit risk is the risk that, in the event of bank failure, the Authority's deposits may not be returned. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Authority to a successful claim by the FDIC.

*Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020*

Note 3 – Deposits and Investments (continued)

The Authority has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be insured or protected by:

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

Investments

The Authority has a formal investment policy; however, the Authority's investments were limited to U.S. Treasury/Agency securities, money market accounts backed by U.S. Treasury/Agency securities, and private debt securities at December 31, 2020.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the Authority's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: U.S. Government money market mutual funds carry a rating of AAAM by Standard & Poor's. The Authority's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The Authority's investment policy does not specifically address credit risk beyond requiring the Authority to invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the Authority's name. The Authority has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 3 – Deposits and Investments (continued)

Concentration of Credit Risk: The Authority places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Authority at December 31, 2020:

	Fair Value	Percentage of Total
FHLB	\$ 769,425	6.37%
FHLMC	9,315,733	77.08%
FFCB	1,500,015	12.41%
FNMA	500,310	4.14%
Total U.S. Agency	12,085,483	100.00%
Deposits and Cash on Hand	47,357,842	
Total Cash and Investments	\$59,443,325	

As of December 31, 2020, the Authority has the following investments and maturities:

	Investment Maturities (in Years)			
	Fair Value	Less Than One		
		Year	1-3 Years	3-5 Years
FHLB	\$ 769,425	\$ -	\$ 769,425	\$ -
FHLMC	9,315,733	-	3,001,230	6,314,503
FFCB	1,500,015	-	1,500,015	-
FNMA	500,310	-	-	500,310
Totals	\$ 12,085,483	\$ -	\$ 5,270,670	\$ 6,814,813

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the Authority’s recurring fair value measurements as of December 31, 2020. All of the Authority’s investments measured at fair value are valued using quoted market prices (Level 1 inputs).

Restricted Cash and Investments

The Authority has restricted cash and investment at December 31, 2020 as follows:

Proceeds from Norton Homes Sale	\$ 9,643,833
Unspent HAP Funding Provided for Housing Choice Voucher Program	1,702,657
Tenant Security Deposits	453,155
Public Housing Bond Pool	606,186
Public Housing Energy Conservation Measures	6,342,149
Other Purposes	1,996,917
	\$ 20,744,897

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 4 – Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	1/1/2020	Additions	Deletions	Transfers	12/31/2020
<u>Capital Assets Not Being Depreciated</u>					
Land	\$ 26,049,604	\$ -	\$ -	\$ 1,009,800	\$ 27,059,404
Construction in Progress	21,905,128	5,110,289	(5,771,069)	-	21,244,348
<i>Total Capital Assets Not Being Depreciated</i>	47,954,732	5,110,289	(5,771,069)	1,009,800	48,303,752
<u>Capital Assets Being Depreciated</u>					
Buildings and Building Improvements	370,630,517	5,986,384	(60,528)	14,418,222	390,974,595
Furniture, Equipment and Machinery	4,371,952	60,890	(94,433)	548,276	4,886,685
<i>Total Capital Assets Being Depreciated</i>	375,002,469	6,047,274	(154,961)	14,966,498	395,861,280
<u>Less: Accumulated Depreciation</u>					
Buildings and Building Improvements	(281,659,516)	(10,820,030)	24,234	(6,761,685)	(299,216,997)
Furniture, Equipment and Machinery	(3,771,205)	(302,269)	94,433	(548,276)	(4,527,317)
<i>Capital Assets Being Depreciated, Net</i>	89,571,748	(5,075,025)	(36,294)	7,656,537	92,116,966
 Primary Government Capital Assets, Net	 \$ 137,526,480	 \$ 35,264	 \$ (5,807,363)	 \$ 8,666,337	 \$ 140,420,718

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 5 – Long-Term Obligations

Changes in the Authority’s long-term obligations during the year ended December 31, 2020 are as follows:

General Obligations:	Balance 1/1/2020	Additions	Deletions	Ending Balance 12/31/2020	Due within one year
OHFA NSP Loan	\$ 1,876,370	\$ -	\$ (1,575)	\$ 1,874,795	\$ -
Summit County NSP Loan	325,000	-	(25,000)	300,000	25,000
CFFP - series 2017	7,525,000	-	(830,000)	6,695,000	855,000
Premium on Bond - series 2017	181,506	-	(22,688)	158,818	22,688
OHFA CFEH1 Spicer Loan	1,146,900	-	-	1,146,900	-
Green Retirement OHFA HDAP Note 5.00%	247,000	-	-	247,000	-
Total General Obligations	11,301,776	-	(879,263)	10,422,513	902,688
Capital Lease:					
Phase III Bank of America 3.45%	1,280,007	-	(1,280,007)	-	-
Phase IV Key Bank 1.35%	-	6,342,149	-	6,342,149	1,211,642
Total Capital Leases	1,280,007	6,342,149	(1,280,007)	6,342,149	1,211,642
Blended Component Unit Obligations (external debt):					
Eastland Woods Mortgage 3.48%	2,168,164	-	(3,598)	2,164,566	55,863
Total Bonds, Notes and Loans Payable	14,749,947	6,342,149	(2,162,868)	18,929,228	2,170,193
Net Pension Liability	27,119,842	-	(8,130,757)	18,989,085	-
Net OPEB Liability	13,088,617	573,975	-	13,662,592	-
Compensated Absences	1,039,506	316,355	(98,287)	1,257,574	177,904
Total Primary Government	\$ 55,997,912	\$ 7,232,479	\$ (10,391,912)	\$ 52,838,479	\$ 2,348,097

The below represents the changes in the long-term obligations of the Authority’s blended component units during the year ended December 31, 2020. All of this debt is owed to the Authority and is considered internal debt and thus eliminated (not reported) on the Authority’s financial statements as assets to the Authority and liabilities to the blended component units.

Blended Component Unit Obligations (internal debt):	Balance 1/1/20	Additions	Deletions	Ending Balance 12/31/20	Principal due within one year
Eastland Woods Note 2.00%	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
Eastland Woods Note 1.50%	-	3,270,915	(26,429)	3,244,486	-
Building for Tomorrow Loan	20,000	-	-	20,000	-
Wilbeth Arlington Note 3.00%	9,586,450	-	-	9,586,450	-
Authority Funds Note 0.00%	1,309,803	-	-	1,309,803	-
Green Retirement Note 7.65%	1,268,017	-	(53,217)	1,214,800	54,691
Green Retirement Note 5.50%	350,000	-	-	350,000	-
Total Bonds, Notes and Loans Payable	\$ 12,534,270	\$ 5,270,915	\$ (79,646)	\$ 17,725,539	\$ 54,691

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 5 – Long-Term Obligations (continued)

The Authority assumed a Neighborhood Stabilization Program (NSP) First Priority Cash Flow Mortgage in an amount totaling \$1,877,922 from the Ohio Housing Finance Agency to fund the rehabilitation of the Washington Square Project to be repaid over a 20 year term. The annual cash flow payment is due and payable calculated on 25% of available cash flow. Any outstanding principal at the end of the 20 year term will be forgiven provided that the Authority adheres to the rent and occupancy requirements, reporting requirements and monitoring requirements in compliance with OHFA standards. In addition, the Authority signed a \$500,000 promissory note with Summit County also derived from NSP funds, that is secured by a 20 year mortgage to be repaid in equal annual payments of \$25,000. The County has agreed to forgive the payment annually as long as the Authority complies with the terms and conditions of the note.

In 2014, the Authority refinanced the three outstanding mortgages and the note payable outstanding totaling \$19,170,364 related to the Wilbeth-Arlington Homes Limited Partnership classified as a blended component unit by the Authority. The Authority forgave an amount equaling the carryover tax loss that would have been reported for tax purposes of \$9,255,027. The remaining balance was consolidated into a note payable to the Authority totaling \$9,915,337 bearing a 3.00% interest rate. This balance is to be repaid in annual installments based on the surplus cash balance at the end of each year. Due to the uncertainty of the surplus cash balance, no amortization schedule is available. The balance of this outstanding issue was eliminated on the financial statements as an intercompany transaction.

On April 28, 2015, the Authority issued an Authority Funds Note payable to the Authority at an interest rate of 0.00% for an amount not to exceed \$2,158,800. The principal balance outstanding at December 31, 2020 was \$1,309,803. Payment is due in full at maturity on April 28, 2055. This note was issued for capital improvements at the Spicer Terrace property. The balance of this outstanding issue was eliminated on the financial statements as an intercompany transaction.

On May 1, 2016, the Authority signed a loan agreement with the Ohio Housing Finance Agency for a maximum amount of \$1,146,900 of Capital Funding to End Homelessness Initiative (CFEHI) funds. The Authority in turn loaned the proceeds to the Summit Akron Development Corporation (SADC), its blended component unit and owner entity of the 12-unit housing project constructed in 2016 that focuses on homeless, disabled youth. The loan has a 0% interest rate, 30-year term, and is reduced by 3.33% each full year SADC maintains the property in accordance with HUD's Declaration of Restrictive Covenants. The loan is secured by a mortgage to AMHA, which is assigned to OHFA. This loan will be forgiven over a period of 30 years as long as the OHFA requirements are fully met.

On March 13, 2018, the Authority refinanced the Series 2007A Bonds by issuing Series 2018 Refunding Bonds to take advantage of the lower interest rates. The refunding bond issue was combined with three housing authorities. The principal amount of the combined bonds was \$22,585,000 with \$9,150,000 of the principal being the Authority's share. The principal and interest are payable semi-annually beginning in April 2018 with the final payment due in April 2027 due to the trustee, Wells Fargo, for payment to the bondholders. The interest rates on the bonds range from 3.00%-4.00%.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 5 – Long-Term Obligations (continued)

In 2014, the Authority acquired the construction loan from Huntington Bank for Green Retirement Partnership, a blended component unit. The loan is payable in monthly installments of \$12,369 including interest at 7.65%. The final balloon payment was due and payable on January 1, 2020 however, a restructuring of the debt moved the balloon payment to January 1, 2025. The balance on the loan as of December 31, 2020 was \$1,214,800. This loan is eliminated as an intercompany transaction on the financial statements.

Green Retirement Partnership obtained additional outside financing of \$250,000 under the Ohio Housing Finance Agency (OHFA) Housing Development Assistance Program (HDAP) to finance the construction of the project. The Partnership pays annual installments of 50% of the project's cash flow for the previous year to the extent that there is cash flow for the year exceeding \$10,000. The unpaid principal balance accrues interest at 5% per annum, compounded semi-annually. Unless paid sooner, the outstanding balance of principal and accrued but unpaid interest shall be due and payable August 25, 2033. Principal balance on this note is \$247,000 and accrued interest is \$202,490 as of December 31, 2020.

In addition, the Authority loaned Green Retirement Partnership \$350,000 to assist in constructing the 58 - unit apartment complex. The partnership shall pay from the project's cash flow for the previous year after the Housing Development Assistance Program (HDAP) and County of Summit loans are paid in full. The outstanding balance of accrued interest at 5.5% and principal are due and payable on August 1, 2033. Accrued interest on this loan is \$316,020 as of December 31, 2020. This loan is eliminated as an intercompany transaction on the financial statements.

On October 1, 2015, Eastland Woods, LLC, a blended component unit, refinanced its mortgage with P/R Mortgage for \$2,424,200. In 2015, P/R Mortgage sold the loan to Merchants Capital; Merchants Capital remains the current loan holder. The loan bears interest at 3.48% due in monthly installments of \$10,859 through October 2045 and is secured by the first mortgage on the rental property. The outstanding principal balance at December 31, 2020 was \$2,164,566.

On September 29, 2016, the Authority issued a loan to Building for Tomorrow, a blended component unit, for \$20,000 at an interest rate of 0.00%. The loan is payable to the extent of available cash flow on a calendar year basis until September 29, 2046 when the outstanding balance shall be due and payable. The principal outstanding balance at December 31, 2020 was \$20,000. The balance of this outstanding issue was eliminated on the financial statements as an intercompany transaction.

On October 27, 2004, the Authority loaned Eastland Woods, LLC, a blended component unit, \$4,057,226. The loan bears interest of 1.5% annually on the unpaid balance. The loan is payable from surplus cash in an amount equal to 75% as defined in the mortgage note. The note is collateralized by real estate and is subordinate to the first mortgage. The entire balance of principal and accrued but unpaid interest shall be due and payable on November 1, 2045. The outstanding principal balance at December 31, 2020 was \$3,244,486. The balance of this outstanding issue was eliminated on the financial statements as an intercompany transaction.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 5 – Long-Term Obligations (continued)

On October 29, 2004, the Authority issued a loan to Eastland Woods, LLC, a blended component unit, for \$2,000,000 bearing interest at 2.00% annually, payable from cash flow. The loan is collateralized by real estate and is subordinate to the first and second mortgages. The entire balance of principal and accrued but unpaid interest shall be due and payable on November 1, 2045. The outstanding principal balance at December 31 2020 was \$2,000,000. The balance of this outstanding issue was eliminated on the financial statements as an intercompany transaction.

Compensated absences liability will be paid from the programs where employee salaries are paid.

The following is a summary of the Authority’s future debt service requirements for long-term debt as of December 31, 2020:

Year	Principal	Interest	Total
2021	\$ 910,701	\$ 291,128	\$ 1,201,829
2022	942,671	263,058	1,205,729
2023	974,710	229,444	1,204,154
2024	1,006,822	190,133	1,196,955
2025	1,054,008	149,247	1,203,255
2026-2030	2,460,633	331,144	2,791,777
2031-2035	423,116	228,406	651,522
2036-2040	503,405	148,117	651,522
2041-2045	583,500	52,593	636,093
Total	<u>\$ 8,859,566</u>	<u>\$ 1,883,270</u>	<u>\$ 10,742,836</u>

Note 6 – Capital Leases

In 2011, the Authority entered into a capitalized lease agreement for the acquisition of various building improvements and equipment. The terms of each agreement provide options to purchase the items. The leases meet the criteria of capital leases as one which transfers all benefits and risks of ownership to the lessee. On September 24, 2020, the Board authorized the Authority to proceed with Phase IV of its Energy Performance Contract with Ameresco, Inc. The primary purpose of Phase IV is to convert interior and exterior lighting at the public housing sites to LED, thereby extending HUD’s energy incentives an additional five years. Other energy saving measures include window and door replacements at four sites. The project is financed by a \$6,342,149 tax-exempt municipal lease at an interest rate of 1.35%. Lease payments in the current fiscal year totaled \$1,280,007.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 6 – Capital Leases (continued)

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments at December 31, 2020:

Year	Principal	Interest	Total
2021	\$ 1,211,642	\$ 78,188	\$ 1,289,830
2022	1,256,786	61,504	1,318,290
2023	1,273,858	44,432	1,318,290
2024	1,291,162	27,129	1,318,291
2025	1,308,701	9,590	1,318,291
Total	<u>\$ 6,342,149</u>	<u>\$ 220,843</u>	<u>\$ 6,562,992</u>

Note 7 – Other Employee Benefits

Compensated Absences

Sick Leave is earned at a rate of 4.6 hours for each 80 hours worked and up to 660 hours of accumulated, unused sick leave is paid upon retirement.

Vacation leave is earned at a rate ranging from 8 hours to 16.66 hours per month based on years of service. Vacation time may be carried over from year to year up to two years for a cumulative maximum of 96 hours. Accumulated, unused vacation time is due and payable to employees upon separation from the Authority.

Note 8 – Defined Benefit Pension Plan

Net Pension Liability

The net pension liability 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.

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 pensions are financed; however, the Authority does receive the benefit of employees’ services in exchange for compensation including pension.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 8 – Defined Benefit Pension Plan (continued)

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

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

Ohio Public Employees Retirement System

The 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 may elect the member-directed plan and the combined plan, 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.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 8 – Defined Benefit Pension Plan (continued)

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	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years <u>after January 7, 2013</u>	20 years of service credit prior to January 7, 2013 or eligible to retire <u>ten years after January 7, 2013</u>	Members not in other Groups and members hired on or after <u>January 7, 2013</u>
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 57 with 25 years of service credit or Age 62 with 5 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.

Once a benefit recipient retiring under the Traditional Plan has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided on the member’s base benefit. Members retiring under the Combined Plan receive a cost-of-living adjustment on the defined benefit portion of their retirement benefit. 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. Additionally, a death benefit of \$500-\$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Traditional and Combined Plan.

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Note 8 – Defined Benefit Pension Plan (continued)

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

	<u>State and Local</u>
2020 Statutory maximum contribution rates	
Employer	14.00 %
Employee	10.00 %
 2020 Actual contribution rates	
Employer:	
Pension	14.00 %
Post-employment health care benefits	-
Total employer	14.00 %
 Employee	 10.00 %

The Authority’s contractually required contribution for the Traditional Pension Plan was \$1,893,929 for 2020. Of this amount, \$234,577 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>
Proportion of the net pension liability - prior year	0.099021%
Proportion of the net pension liability - current year	0.096071%
Change in proportionate share	-0.002950%
 Proportionate share of the net pension liability	 \$ 18,989,085
Pension expense	\$ 2,697,163

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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 8 – Defined Benefit Pension Plan (continued)

At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>
Deferred outflows of resources	
Changes of assumptions	\$ 1,014,239
Authority contributions subsequent to the measurement date	<u>1,893,929</u>
Total deferred outflows of resources	<u><u>\$ 2,908,168</u></u>
 Deferred inflows of resources	
Differences between expected and actual experience	\$ 240,090
Net difference between projected and actual earnings on pension plan investments	3,787,896
Changes in proportion and differences between Authority contributions and proportionate share of contributions	<u>435,468</u>
Total Deferred Inflows of Resources	<u><u>\$4,463,454</u></u>

\$1,893,929 reported as deferred outflows of resources related to pension resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021.

	<u>OPERS</u>
Year ending December 31:	
2021	\$ (739,888)
2022	(1,362,139)
2023	156,856
2024	<u>(1,504,044)</u>
Total	<u><u>\$ (3,449,215)</u></u>

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 8 – Defined Benefit Pension Plan (continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.25 percent
Future salary increases, including inflation - Traditional plan	3.25 percent to 10.75 percent
Future salary increases, including inflation - Combined plan COLA or Ad Hoc COLA	3.25 percent to 8.25 percent Pre January 7, 2013 retirees, 3 percent, simple Post January 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 are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy 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.

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For the Year Ended December 31, 2020

Note 8 – Defined Benefit Pension Plan (continued)

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2% for 2019.

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 2019 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	25.00 %	1.83 %
Domestic equities	19.00	5.75
Real estate	10.00	5.20
Private equity	12.00	10.70
International equities	21.00	7.66
Other investments	<u>13.00</u>	<u>4.98</u>
Total	<u>100.00</u> %	<u>5.61</u> %

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. 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.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 8 – Defined Benefit Pension Plan (continued)

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%, 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%) or one-percentage-point higher (8.2%) than the current rate:

	1% Decrease <u>(6.20%)</u>	Current discount rate <u>(7.20%)</u>	1% Increase <u>(8.20%)</u>
Authority’s proportionate share of the net pension liability	\$ 31,319,146	\$ 18,989,085	\$ 7,904,722

Note 9 – Post-Employment Benefits

Net OPEB Liability

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

The net OPEB liability represents the Authority’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability 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.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 9 – Post-Employment Benefits (continued)

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 accrued liabilities.

Ohio Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

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

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the OPERS Board of Trustees (OPERS 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 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 9 – Post-Employment Benefits (continued)

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 2020. 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 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority’s contractually required contribution was \$0 for 2020.

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 for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, 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:

	<u>OPERS</u> <u>2020</u>
Proportion of the net OPEB liability - prior measurement date	0.100391%
Proportion of the net OPEB liability - current measurement date	<u>0.098140%</u>
Change in proportionate share	<u>-0.002251%</u>
Proportionate share of the net OPEB liability	\$ 13,662,592
OPEB expense	\$ 1,362,774

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Notes to the Financial Statements
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Note 9 – Post-Employment Benefits (continued)

At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred outflows of resources	
Differences between expected and actual experience	\$ 366
Changes of assumptions	<u>2,162,643</u>
Total deferred outflows of resources	<u>\$2,163,009</u>
 Deferred inflows of resources	
Net difference between projected and actual earnings on OPEB plan investments	\$ 695,696
Differences between expected and actual experience	1,249,507
Changes in proportionate share and difference between employer contributions and proportionate share of contributions	<u>145,134</u>
Total deferred inflows of resources	<u>\$2,090,337</u>

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

	<u>OPERS</u>
Year ending December 31:	
2021	\$ 251,660
2022	117,736
2023	554
2024	<u>(297,278)</u>
Total	<u>\$ 72,672</u>

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.

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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 9 – Post-Employment Benefits (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, 2018, rolled forward to the measurement date of December 31, 2019. 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	3.25 to 10.75 percent (includes wage inflation at 3.25 percent)
Single discount rate:	
Current measurement date	3.16 percent
Prior measurement date	3.96 percent
Investment rate of return	6.00 percent
Municipal bond rate	2.75
Health care cost trend rate	10.0 percent, initial 3.25 percent, ultimate in 2030
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.

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For the Year Ended December 31, 2020

Note 9 – Post-Employment Benefits (continued)

During 2019, 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 is 19.7 percent for 2019.

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 2019 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	36.00%	1.53%
Domestic equities	21.00%	5.75%
Real estate investment trust	6.00%	6.69%
International equities	23.00%	7.66%
Other investments	<u>14.00%</u>	<u>4.90%</u>
 Total	 <u>100.00%</u>	 <u>4.55%</u>

Discount Rate A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. 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 2.75 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 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

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Note 9 – Post-Employment Benefits (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 3.16 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 (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease	Current discount rate	1% Increase
	<u>(2.16%)</u>	<u>(3.16%)</u>	<u>(4.16%)</u>
Authority's proportionate share of the net OPEB liability	\$ 17,879,695	\$ 13,662,592	\$ 10,286,067

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.

	1% Decrease	Current health care cost trend rate assumption	1% Increase
Authority's proportionate share of the net OPEB liability	\$ 13,259,422	\$ 13,662,592	\$ 14,060,625

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 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is 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 3.50 percent in the most recent valuation.

Note 10 – Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended December 31, 2020, the Authority contracted with the Housing Authority Risk Retention Group, Inc. (HAARG).

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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 10 – Risk Management (continued)

The Authority is covered for property damage, general liability, automobile liability, law enforcement liability, public officials liability and other crime liabilities through membership in the Housing Authority Risk Retention Group, Inc. (HARRG) which is an insurance risk-sharing and purchasing pool comprised of housing authorities. Property and personal property coverage is provided with a \$150,000,000 coverage limit and \$10,000 deductible. General liability is provided with a \$5,000,000 coverage limit and \$25,000 deductible. Public official liability is provided with a \$4,000,000 coverage limit and \$0 deductible. Other Crime liability is provided with a \$1,000,000 coverage limit and \$10,000 deductible. Settled claims have not exceeded this coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Note 11 – Payments in Lieu of Taxes

The Authority has cooperation agreements with certain municipalities under which it makes payments in lieu of real estate taxes for various public services. The Authority's expense recognized for payments in lieu of taxes totaled \$1,036,382 for the year ended December 31, 2020.

Note 12 – Capital Contributions

Capital contributions of \$5,280,014 represent the portion of grants that are used for capital improvements under the Authority's public housing program.

Note 13 – Restricted Net Position

The Housing Choice Voucher Program and the Veteran's Affairs Supportive Housing Program require the equity portion attributable to the excess housing assistance payments be reflected as restricted net position. The corresponding funds are reflected in the cash and investment accounts. In addition, proceeds from the sale of the Norton Homes public housing project are also restricted in usage and are shown as restricted investments and net position.

Housing Assistance Payments - Section 8	\$ 1,702,657
Operating Reserve Funds for Blended Component Units	1,567,254
Public Housing Bond Pool Reserves	606,186
Public Housing Energy Conservation Measures	6,342,149
Proceeds from Norton Homes Sale	9,643,833
	<u>\$ 19,862,079</u>

Note 14 – Contingencies

Grants

The Authority received financial assistance from HUD in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the Authority.

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 14 – Contingencies (continued)

Litigation

The Authority is party to various legal proceedings. In the opinion of the Authority, the ultimate disposition of these proceedings will not have a materially adverse effect on the Authority's financial position. No provision has been made in the financial statements for the effect, if any, of such contingencies.

Note 15 – Commitments

As of December 31, 2020, the Authority had the following significant contractual commitments:

Elevator Upgrades	\$ 686,500
Patio Door Replacement	451,831
Waste Services	437,729
Maplewood Villa Sitework	434,000
Belcher Roof Replacement	428,000
Phase 1 Central Office Lobby Renovations	399,400
Lauer Roof Replacement	347,995
Saferstein Fire Alarm Replacement System	329,887
Van Buren Roof Replacement	317,310
Fowler and Saferstein Exterior Building Improvements	247,647
Pinewood Site Drainage Improvements	176,974
Total Commitments	<u><u>\$ 4,257,273</u></u>

Akron Metropolitan Housing Authority
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Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 16 – Notes and Mortgages Receivable

The Authority loaned funds to the respective properties listed below for the purpose of development, rehabilitation and new construction of low-income housing tax credit (LIHTC) and public housing units. The principal and interest obligations are payables based on the cash flow generated by the properties. The notes are secured by a mortgage lien on the subject property.

Outstanding notes and mortgages receivables as of December 31, 2020 are as follows:

Partnership Name	Original Loan Date	Maturity Date	Original Balance	Balance at 12/31/20	Interest Rate
Cascade Village North	September 30, 2005	December 31, 2046-2050	\$ 5,091,702	\$ 5,001,990	0-5%
Cascade South	September 26, 2007	September 26, 2047	2,993,864	2,933,864	5.09%
Akron Edgewood Homes, LLC	November 8, 2007	November 8, 2057	11,489,282	11,489,282	0%-2%
Cascade Village East/West	August 7, 2008	August 7, 2049	845,649	266,649	4.58%
Edgewood Village, LLC	December 10, 2009	December 10, 2049	3,667,709	3,609,512	0.50%
Marian Hall Building, LLC	March 9, 2012	March 9, 2057	7,136,332	7,136,332	0.10%
Edgewood Village South, LLC	June 1, 2011	June 1, 2056	3,012,075	3,007,568	0.10%
Other Notes Receivable			-	575,000	-
Total Primary Government			\$ 34,236,613	\$ 34,020,197	

The below represents the changes in notes and mortgages receivable from the Authority’s blended component units during the year ended December 31, 2020. All of these receivables due to the Authority are derived from internal debt and, along with the blended component unit payables (see Note 5), are excluded in the primary government’s financial statements.

Partnership Name	Original Loan Date	Maturity Date	Original Balance	Balance at 12/31/20	Interest Rate
Eastland Woods, LLC	October 29, 2004	November 1, 2045	\$ 6,057,226	\$ 5,244,486	1.5%-2%
Building for Tomorrow	September 29, 2016	September 29, 2046	20,000	20,000	0%
Wilbeth Arlington Homes, LP	December 31, 2014	December 31, 2044	9,915,337	9,586,450	3%
Green Retirement Partnership	August 1, 2003- February 18, 2014	January 1, 2025- August 1, 2033	1,862,530	1,564,801	5.5%-7.65%
Spicer	April 28, 2015	April 30, 2046-2055	3,305,700	1,309,803	0%
Total Blended Component Units			\$ 21,160,793	\$ 17,725,540	

Note 17 – Component Units

Akron Edgewood Homes, LLC, Edgewood Village, LLC, Edgewood Village South, LLC and Marian Hall Building, LLC (the “component units”) have been determined to be discretely presented component units as described in Note 1. The Authority’s management has determined that they are significant; therefore they have been included as part of the Authority’s financial statements. The component units each issue a publicly available, stand-alone financial report that includes financial statements and supplementary information. The reports may be obtained by writing to the Finance Director of the Akron Metropolitan Housing Authority, 100 West Cedar Street, Akron, Ohio 44307.

*Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020*

Note 17 – Component Units (continued)

A. Significant Accounting Policies

Accounting Basis – The financial statements of the component units have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) is the accepted standard-setting body for establishing financial accounting and reporting principles. The component units' significant accounting policies are described below.

Basis of Presentation – Operating revenues are those that are generated directly from the primary activity of the component units. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the component units. All revenues and expenses not meeting this definition are reported as non-operating.

Cash and Cash Equivalents – Cash received by the component units is maintained in demand deposit accounts and is presented in the financial statements as “cash and cash equivalents”.

Capital Assets and Depreciation – Capital assets are capitalized at cost or estimated historical cost and updated for additions and deletions during the year. The component units do not have any infrastructure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

All capital assets are depreciated. Depreciation is computed using the straight-line method.

Net Position – Net position represents the difference between assets and liabilities. The net position component “Net investment in capital assets” consists of capital assets, net of accumulated depreciation and related debt. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

The component units apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

B. Deposits and Investments

At December 31, 2020, the carrying amount of all the component units' deposits was \$4,536,809. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the component units to a successful claim by the FDIC.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 17 – Component Units (continued)

C. Receivables

Receivables at December 31, 2020 consist of tenant rent receivables and miscellaneous receivables totaling \$43,737.

D. Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	Balance 1/1/2020	Additions	Deletions	Transfers	Balance 12/31/2020
<u>Capital Assets Not Being</u>					
<u>Depreciated</u>					
Land	\$ 1,009,800	\$ -	\$ -	\$ (1,009,800)	\$ -
<i>Total Capital Assets Not Being Depreciated</i>	1,009,800	-	-	(1,009,800)	-
<u>Capital Assets Being</u>					
<u>Depreciated</u>					
Buildings and Building Improvements	65,574,232	14,875	-	(14,418,222)	51,170,885
Furniture, Equipment, Machinery	1,592,621	4,856	(9,836)	(548,276)	1,039,365
<i>Total Capital Assets Being Depreciated</i>	67,166,853	19,731	(9,836)	(14,966,498)	52,210,250
<u>Less: Accumulated</u>					
<u>Depreciation</u>					
Capital Assets Being Depreciated, Net	(27,451,876)	(2,508,543)	9,814	7,309,961	(22,640,644)
Component Unit Capital Assets, Net	\$ 40,724,777	\$ (2,488,812)	\$ (22)	\$ (8,666,337)	\$ 29,569,606

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 17 – Component Units (continued)

E. Long-Term Debt

Debt activity for the year ended December 31, 2020 was as follows:

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020	Due Within One Year
<u>General Obligations</u>					
Edgewood Village, LLC	492,000	-	-	492,000	-
Edgewood Village South, LLC	528,175	-	(261,464)	266,711	266,711
<i>Total Component Units</i>	<u>\$ 1,020,175</u>	<u>\$ -</u>	<u>\$ (261,464)</u>	<u>\$ 758,711</u>	<u>\$ 266,711</u>

A note payable is due to Edgewood Village Development Corporation on a \$492,000 construction loan secured by a mortgage from the Ohio Housing Finance Agency to fund construction of the Edgewood Village Phase 4 Project. This project debt is at an interest rate of 2.00% compounded semi-annually. Principal and interest are payable from cash flow and due December 10, 2049.

Edgewood Village South, LLC obtained a Construction bridge loan from Ohio Housing Finance Agency in the amount of \$2,000,000. The bridge loan bears no interest for the first two years and then bears interest at 2.00% for the remainder of the term. Principal and interest are payable in eight annual installments in the amount of \$273,020 beginning on April 15, 2014 and continuing through April 15, 2021.

F. Contingencies

Management believes there are no pending legal matters which would materially affect the component units' financial statements.

Akron Metropolitan Housing Authority
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 17 – Component Units (continued)

G. Condensed Financial Statement Information

	Akron Edgewood Homes, LLC	Edgewood Village, LLC	Edgewood Village South, LLC	Marian Hall Building, LLC	Total Discretely Presented Component Units
<u>Balance Sheet</u>					
Current Assets	\$ 1,579,656	\$ 773,274	\$ 1,343,383	\$ 884,233	\$ 4,580,546
Capital Assets, Net	11,719,882	5,700,463	5,980,944	6,168,317	29,569,606
Other Non-Current Assets	42,820	91,788	118,711	166,995	420,314
Current Liabilities	1,910,985	1,339,907	432,632	117,290	3,800,814
Non-Current Liabilities	11,489,282	4,101,512	3,407,568	7,136,332	26,134,694
Net Position	(57,909)	1,124,106	3,602,838	(34,077)	4,634,958
<u>Revenues, Expenses and Changes in Equity</u>					
Revenues	648,091	423,575	678,478	389,463	2,139,607
Expenses	1,544,797	918,144	670,817	734,987	3,868,745
Excess of Revenue over Expenses	\$ (896,706)	\$ (494,569)	\$ 7,661	\$ (345,524)	\$ (1,729,138)

Note 18 – Subsequent Event

On February 26, 2021, the Authority through its affiliate Wilbeth-Arlington Homes Limited Partnership sold Wilbeth-Arlington Homes, a 326-unit affordable housing project, for \$14,000,000. In addition, the Authority sold the land underneath Wilbeth-Arlington Homes as well as 13 parcels nearby of which eight were single-family homes and the balance vacant lots for \$1,000,000.

Note 19 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority. The impact on the Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Note 20 – Prior Period Adjustment and Restatement of Net Position

During 2020, the Authority examined the status of the discretely presented component units and determined that the Eastland Woods component unit would be more properly classified as a blended component unit. The net result of this change in classification is a transfer of the project balance as of December 31, 2019 of \$2,443,706 from the component unit to the primary government. All subsequent activity is reflected in the primary government column of the presented financial statements.

Akron Metropolitan Housing Authority
 Required Supplementary Information
 Schedule of Akron Metropolitan Housing Authority Proportionate Share of the Net Pension Liability
 Last Seven Years (1)

	2020	2019	2018	2017	2016	2015	2014
Ohio Public Employees Retirement System (OPERS) - Traditional Plan							
Authority's proportion of the net pension liability	0.096071%	0.099021%	0.099888%	0.102165%	0.106723%	0.113183%	0.113183%
Authority's proportionate share of the net pension liability	\$ 18,989,085	\$ 27,119,842	\$ 15,670,487	\$ 23,199,934	\$ 18,485,769	\$ 13,651,135	\$ 13,342,801
Authority's covered payroll	\$ 13,521,571	\$ 13,129,114	\$ 13,493,892	\$ 13,117,567	\$ 13,535,725	\$ 13,852,992	\$ 13,335,338
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	140.44%	206.56%	116.13%	176.86%	136.57%	98.54%	100.06%
Plan fiduciary net position as a percentage of total pension liability	84.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available and the amounts presented are as of the Authority's measurement date which is the prior year end.

See Notes to the Required Supplementary Information.

Akron Metropolitan Housing Authority
Required Supplementary Information
Schedule of Akron Metropolitan Housing Authority Contributions - Pension
Last Eight Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Ohio Public Employees Retirement System (OPERS) - Traditional Plan								
Contractually required contribution	\$ 1,893,929	\$ 1,893,020	\$ 1,838,076	\$ 1,754,206	\$ 1,574,108	\$ 1,624,287	\$ 1,662,359	\$ 1,733,594
Contributions in relation to contractually required contribution	<u>(1,893,929)</u>	<u>(1,893,020)</u>	<u>(1,838,076)</u>	<u>(1,754,206)</u>	<u>(1,574,108)</u>	<u>(1,624,287)</u>	<u>(1,662,359)</u>	<u>(1,733,594)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority covered payroll	\$ 13,528,064	\$ 13,521,571	\$ 13,129,114	\$ 13,493,892	\$ 13,117,567	\$ 13,535,725	\$ 13,852,992	\$ 13,335,338
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

See Notes to the Required Supplementary Information.

Akron Metropolitan Housing Authority
 Required Supplementary Information
 Schedule of Akron Metropolitan Housing Authority Proportionate Share of the Net OPEB Liability
 Last Four Years (1)

Ohio Public Employees Retirement System (OPERS)	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's proportion of the net OPEB liability	0.098914%	0.100391%	0.101120%	0.103262%
Authority's proportionate share of the net OPEB liability	\$ 13,662,592	\$ 13,088,617	\$ 10,980,887	\$ 10,429,813
Authority's covered payroll	\$ 13,521,571	\$ 13,129,114	\$ 13,493,892	\$ 13,117,567
Authority's proportionate share of the net OPEB liability as a percentage of its covered payroll	101.04%	99.69%	81.38%	79.51%
Plan fiduciary net position as a percentage of total OPEB liability	47.80%	46.33%	54.14%	54.05%

(1) Information prior to 2017 is not available and the amounts presented are as of the Authority's measurement date which is the prior year end.

See Notes to the Required Supplementary Information.

Akron Metropolitan Housing Authority
 Required Supplementary Information
 Schedule of Akron Metropolitan Housing Authority Contributions - OPEB
 Last Seven Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Ohio Public Employees Retirement System (OPERS)								
Contractually required contribution	\$ -	\$ -	\$ -	\$ 145,096	\$ 285,164	\$ 287,994	\$ 308,802	\$ 141,865
Contributions in relation to contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>(145,096)</u>	<u>(285,164)</u>	<u>(287,994)</u>	<u>(308,802)</u>	<u>(141,865)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority covered payroll	\$ 13,528,064	\$ 13,521,571	\$ 13,129,114	\$ 13,493,892	\$ 13,117,567	\$ 13,535,725	\$ 13,852,992	\$ 13,335,338
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%	1.00%

(1) Information prior to 2013 is not available.

See Notes to the Required Supplementary Information.

Akron Metropolitan Housing Authority
Notes to Required Supplementary Information
For the Year Ended December 31, 2020

Pension

Ohio Public Employees Retirement System (OPERS) - Traditional Plan

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

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financials for the methods and assumptions in this calculation.

OPEB

Ohio Public Employees Retirement System (OPERS)

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

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financials for the methods and assumptions in this calculation.

Akron Metropolitan Housing Authority
Summit County
 Combining Schedule of Net Position
 Primary Government
 December 31, 2020

	Low Income Public Housing Program	PIH Family Self-Sufficiency Program	Resident Opportunity and Supportive Services	Housing Choice Voucher Program	Public Housing CARES Act	Central Office Cost Center CARES Act	Housing Choice Voucher CARES Act
Assets							
Current Assets							
Cash and Cash Equivalents	\$ 9,892,653	\$ -	\$ -	\$ 1,747,642	\$ -	\$ -	\$ -
Investments - Unrestricted	4,765,540	-	-	-	-	-	-
Restricted Cash and Cash Equivalents	7,367,730	-	11,466	1,947,837	-	-	44,069
Investments - Restricted	-	-	-	-	-	-	-
Accrued Interest Receivable	5,480	-	-	-	-	-	-
Other Receivables, Net	1,184,600	51,499	14,329	110,668	127,841	-	-
Inventories, Net	674,953	-	-	-	-	-	-
Prepaid Expenses and Other Assets	16,872	-	-	-	-	-	-
Interprogram Receivables	-	-	-	-	-	-	-
Total Current Assets	23,907,828	51,499	25,795	3,806,147	127,841	-	44,069
Noncurrent Assets							
Capital Assets, Not Being Depreciated	39,514,646	-	-	-	-	-	-
Capital Assets, Net of Depreciation	65,797,995	-	-	-	-	-	-
Notes Receivables from Component Units and Other	-	-	-	-	-	-	-
Other Noncurrent Assets	-	-	-	-	-	-	-
Total Noncurrent Assets	105,312,641	-	-	-	-	-	-
Deferred Outflows of Resources	2,337,656	-	-	484,254	-	-	-
Total Assets and Deferred Outflows of Resources	131,558,125	51,499	25,795	4,290,401	127,841	-	44,069
Liabilities							
Current Liabilities							
Accounts Payable	898,112	6,183	-	1,914	127,841	-	7,507
Accrued Liabilities	486,900	8,354	-	92,077	-	-	-
Tenant Security Deposits	256,781	-	-	-	-	-	-
Unearned Revenue	78,967	-	-	-	-	-	36,562
Bonds, Notes and Loans Payable	2,089,328	-	-	-	-	-	-
Interprogram Liabilities	-	36,962	14,329	-	-	-	-
Other Current Liabilities	1,692,272	-	-	-	-	-	-
Total Current Liabilities	5,502,360	51,499	14,329	93,991	127,841	-	44,069
Noncurrent Liabilities							
Bonds, Notes and Loans Payable	11,106,636	-	-	-	-	-	-
Accrued Compensated Absences, Noncurrent	508,796	-	-	117,916	-	-	-
Other Noncurrent Liabilities	162,614	-	11,466	178,923	-	-	-
Net Pension/Net OPEB Liability	15,051,415	-	-	3,117,959	-	-	-
Total Noncurrent Liabilities	26,829,461	-	11,466	3,414,798	-	-	-
Deferred Inflows of Resources	-	-	-	-	-	-	-
Pension/OPEB	3,021,096	-	-	625,832	-	-	-
Total Deferred Inflows of Resources	3,021,096	-	-	625,832	-	-	-
Total Liabilities and Deferred Inflows of Resources	35,352,917	51,499	25,795	4,134,621	127,841	-	44,069
Net Position							
Net Investment in Capital Assets	92,116,677	-	-	-	-	-	-
Restricted	6,948,335	-	-	1,702,657	-	-	-
Unrestricted	(2,859,804)	-	-	(1,546,877)	-	-	-
Total Net Position	\$ 96,205,208	\$ -	\$ -	\$ 155,780	\$ -	\$ -	\$ -

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Jobs-Plus Pilot Initiative	Shelter Plus Care	Mainstream Vouchers Program	State/Local	Business Activities	Twenty-First Century Community Learning Centers	Temporary Assistance for Needy Families	Section 8 Moderate Rehab	COCC
\$ -	\$ -	\$ -	\$ 42,084	\$ 7,371,607	\$ -	\$ -	\$ 137,325	\$ 5,533,517
-	-	-	-	5,293,185	-	-	-	-
-	-	128,948	-	2,816,896	-	-	-	-
-	-	-	-	7,344,913	-	-	-	-
-	-	-	-	9,159,977	-	-	-	-
14,219	-	-	-	20,193,534	-	-	-	-
-	-	-	-	25,976	-	-	-	24,406
-	-	-	-	-	-	-	-	56,753
-	-	-	-	65,510	-	-	-	-
14,219	-	128,948	42,084	52,271,598	-	-	137,325	5,614,676
-	-	-	-	6,824,520	-	-	-	14,154
-	-	-	-	9,813,724	-	-	-	1,232,629
-	-	-	-	34,020,197	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	50,658,441	-	-	-	1,246,783
-	-	-	-	816,951	-	-	-	1,432,316
14,219	-	128,948	42,084	103,746,990	-	-	137,325	8,293,775
-	-	-	-	382,298	-	-	5,304	36,007
-	-	-	-	229,579	-	-	-	314,442
-	-	-	-	64,886	-	-	-	-
-	-	128,948	42,084	69,637	-	-	-	-
-	-	-	-	25,000	-	-	-	-
14,219	-	-	-	-	-	-	-	-
-	-	-	-	149,716	-	-	-	-
14,219	-	128,948	42,084	921,116	-	-	5,304	350,449
-	-	-	-	3,296,695	-	-	-	-
-	-	-	-	16,545	-	-	-	436,306
-	-	-	-	-	-	-	-	-
-	-	-	-	5,260,083	-	-	-	9,222,220
-	-	-	-	8,573,323	-	-	-	9,658,526
-	-	-	-	1,055,795	-	-	-	1,851,069
-	-	-	-	1,055,795	-	-	-	1,851,069
14,219	-	128,948	42,084	10,550,234	-	-	5,304	11,860,044
-	-	-	-	13,316,549	-	-	-	1,246,784
-	-	-	-	10,096,923	-	-	-	-
-	-	-	-	69,783,284	-	-	132,021	(4,813,053)
\$ -	\$ -	\$ -	\$ -	\$ 93,196,756	\$ -	\$ -	\$ 132,021	\$ (3,566,269)

Akron Metropolitan Housing Authority
Summit County
Combining Schedule of Net Position
Blended Component Units
December 31, 2020

	Wilbeth-Arlington Homes, LP	Building for Tomorrow	Summit Akron Development Corporation	Green Retirement Partnership	Eastland Woods
Assets					
Current Assets					
Cash and Cash Equivalents	\$ 2,871,535	\$ 511,025	\$ 73,031	\$ 52,995	\$ 243,675
Restricted Cash and Cash Equivalents	60,558	-	600	87,392	1,097,102
Receivables, Net	76,164	45,024	843	2,540	24,203
Prepaid Expenses and Other Assets	-	-	-	7,011	9,647
Total Current Assets	<u>3,008,257</u>	<u>556,049</u>	<u>74,474</u>	<u>149,938</u>	<u>1,374,627</u>
Noncurrent Assets					
Capital Assets, Not Being Depreciated	389,521	-	551,021	90	1,009,800
Capital Assets, Net of Depreciation	2,945,315	-	1,472,989	3,197,777	7,656,537
Other Noncurrent Assets	564,550	-	-	19,653	99,002
Total Noncurrent Assets	<u>3,899,386</u>	<u>-</u>	<u>2,024,010</u>	<u>3,217,520</u>	<u>8,765,339</u>
Total Assets	<u><u>6,907,643</u></u>	<u><u>556,049</u></u>	<u><u>2,098,484</u></u>	<u><u>3,367,458</u></u>	<u><u>10,139,966</u></u>
Liabilities					
Current Liabilities					
Accounts Payable	93,314	14,707	2,474	13,463	26,622
Accrued Liabilities	250,860	-	336	35,678	175,648
Tenant Security Deposits	49,092	-	550	39,179	29,538
Unearned Revenue	6,689	50,000	-	40,251	3,391
Bonds, Notes and Loans Payable	-	-	-	-	55,863
Other Current Liabilities	10,555,144	61,708	2,455,664	2,118,938	5,644,918
Total Current Liabilities	<u>10,955,099</u>	<u>126,415</u>	<u>2,459,024</u>	<u>2,247,509</u>	<u>5,935,980</u>
Noncurrent Liabilities					
Bonds, Notes and Loans Payable	-	-	-	247,000	2,108,702
Accrued Compensated Absences, Noncurrent	-	-	106	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>106</u>	<u>247,000</u>	<u>2,108,702</u>
Total Liabilities	<u><u>10,955,099</u></u>	<u><u>126,415</u></u>	<u><u>2,459,130</u></u>	<u><u>2,494,509</u></u>	<u><u>8,044,682</u></u>
Net Position					
Net Investment in Capital Assets	3,334,836	-	2,024,010	2,950,867	6,501,772
Restricted	-	-	-	47,142	1,067,022
Unrestricted	(7,382,292)	429,634	(2,384,656)	(2,125,060)	(5,473,510)
Total Net Position	<u>\$ (4,047,456)</u>	<u>\$ 429,634</u>	<u>\$ (360,646)</u>	<u>\$ 872,949</u>	<u>\$ 2,095,284</u>

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Akron Metropolitan Housing Authority
Summit County
Combining Schedule of Net Position
Discretely Presented Component Units
December 31, 2020

	Akron Edgewood Homes	Edgewood Village	Edgewood Village South, LLC	Marian Hall Building, LLC
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 333,949	\$ 83,362	\$ 314,424	\$ 303,283
Restricted Cash and Cash Equivalents	1,223,933	683,796	1,013,967	580,095
Receivables, Net	21,774	6,116	14,992	855
Total Current Assets	<u>1,579,656</u>	<u>773,274</u>	<u>1,343,383</u>	<u>884,233</u>
Noncurrent Assets				
Capital Assets, Net of Depreciation	11,719,882	5,700,463	5,980,944	6,168,317
Other Noncurrent Assets	42,820	91,788	118,711	166,995
Total Noncurrent Assets	<u>11,762,702</u>	<u>5,792,251</u>	<u>6,099,655</u>	<u>6,335,312</u>
Total Assets	<u><u>13,342,358</u></u>	<u><u>6,565,525</u></u>	<u><u>7,443,038</u></u>	<u><u>7,219,545</u></u>
Liabilities				
Current Liabilities				
Accounts Payable	245,730	201,465	53,677	31,972
Accrued Liabilities	1,624,919	393,792	87,984	64,750
Tenant Security Deposits	38,351	24,339	23,638	18,715
Unearned Revenue	1,985	720,311	622	1,853
Bonds, Notes and Loans Payable	-	-	266,711	-
Total Current Liabilities	<u>1,910,985</u>	<u>1,339,907</u>	<u>432,632</u>	<u>117,290</u>
Noncurrent Liabilities				
Bonds, Notes and Loans Payable	-	492,000	-	-
Notes Payable to Primary Government	11,489,282	3,609,512	3,407,568	7,136,332
Total Noncurrent Liabilities	<u>11,489,282</u>	<u>4,101,512</u>	<u>3,407,568</u>	<u>7,136,332</u>
Total Liabilities	<u><u>13,400,267</u></u>	<u><u>5,441,419</u></u>	<u><u>3,840,200</u></u>	<u><u>7,253,622</u></u>
Net Position				
Net Investment in Capital Assets	230,600	1,598,951	2,306,665	(968,015)
Restricted	1,185,344	658,911	989,476	559,841
Unrestricted	(1,473,853)	(1,133,756)	306,697	374,097
Total Net Position	<u><u>\$ (57,909)</u></u>	<u><u>\$ 1,124,106</u></u>	<u><u>\$ 3,602,838</u></u>	<u><u>\$ (34,077)</u></u>

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Akron Metropolitan Housing Authority
Summit County
Combining Schedules of Revenues, Expenses and Changes in Net Position
Primary Government
For the Year Ended December 31, 2020

	Low Income Public Housing Program	PIH Family Self-Sufficiency Program	Resident Opportunity and Supportive Services	Housing Choice Voucher Program	Public Housing CARES Act	Central Office Cost Center CARES Act	Housing Choice Voucher CARES Act
Operating Revenue							
Tenant Revenue	\$ 10,653,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government Operating Grants	22,755,114	349,899	225,131	35,499,498	2,860,750	-	2,778,353
Other Revenue	1,507,195	-	-	251,246	-	344,287	-
Total Operating Revenue	34,915,572	349,899	225,131	35,750,744	2,860,750	344,287	2,778,353
Operating Expenses							
Administrative	8,581,249	6,183	20,983	2,673,148	937,207	-	1,215,866
Tenant Services	1,123,157	340,657	204,148	32,762	831,498	381,365	147,865
Utilities	4,527,325	-	-	-	-	-	-
Maintenance	10,263,703	-	-	24,294	858,035	-	-
Protective Services	1,526,075	-	-	67,503	93,819	-	77,351
General	1,897,301	-	-	19,447	139,908	-	-
Housing Assistance Payments	-	-	-	30,250,690	-	-	1,337,271
Insurance	1,007,658	3,059	-	49,611	-	-	-
Depreciation and Amortization	9,633,113	-	-	-	-	-	-
Total Operating Expenses	38,559,581	349,899	225,131	33,117,455	2,860,467	381,365	2,778,353
Operating Income (Loss)	(3,644,009)	-	-	2,633,289	283	(37,078)	-
Nonoperating Revenues (Expenses)							
Interest and Investment Revenue	120,873	-	-	830	-	-	-
Casualty Gain (Loss)	(261,533)	-	-	-	-	-	-
Interest Expense and Amortization Cost	(280,183)	-	-	-	-	-	-
Gain (Loss) on Sale of Capital Assets	(558)	-	-	-	-	-	-
Interprogram Transfer	(137,571)	-	-	-	137,571	37,078	-
Total Nonoperating Revenues (Expenses)	(558,972)	-	-	830	137,571	37,078	-
Income (Loss) Before Capital Contributions	(4,202,981)	-	-	2,634,119	137,854	-	-
Capital Revenue							
Capital Contributions	5,280,014	-	-	-	-	-	-
Total Capital Revenue	5,280,014	-	-	-	-	-	-
Change in Net Position	1,077,033	-	-	2,634,119	137,854	-	-
Net Position, Beginning of Period	95,128,175	-	-	(2,478,339)	(137,854)	-	-
Net Position, End of Period	\$ 96,205,208	\$ -	\$ -	\$ 155,780	\$ -	\$ -	\$ -

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Jobs-Plus Pilot Initiative	Shelter Plus Care	Mainstream Vouchers Program	State/Local	Business Activities	Twenty-First Century Community Learning Centers	Temporary Assistance for Needy Families	Section 8 Moderate Rehab	COCC
\$ -	\$ -	\$ -	\$ -	\$ 1,851,857	\$ -	\$ -	\$ -	\$ -
39,939	485,398	33,243	-	-	163,074	76,482	44,604	-
-	-	-	-	812,304	-	-	-	8,953,200
39,939	485,398	33,243	-	2,664,161	163,074	76,482	44,604	8,953,200
434	11,955	930	-	926,858	-	-	6,319	6,378,245
39,505	-	-	-	118,050	163,074	-	-	27,486
-	-	-	-	363,513	-	-	-	23,617
-	-	-	-	1,288,294	-	-	-	1,961,263
-	-	-	-	90,342	-	-	-	2,196
-	-	-	-	21,225	-	76,482	-	2,189
-	473,443	32,313	-	-	-	-	38,373	-
-	-	-	-	96,209	-	-	32	185,559
-	-	-	-	572,971	-	-	-	39,856
39,939	485,398	33,243	-	3,477,462	163,074	76,482	44,724	8,620,411
-	-	-	-	(813,301)	-	-	(120)	332,789
-	-	-	-	1,433,983	-	-	30	1,247
-	-	-	-	(3,915)	-	-	-	(4,679)
-	-	-	-	-	-	-	-	-
-	-	-	-	(28,685)	-	-	-	-
-	-	-	-	-	-	-	-	(37,078)
-	-	-	-	1,401,383	-	-	30	(40,510)
-	-	-	-	588,082	-	-	(90)	292,279
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	588,082	-	-	(90)	292,279
-	-	-	-	92,608,674	-	-	132,111	(3,858,548)
\$ -	\$ -	\$ -	\$ -	\$ 93,196,756	\$ -	\$ -	\$ 132,021	\$ (3,566,269)

Akron Metropolitan Housing Authority
Summit County
Combining Schedules of Revenues, Expenses and Changes in Net Position
Blended Component Units
For the Year Ended December 31, 2020

	Wilbeth-Arlington Homes, LP	Building for Tomorrow	Summit Akron Development Corporation	Green Retirement Partnership	Eastland Woods
<u>Operating Revenue</u>					
Tenant Revenue	\$ 3,216,471	\$ -	\$ 80,843	\$ 531,830	\$ 1,384,958
Other Revenue	245,708	769,778	1,637	-	32,421
Total Operating Revenue	3,462,179	769,778	82,480	531,830	1,417,379
<u>Operating Expenses</u>					
Administrative	628,321	83,674	21,205	94,592	320,217
Tenant Services	13,963	582,503	1,265	6,584	1,980
Utilities	463,036	-	18,826	49,718	154,225
Maintenance	1,112,471	18,317	19,743	101,249	322,235
Protective Services	148,230	-	5,306	-	45,745
General	275,128	4,027	1,636	49,634	172,320
Insurance	201,616	7,159	2,284	16,076	77,602
Depreciation and Amortization	602,150	-	82,546	178,416	504,958
Total Operating Expenses	3,444,915	695,680	152,811	496,269	1,599,282
Operating Income (Loss)	17,264	74,098	(70,331)	35,561	(181,903)
<u>Nonoperating Revenues (Expenses)</u>					
Interest and Investment Revenue	1,351	242	26	142	2,216
Casualty Gain (Loss)	(287,594)	-	-	(126,812)	(165,115)
Interest Expense and Amortization Cost	(11)	-	-	-	(21)
Debt Issuance Costs	-	-	-	-	(3,599)
Gain (Loss) on Sale of Capital Assets	(152,158)	-	-	-	-
Total Nonoperating Revenues (Expenses)	(438,412)	242	26	(126,670)	(166,519)
Change in Net Position	(421,148)	74,340	(70,305)	(91,109)	(348,422)
Net Position, Beginning of Period	(3,626,308)	355,294	(290,341)	964,058	2,443,706
Net Position, End of Period	\$ (4,047,456)	\$ 429,634	\$ (360,646)	\$ 872,949	\$ 2,095,284

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Akron Metropolitan Housing Authority
Summit County
Combining Statements of Revenues, Expenses and Changes in Net Position
Discretely Presented Component Units
For the Year Ended December 31, 2020

	Akron Edgewood Homes, LLC	Edgewood Village, LLC	Edgewood Village South, LLC	Marian Hall Building, LLC
<u>Operating Revenue</u>				
Tenant Revenue	\$ 621,742	\$ 370,953	\$ 388,872	\$ 380,470
Other Revenue	24,492	51,036	288,129	8,063
Total Operating Revenue	<u>646,234</u>	<u>421,989</u>	<u>677,001</u>	<u>388,533</u>
<u>Operating Expenses</u>				
Administrative	170,493	104,793	109,249	134,411
Utilities	89,726	46,568	60,724	61,820
Maintenance	208,209	110,526	128,206	114,947
General	50,024	55,979	18,585	5,272
Insurance	40,954	31,585	26,974	22,854
Depreciation and Amortization	840,905	540,805	304,515	388,547
Total Operating Expenses	<u>1,400,311</u>	<u>890,256</u>	<u>648,253</u>	<u>727,851</u>
Operating Income (Loss)	<u>(754,077)</u>	<u>(468,267)</u>	<u>28,748</u>	<u>(339,318)</u>
<u>Nonoperating Revenues (Expenses)</u>				
Interest and Investment Revenue	1,857	1,586	1,477	930
Interest Expense and Amortization Cost	(144,486)	(27,888)	(22,564)	(7,136)
Total Nonoperating Revenues (Expenses)	<u>(142,629)</u>	<u>(26,302)</u>	<u>(21,087)</u>	<u>(6,206)</u>
Change in Net Position	<u>(896,706)</u>	<u>(494,569)</u>	<u>7,661</u>	<u>(345,524)</u>
Net Position, Beginning of Period	838,797	1,618,675	3,595,177	311,447
Net Position, End of Period	<u>\$ (57,909)</u>	<u>\$ 1,124,106</u>	<u>\$ 3,602,838</u>	<u>\$ (34,077)</u>

Amounts may vary from financial statements due to elimination entries found in the Financial Data Schedules.

Akron Metropolitan Housing Authority
Summit County
Statement of Modernization Grant Costs - Completed
For the Year Ended December 31, 2020

Annual Contributions Contract C-959

1. The total amount of modernization costs of the Capital Fund Program are shown below:

OH12P00750116

Funds Approved	\$ 6,794,702
Funds Expended	<u>6,794,702</u>
Excess (Deficiency) of Funds Approved	<u>\$ 0</u>

2. All work in connection with the Capital Fund Program has been completed.
3. The entire actual grant cost or liabilities incurred by the Authority have been fully paid.
4. There are no discharged mechanics, laborers, contractors, or material-mens liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work.

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Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
December 31, 2020

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	Public Housing CARES Act 14.PHC	Central Office Cost Center CARES Act 14.CCC	Housing Choice Voucher CARES Act 14.HCC	Jobs-Plus Pilot Initiative 14.895
Assets								
<i>Cash and Cash Equivalents</i>								
Unrestricted	\$ 9,892,653	\$ -	\$ -	\$ 1,747,642	\$ -	\$ -	\$ -	\$ -
Other Restricted	6,948,335	-	11,466	1,947,837	-	-	44,069	-
Tenant Security Deposits	256,781	-	-	-	-	-	-	-
Restricted for Payment of Current Liabilities	162,614	-	-	-	-	-	-	-
Total Cash and Cash Equivalents	17,260,383	-	11,466	3,695,479	-	-	44,069	-
<i>Accounts and Notes Receivable</i>								
Accounts Receivable - HUD Other Projects	550,962	51,499	14,329	110,668	127,841	-	-	14,219
Accounts Receivable - Miscellaneous	107,620	-	-	-	-	-	-	-
Accounts Receivable - Tenants	210,713	-	-	-	-	-	-	-
Allowance for Doubtful Accounts - Tenants	(7,812)	-	-	-	-	-	-	-
Notes, Loans and Mortgages Receivable - Current	323,117	-	-	-	-	-	-	-
Accrued Interest Receivable	5,480	-	-	-	-	-	-	-
Total Accounts and Notes Receivable - Net of Allowance	1,190,080	51,499	14,329	110,668	127,841	-	-	14,219
<i>Investments</i>								
Unrestricted	4,765,540	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Total Investments	4,765,540	-	-	-	-	-	-	-
<i>Other Current Assets</i>								
Prepaid Expenses and Other Assets	16,872	-	-	-	-	-	-	-
Inventories	688,910	-	-	-	-	-	-	-
Allowance for Obsolete Inventories	(13,957)	-	-	-	-	-	-	-
Interprogram Due From	-	-	-	-	-	-	-	-
Total Other Current Assets	691,825	-	-	-	-	-	-	-
<i>Capital Assets</i>								
Land	18,960,524	-	-	-	-	-	-	-
Buildings	328,796,799	-	-	-	-	-	-	-
Furniture, Equipment and Machinery - Dwellings	1,143,798	-	10,245	81,372	-	-	-	-
Furniture, Equipment and Machinery - Administration	-	-	-	-	-	-	-	-
Accumulated Depreciation	(264,142,602)	-	(10,245)	(81,372)	-	-	-	-
Construction in Progress	20,554,122	-	-	-	-	-	-	-
Total Capital Assets, Net of Accumulated Depreciation	105,312,641	-	-	-	-	-	-	-
<i>Other Non-Current Assets</i>								
Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-
Total Other Non-Current Assets	-	-	-	-	-	-	-	-
Total Assets	129,220,469	51,499	25,795	3,806,147	127,841	-	44,069	14,219
<i>Deferred Outflows of Resources</i>								
	2,337,656	-	-	484,254	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 131,558,125	\$ 51,499	\$ 25,795	\$ 4,290,401	\$ 127,841	\$ -	\$ 44,069	\$ 14,219

Shelter Plus Care 14.238	Mainstream Vouchers 14.879	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers 84.287	Temporary Assistance for Needy Families 93.558	Lower Income Housing Assistance Program - Section 8 Moderate 14.856	Central Office	Eliminations	Total
\$ -	\$ -	\$ 42,084	\$ 7,371,607	\$ 1,035,018	\$ 3,752,261	\$ -	\$ -	\$ 137,325	\$ 5,533,517	\$ -	\$ 29,512,107
-	128,948	-	2,752,010	3,393,572	1,114,164	-	-	-	-	-	16,340,401
-	-	-	64,886	108,219	131,488	-	-	-	-	-	561,374
-	-	-	-	-	-	-	-	-	-	-	162,614
-	128,948	42,084	10,188,503	4,536,809	4,997,913	-	-	137,325	5,533,517	-	46,576,496
-	-	-	3,839	-	796	-	-	-	-	-	874,153
-	-	-	20,160,961	-	47,840	-	-	-	-	(18,859,212)	1,457,209
-	-	-	15,611	45,049	67,768	-	-	-	-	-	339,141
-	-	-	(704)	(1,312)	(1,974)	-	-	-	-	-	(11,802)
-	-	-	13,827	-	34,344	-	-	-	-	-	371,288
-	-	-	9,159,977	-	-	-	-	-	-	(1,238,261)	7,927,196
-	-	-	29,353,511	43,737	148,774	-	-	-	-	(20,097,473)	10,957,185
-	-	-	5,293,185	-	-	-	-	-	-	-	10,058,725
-	-	-	7,344,913	-	-	-	-	-	-	-	7,344,913
-	-	-	12,638,098	-	-	-	-	-	-	-	17,403,638
-	-	-	-	-	16,658	-	-	-	56,753	-	90,283
-	-	-	26,514	-	-	-	-	-	24,911	-	740,335
-	-	-	(538)	-	-	-	-	-	(505)	-	(15,000)
-	-	-	65,510	-	-	-	-	-	-	(65,510)	-
-	-	-	91,486	-	16,658	-	-	-	81,159	(65,510)	815,618
-	-	-	6,523,815	-	1,560,911	-	-	-	14,154	-	27,059,404
-	-	-	22,282,237	51,170,885	37,728,095	-	-	-	2,167,461	-	442,145,477
-	-	-	1,018,248	-	1,431,959	-	-	-	-	-	3,685,622
-	-	-	600,356	1,039,365	-	-	-	-	600,711	-	2,240,432
-	-	-	(14,087,117)	(22,640,644)	(23,887,436)	-	-	-	(1,535,543)	-	(326,384,959)
-	-	-	300,705	-	389,521	-	-	-	-	-	21,244,348
-	-	-	16,638,244	29,569,606	17,223,050	-	-	-	1,246,783	-	169,990,324
-	-	-	34,020,197	-	-	-	-	-	-	-	34,020,197
-	-	-	-	420,314	683,205	-	-	-	-	-	1,103,519
-	-	-	34,020,197	420,314	683,205	-	-	-	-	-	35,123,716
-	128,948	42,084	102,930,039	34,570,466	23,069,600	-	-	137,325	6,861,459	(20,162,983)	280,866,977
-	-	-	816,951	-	-	-	-	-	1,432,316	-	5,071,177
\$ -	\$ 128,948	\$ 42,084	\$ 103,746,990	\$ 34,570,466	\$ 23,069,600	\$ -	\$ -	\$ 137,325	\$ 8,293,775	\$ (20,162,983)	\$ 285,938,154

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
December 31, 2020

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	Public Housing CARES Act 14.PHC	Central Office Cost Center CARES Act 14.CCC	Housing Choice Voucher CARES Act 14.HCC	Jobs-Plus Pilot Initiative 14.895
Liabilities								
<i>Current Liabilities</i>								
Accounts Payable <= 90 Days	\$ 207,311	\$ 6,183	\$ -	\$ 1,914	\$ 127,841	\$ -	\$ 7,507	\$ -
Accrued Wages and Payroll Taxes Payable	250,019	6,737	-	51,277	-	-	-	-
Accrued Compensated Absences	81,051	-	-	19,976	-	-	-	-
Accrued Interest Payable	60,558	-	-	-	-	-	-	-
Accounts Payable - HUD	-	-	-	-	-	-	-	-
Accounts Payable - Other Government	690,801	-	-	-	-	-	-	-
Tenant Security Deposits	256,781	-	-	-	-	-	-	-
Unearned Revenue	78,967	-	-	-	-	-	36,562	-
Capital Projects and Mortgage Revenue - Current Portion	2,089,328	-	-	-	-	-	-	-
Other Current Liabilities	1,692,272	-	-	-	-	-	-	-
Other Accrued Liabilities	95,272	1,617	-	20,824	-	-	-	-
Inter Program - Due To	-	36,962	14,329	-	-	-	-	14,219
Total Current Liabilities	5,502,360	51,499	14,329	93,991	127,841	-	44,069	14,219
<i>Non-Current Liabilities</i>								
Long-Term Debt, Non-Current	11,106,636	-	-	-	-	-	-	-
Other Non-Current Liabilities	162,614	-	11,466	178,923	-	-	-	-
Accrued Compensated Absences - Non-Current	508,796	-	-	117,916	-	-	-	-
Accrued Pension and OPEB Liabilities	15,051,415	-	-	3,117,959	-	-	-	-
Total Non-Current Liabilities	26,829,461	-	11,466	3,414,798	-	-	-	-
Total Liabilities	32,331,821	51,499	25,795	3,508,789	127,841	-	44,069	14,219
<i>Deferred Inflows of Resources</i>	3,021,096	-	-	625,832	-	-	-	-
<i>Net Position</i>								
Net Investment in Capital Assets	92,116,677	-	-	-	-	-	-	-
Restricted	6,948,335	-	-	1,702,657	-	-	-	-
Unrestricted	(2,859,804)	-	-	(1,546,877)	-	-	-	-
Total Net Position	96,205,208	-	-	155,780	-	-	-	-
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 131,558,125	\$ 51,499	\$ 25,795	\$ 4,290,401	\$ 127,841	\$ -	\$ 44,069	\$ 14,219

Shelter Plus Care 14.238	Mainstream Vouchers 14.879	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers 84.287	Temporary Assistance for Needy Families 93.558	Lower Income Housing Assistance Program - Section 8 Moderate 14.856	Central Office	Eliminations	Total
\$ -	\$ -	\$ -	\$ 364,405	\$ 532,844	\$ 140,404	\$ -	\$ -	\$ -	\$ 33,608	\$ -	\$ 1,422,017
-	-	-	57,566	-	26,483	-	-	-	168,330	-	560,412
-	-	-	2,697	-	17	-	-	-	74,163	-	177,904
-	-	-	-	2,022,430	-	-	-	-	-	-	2,082,988
-	-	-	-	-	-	-	-	5,304	-	-	5,304
-	-	-	17,893	-	10,176	-	-	-	2,399	-	721,269
-	-	-	64,886	105,043	118,359	-	-	-	-	-	545,069
-	128,948	42,084	69,637	724,771	100,331	-	-	-	-	-	1,181,300
-	-	-	25,000	266,711	55,863	-	-	-	-	-	2,436,902
-	-	-	149,716	-	20,836,372	-	-	-	-	(20,097,473)	2,580,887
-	-	-	169,316	149,015	436,022	-	-	-	71,949	-	944,015
-	-	-	-	-	-	-	-	-	-	(65,510)	-
-	128,948	42,084	921,116	3,800,814	21,724,027	-	-	5,304	350,449	(20,162,983)	12,658,067
-	-	-	3,296,695	26,134,694	2,355,702	-	-	-	-	-	42,893,727
-	-	-	-	-	-	-	-	-	-	-	353,003
-	-	-	16,545	-	106	-	-	-	436,306	-	1,079,669
-	-	-	5,260,083	-	-	-	-	-	9,222,220	-	32,651,677
-	-	-	8,573,323	26,134,694	2,355,808	-	-	-	9,658,526	-	76,978,076
-	128,948	42,084	9,494,439	29,935,508	24,079,835	-	-	5,304	10,008,975	(20,162,983)	89,636,143
-	-	-	1,055,795	-	-	-	-	-	1,851,069	-	6,553,792
-	-	-	13,316,549	3,168,201	14,811,485	-	-	-	1,246,784	-	124,659,696
-	-	-	10,096,923	3,393,572	1,114,164	-	-	-	-	-	23,255,651
-	-	-	69,783,284	(1,926,815)	(16,935,884)	-	-	132,021	(4,813,053)	-	41,832,872
-	-	-	93,196,756	4,634,958	(1,010,235)	-	-	132,021	(3,566,269)	-	189,748,219
\$ -	\$ 128,948	\$ 42,084	\$ 103,746,990	\$ 34,570,466	\$ 23,069,600	\$ -	\$ -	\$ 137,325	\$ 8,293,775	\$ (20,162,983)	\$ 285,938,154

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
For the Year Ended December 31, 2020

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	Public Housing CARES Act 14.PHC	Central Office Cost Center CARES Act 14.CCC	Housing Choice Voucher CARES Act 14.HCC	Jobs-Plus Pilot Initiative 14.895
Operating Revenues								
<i>Tenant Revenues</i>								
Tenant Rental Revenue, Net	\$ 10,096,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Tenant Revenue	556,313	-	-	-	-	-	-	-
Total Tenant Revenues	10,653,263	-	-	-	-	-	-	-
<i>Fee Revenues</i>								
HUD PHA Operating Grants	22,755,114	349,899	225,131	35,499,498	2,860,750	-	2,778,353	39,939
Capital Grants	5,280,014	-	-	-	-	-	-	-
Management Fee	-	-	-	-	-	-	-	-
Asset Management Fee	-	-	-	-	-	-	-	-
Bookkeeping Fee	-	-	-	-	-	-	-	-
Front Line Service Fee	-	-	-	-	-	-	-	-
Total Fee Revenues	28,035,128	349,899	225,131	35,499,498	2,860,750	-	2,778,353	39,939
<i>Other Revenues</i>								
Other Intergovernmental Revenue	-	-	-	-	-	-	-	-
Investment Income - Unrestricted	98,185	-	-	-	-	-	-	-
Mortgage Interest Income	-	-	-	-	-	-	-	-
Fraud Recovery	-	-	-	115,403	-	-	-	-
Other Revenue	1,507,195	-	-	135,843	-	344,287	-	-
Gain or Loss on Sale of Capital Assets	(558)	-	-	-	-	-	-	-
Investment Income - Restricted	22,688	-	-	830	-	-	-	-
Total Other Revenues	1,627,510	-	-	252,076	-	344,287	-	-
Total Operating Revenues	\$ 40,315,901	\$ 349,899	\$ 225,131	\$ 35,751,574	\$ 2,860,750	\$ 344,287	\$ 2,778,353	\$ 39,939

Shelter Plus Care 14.238	Mainstream Vouchers 14.879	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers 84.287	Temporary Assistance for Needy Families 93.558	Lower Income Housing Assistance Program - Section 8 Moderate 14.856	Central Office	Eliminations	Total
\$ -	\$ -	\$ -	\$ 1,837,820	\$ 1,762,037	\$ 5,133,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,830,773
-	-	-	14,037	-	80,136	-	-	-	-	-	650,486
-	-	-	1,851,857	1,762,037	5,214,102	-	-	-	-	-	19,481,259
485,398	33,243	-	-	-	-	-	-	44,604	-	-	65,071,929
-	-	-	-	-	-	-	-	-	-	-	5,280,014
-	-	-	-	-	-	-	-	-	3,885,541	(3,885,541)	-
-	-	-	-	-	-	-	-	-	489,000	(489,000)	-
-	-	-	-	-	-	-	-	-	814,907	(814,907)	-
-	-	-	-	-	-	-	-	-	2,588,966	(2,588,966)	-
485,398	33,243	-	-	-	-	-	-	44,604	7,778,414	(7,778,414)	70,351,943
-	-	-	-	-	-	163,074	76,482	-	-	-	239,556
-	-	-	1,212,700	5,850	1,787	-	-	30	1,247	(376,360)	943,439
-	-	-	98,073	-	-	-	-	-	-	(95,212)	2,861
-	-	-	-	-	-	-	-	-	-	-	115,403
-	-	-	812,304	371,720	1,049,544	-	-	-	1,174,786	(835,156)	4,560,523
-	-	-	(28,685)	-	(32)	-	-	-	-	-	(29,275)
-	-	-	123,210	-	2,190	-	-	-	-	-	148,918
-	-	-	2,217,602	377,570	1,053,489	163,074	76,482	30	1,176,033	(1,306,728)	5,981,425
\$ 485,398	\$ 33,243	\$ -	\$ 4,069,459	\$ 2,139,607	\$ 6,267,591	\$ 163,074	\$ 76,482	\$ 44,634	\$ 8,954,447	\$ (9,085,142)	\$ 95,814,627

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
For the Year Ended December 31, 2020

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	Public Housing CARES Act 14.PHC	Central Office Cost Center CARES Act 14.CCC	Housing Choice Voucher CARES Act 14.HCC	Jobs-Plus Pilot Initiative 14.895
Operating Expenses								
<i>Administrative</i>								
Administrative Salaries	\$ 1,789,864	\$ -	\$ -	\$ 527,758	\$ 395,512	\$ -	\$ 769,210	\$ -
Auditing Fees	20,155	-	-	9,967	-	-	-	-
Management Fee	2,686,085	-	-	722,088	271,376	-	-	-
Bookkeeping Fee	362,529	-	-	451,305	29,826	-	-	-
Advertising and Marketing	3,303	-	-	145	-	-	-	-
Employee Benefit Contributions	1,298,522	-	-	630,093	236,837	-	444,998	-
Office Expenses	354,608	-	6,484	82,987	-	-	-	169
Legal Expense	36,037	-	-	17,314	-	-	-	-
Travel	10,707	-	-	96	2,281	-	-	197
Other	2,019,439	6,183	14,499	231,395	1,375	-	1,658	68
Total Administrative Expenses	8,581,249	6,183	20,983	2,673,148	937,207	-	1,215,866	434
<i>Tenant Services</i>								
Asset Management Fee	489,000	-	-	-	43,085	-	-	-
Tenant Services-Salaries	353,208	183,419	138,732	21,510	340,849	200,126	44,238	21,323
Employee Benefit Contributions	187,613	151,238	62,000	11,194	90,661	33,384	5,740	18,004
Other Tenant Services	93,336	6,000	3,416	58	356,903	147,855	97,887	178
Total Tenant Services Expenses	1,123,157	340,657	204,148	32,762	831,498	381,365	147,865	39,505
<i>Utilities</i>								
Water	746,248	-	-	-	-	-	-	-
Electricity	1,285,986	-	-	-	-	-	-	-
Gas	305,808	-	-	-	-	-	-	-
Sewer	2,012,934	-	-	-	-	-	-	-
Other Utilities Expense	176,349	-	-	-	-	-	-	-
Total Utilities Expenses	4,527,325	-	-	-	-	-	-	-
<i>Maintenance</i>								
Ordinary Maintenance and Operations Labor	2,799,780	-	-	-	522,373	-	-	-
Ordinary Maintenance and Operations Materials and Other	1,427,399	-	-	3,749	-	-	-	-
Ordinary Maintenance and Operations Contracts	4,167,275	-	-	20,545	22,859	-	-	-
Employee Benefits Contributions	1,869,249	-	-	-	312,803	-	-	-
Total Maintenance Expenses	10,263,703	-	-	24,294	858,035	-	-	-
<i>Protective Services</i>								
Protective Services Labor	1,077,974	-	-	52,813	68,219	-	61,593	-
Protective Services Contract Costs	293,268	-	-	1,787	-	-	-	-
Protective Services Other	5,651	-	-	404	-	-	-	-
Employee Benefits Contributions	149,182	-	-	12,499	25,600	-	15,758	-
Total Protective Services Expenses	\$ 1,526,075	\$ -	\$ -	\$ 67,503	\$ 93,819	\$ -	\$ 77,351	\$ -

Shelter Plus Care 14.238	Mainstream Vouchers 14.879	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers 84.287	Temporary Assistance for Needy Families 93.558	Lower Income Housing Assistance Program - Section 8 Moderate 14.856	Central Office	Eliminations	Total
\$ 8,368	\$ 651	\$ -	\$ 149,108	\$ 198,347	\$ 355,613	\$ -	\$ -	\$ 2,346	\$ 3,379,494	\$ -	\$ 7,576,271
-	-	-	3,835	38,000	22,050	-	-	1,000	2,988	-	97,995
-	-	-	130,560	104,478	242,330	-	-	-	-	(4,156,917)	-
-	-	-	-	-	1,073	-	-	-	-	(844,733)	-
-	-	-	131	-	2,201	-	-	-	18,471	-	24,251
3,587	279	-	454,526	59,505	177,812	-	-	738	2,270,719	-	5,577,616
-	-	-	19,021	-	70,662	-	-	-	162,055	-	695,986
-	-	-	7,689	3,473	11,605	-	-	-	1,049	-	77,167
-	-	-	3,024	-	2,497	-	-	-	12,638	-	31,440
-	-	-	158,964	115,143	262,166	-	-	2,235	530,831	(776,303)	2,567,653
11,955	930	-	926,858	518,946	1,148,009	-	-	6,319	6,378,245	(5,777,953)	16,648,379
-	-	-	-	-	-	-	-	-	-	(532,085)	-
-	-	-	71,414	-	358,135	-	-	-	17,243	-	1,750,197
-	-	-	44,913	-	175,804	-	-	-	10,243	-	790,794
-	-	-	1,723	-	72,356	163,074	-	-	-	-	942,786
-	-	-	118,050	-	606,295	163,074	-	-	27,486	(532,085)	3,483,777
-	-	-	60,007	210,304	124,148	-	-	-	971	-	1,141,678
-	-	-	134,671	44,071	73,526	-	-	-	15,178	-	1,553,432
-	-	-	26,423	4,463	34,274	-	-	-	5,832	-	376,800
-	-	-	142,412	-	453,017	-	-	-	1,636	-	2,609,999
-	-	-	-	-	840	-	-	-	-	-	177,189
-	-	-	363,513	258,838	685,805	-	-	-	23,617	-	5,859,098
-	-	-	184,792	109,965	518,345	-	-	-	969,724	-	5,104,979
-	-	-	93,775	96,368	252,499	-	-	-	167,224	-	2,041,014
-	-	-	823,219	317,067	595,296	-	-	-	194,781	(2,227,050)	3,913,992
-	-	-	186,508	38,488	207,875	-	-	-	629,534	-	3,244,457
-	-	-	1,288,294	561,888	1,574,015	-	-	-	1,961,263	(2,227,050)	14,304,442
-	-	-	63,372	-	144,071	-	-	-	-	-	1,468,042
-	-	-	17,433	-	30,797	-	-	-	216	-	343,501
-	-	-	285	-	880	-	-	-	1,980	-	9,200
-	-	-	9,252	-	23,533	-	-	-	-	-	235,824
\$ -	\$ -	\$ -	\$ 90,342	\$ -	\$ 199,281	\$ -	\$ -	\$ -	\$ 2,196	\$ -	\$ 2,056,567

Akron Metropolitan Housing Authority
Summit County
Financial Data Schedules
For the Year Ended December 31, 2020

	Low Rent 14.850 and Capital Fund 14.872	PIH Family Self- Sufficiency Program 14.896	Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers 14.871	Public Housing CARES Act 14.PHC	Central Office Cost Center CARES Act 14.CCC	Housing Choice Voucher CARES Act 14.HCC	Jobs-Plus Pilot Initiative 14.895
Operating Expenses (continued)								
<i>Insurance</i>								
Property Insurance	\$ 869,024	\$ -	\$ -	\$ 23,206	\$ -	\$ -	\$ -	\$ -
Workman's Compensation	118,518	3,059	-	24,868	-	-	-	-
Other Insurance	20,116	-	-	1,537	-	-	-	-
Total Insurance Expenses	1,007,658	3,059	-	49,611	-	-	-	-
<i>General</i>								
Other General Expenses	1,002,633	-	-	-	139,908	-	-	-
Compensated Absences	26,523	-	-	19,447	-	-	-	-
Payments in Lieu of Taxes	615,689	-	-	-	-	-	-	-
Bad Debt - Tenant Services	252,456	-	-	-	-	-	-	-
Bad Debt - Other	-	-	-	-	-	-	-	-
Total General Expenses	1,897,301	-	-	19,447	139,908	-	-	-
Interest of Mortgage or Bonds Payable	249,007	-	-	-	-	-	-	-
Interest on Notes Payable	31,176	-	-	-	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-
Total Expense and Amortization Cost	280,183	-	-	-	-	-	-	-
Total Operating Expenses	29,206,651	349,899	225,131	2,866,765	2,860,467	381,365	1,441,082	39,939
Excess of Operating Revenues Over (Under) Operating Expenses	11,109,250	-	-	32,884,809	283	(37,078)	1,337,271	-
<i>Other Financing Sources (Uses)</i>								
<i>Non-Operating Expenses</i>								
Non-Capitalized Casualty Losses	(261,533)	-	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	(30,250,690)	-	-	(1,337,271)	-
Depreciation Expense	(9,633,113)	-	-	-	-	-	-	-
Total Non-Operating Expenses	(9,894,646)	-	-	(30,250,690)	-	-	(1,337,271)	-
<i>Transfers</i>								
Operating Transfer In	1,484,860	-	-	-	137,571	37,078	-	-
Operating Transfer Out	(1,622,431)	-	-	-	-	-	-	-
Inter Project Excess Cash Transfer In	1,022,123	-	-	-	-	-	-	-
Inter Project Excess Cash Transfer Out	(1,022,123)	-	-	-	-	-	-	-
Total Transfers	(137,571)	-	-	-	137,571	37,078	-	-
Total Other Financing Sources (Uses)	(10,032,217)	-	-	(30,250,690)	137,571	37,078	(1,337,271)	-
Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ 1,077,033	\$ -	\$ -	\$ 2,634,119	\$ 137,854	\$ -	\$ -	\$ -

Shelter Plus Care 14.238	Mainstream Vouchers 14.879	State/Local	Other Business Activities	Component Unit - Discretely Presented	Component Unit - Blended	Twenty-First Century Community Learning Centers 84.287	Temporary Assistance for Needy Families 93.558	Lower Income Housing Assistance Program - Section 8 Moderate 14.856	Central Office	Eliminations	Total
\$ -	\$ -	\$ -	\$ 88,537	\$ 122,367	\$ 278,002	\$ -	\$ -	\$ -	\$ 107,962	\$ -	\$ 1,489,098
-	-	-	7,672	-	16,794	-	-	32	73,311	-	244,254
-	-	-	-	-	9,941	-	-	-	4,286	-	35,880
-	-	-	96,209	122,367	304,737	-	-	32	185,559	-	1,769,232
-	-	-	6,111	-	23,046	-	76,482	-	260	(76,482)	1,171,958
-	-	-	1,235	-	-	-	-	-	1,929	-	49,134
-	-	-	-	109,405	420,693	-	-	-	-	-	1,145,787
-	-	-	13,879	20,455	54,979	-	-	-	-	-	341,769
-	-	-	-	-	4,027	-	-	-	-	-	4,027
-	-	-	21,225	129,860	502,745	-	76,482	-	2,189	(76,482)	2,712,675
-	-	-	-	202,074	171,561	-	-	-	-	(95,212)	527,430
-	-	-	-	-	407,960	-	-	-	-	(376,360)	62,776
-	-	-	-	-	3,599	-	-	-	-	-	3,599
-	-	-	-	202,074	583,120	-	-	-	-	(471,572)	593,805
11,955	930	-	2,904,491	1,793,973	5,604,007	163,074	76,482	6,351	8,580,555	(9,085,142)	47,427,975
473,443	32,313	-	1,164,968	345,634	663,584	-	-	38,283	373,892	-	48,386,652
-	-	-	(3,915)	-	(152,158)	-	-	-	(4,679)	-	(422,285)
(473,443)	(32,313)	-	-	-	-	-	-	(38,373)	-	-	(32,132,090)
-	-	-	(572,971)	(2,074,772)	(1,368,070)	-	-	-	(39,856)	-	(13,688,782)
(473,443)	(32,313)	-	(576,886)	(2,074,772)	(1,520,228)	-	-	(38,373)	(44,535)	-	(46,243,157)
-	-	-	-	-	-	-	-	-	-	(1,659,509)	-
-	-	-	-	-	-	-	-	-	(37,078)	1,659,509	-
-	-	-	-	-	-	-	-	-	-	(1,022,123)	-
-	-	-	-	-	-	-	-	-	-	1,022,123	-
-	-	-	-	-	-	-	-	-	(37,078)	-	-
(473,443)	(32,313)	-	(576,886)	(2,074,772)	(1,520,228)	-	-	(38,373)	(81,613)	-	(46,243,157)
\$ -	\$ -	\$ -	\$ 588,082	\$ (1,729,138)	\$ (856,644)	\$ -	\$ -	\$ (90)	\$ 292,279	\$ -	\$ 2,143,495

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*Statistical
Section*

Akron Metropolitan Housing Authority
Summit County
For the Year Ended December 31, 2020

Statistical Section

This part of the Authority’s CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the Authority’s overall financial health.

Title	Page
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Financial Trends

These schedules contain trend information to help the reader understand how the Authority’s financial performance and well-being have changed over time.

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Changes in Net Position	90

Revenue Capacity

These schedules contain information to help the reader assess the Authority’s most significant revenue sources.

Operating Revenues by Source	92
Non-Operating Revenues by Source	94

Debt Capacity

These schedules present information to help the reader assess the affordability of the Authority’s current levels of outstanding debt and ability to issue additional debt in the future.

Debt Service Coverage	96
Ratio of Debt to Capital Assets	98

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority’s financial activities take place.

Resident Demographics: Population Statistics	100
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Operating Information

These schedules contain data to help the reader understand how the information in the Authority’s financial report relates to the services the Authority provides and the activities it performs.

Number of AMHA Dwelling Rental Units	107
Property Characteristics and Unit Composition (Includes Non-Dwelling Units)	108
Staff Headcount by Division	109
Principal Employers	110

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Akron Metropolitan Housing Authority

NET POSITION

LAST TEN FISCAL YEARS¹

(Unaudited)

Fiscal Year	Invested in Capital Assets	Restricted	Unrestricted	Total
6/30/2011	\$ 145,515,006	\$ 20,779,229	\$ 75,859,585	\$ 242,153,820
6/30/2012	149,634,355	16,240,933	88,120,967	253,996,255
6/30/2013	143,376,188	15,435,199	86,728,212	245,539,599
12/31/2014	139,822,375	12,068,741	79,863,626	231,754,742
12/31/2015	129,815,914	12,251,490	70,388,017	212,455,421
12/31/2016	123,154,377	13,047,254	70,693,772	206,895,403
12/31/2017	115,605,270	13,179,179	69,910,088	198,694,537
12/31/2018	114,249,736	10,611,670	59,172,639	184,034,045
12/31/2019	111,808,047	10,805,758	56,183,117	178,796,922
12/31/2020	121,491,494	19,862,079	43,759,688	185,113,261

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/14.

Source: Prior audited financial statements and current year audited Financial Data Schedule.

Akron Metropolitan Housing Authority

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS¹

(Unaudited)

	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>	<u>12/31/2014</u>
Changes in Net Position				
<u>Operating Revenue:</u>				
Tenant Revenue	\$ 8,179,935	\$ 8,874,586	\$ 9,468,774	\$ 14,452,453
Government Operating Grants	60,009,549	57,842,339	52,989,009	75,458,024
Other Revenue	6,433,189	9,682,340	6,994,509	9,500,197
Total Operating Revenue	<u>74,622,673</u>	<u>76,399,265</u>	<u>69,452,292</u>	<u>99,410,674</u>
<u>Operating Expenses:</u>				
Administrative	17,974,987	15,239,945	12,263,281	20,167,983
Tenant Services	1,982,562	3,232,447	3,769,772	3,371,236
Utilities	4,002,768	3,840,008	3,757,812	6,029,976
Maintenance	11,177,581	12,714,615	12,587,783	21,329,770
Protective Services	1,212,411	1,597,272	2,028,335	2,701,493
General	1,685,773	1,703,337	4,676,137	7,929,395
Housing Assistance Payment	30,739,386	30,326,594	30,484,279	44,077,365
Insurance	1,003,318	941,366	940,931	1,614,788
Depreciation and Amortization	10,271,206	13,553,100	12,158,960	17,933,945
Total Operating Expenses	<u>80,049,992</u>	<u>83,148,684</u>	<u>82,667,290</u>	<u>125,155,951</u>
Operating Income (Loss)	(5,427,319)	(6,749,419)	(13,214,998)	(25,745,277)
<u>Non-Operating Revenues(Expenses):</u>				
Interest and Investment Revenue	2,337,529	2,133,940	2,118,164	4,001,153
Casualty Gain/(Loss)	-	13,061	(202,418)	(449,453)
Extraordinary Maintenance	-	(5,731)	(14,363)	(41,318)
Interest Expense and Amortization Cost	(1,349,382)	(1,540,360)	(1,163,771)	(1,487,943)
Special Item - Contributions	-	2,167,737	-	-
Gain (Loss) on Sale of Capital Assets	(1,008,661)	18,394	(441,217)	30,148
Total Non-Operating Revenues (Expenses)	<u>(20,514)</u>	<u>2,787,041</u>	<u>296,395</u>	<u>2,052,587</u>
Income(Loss) Before Capital Contributions	(5,447,833)	(3,962,378)	(12,918,603)	(23,692,690)
<u>Capital Revenue</u>				
Capital Grants	16,790,494	15,689,309	5,448,340	-
Capital Contributions	-	-	-	9,900,837
Total Capital Revenue	<u>16,790,494</u>	<u>15,689,309</u>	<u>5,448,340</u>	<u>9,900,837</u>
Change in Net Position	11,342,661	11,726,931	(7,470,263)	(13,791,853)
Net Position, Beginning of Period, Restated	230,811,159	242,269,324	253,009,862	245,546,595
Total Net Position, End of Period	<u>\$ 242,153,820</u>	<u>\$ 253,996,255</u>	<u>\$ 245,539,599</u>	<u>\$ 231,754,742</u>

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior audited financial statements and current year audited Financial Data Schedule.

	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>12/31/2020</u>
\$	13,331,805	\$ 14,269,067	\$ 14,647,403	\$ 14,988,154	\$ 15,758,723	\$ 17,119,222
	49,797,066	51,409,578	54,769,466	55,225,735	56,857,903	65,071,929
	6,990,723	4,452,862	2,967,498	4,195,449	4,409,418	4,543,762
	<u>70,119,594</u>	<u>70,131,507</u>	<u>72,384,367</u>	<u>74,409,338</u>	<u>77,026,044</u>	<u>87,334,913</u>
	14,636,423	15,343,439	15,914,427	14,604,041	18,420,600	16,129,433
	2,086,327	2,579,753	2,589,183	2,763,670	2,634,787	3,483,777
	5,369,611	5,496,676	5,359,576	5,370,678	5,361,239	5,600,260
	15,131,702	12,455,071	13,220,975	12,584,914	13,576,382	13,742,554
	1,733,699	1,864,752	1,669,015	1,931,930	1,831,117	2,056,567
	2,328,282	2,946,518	2,516,995	3,605,894	2,440,903	2,582,815
	29,311,022	29,522,423	29,931,106	29,590,084	30,413,211	32,132,090
	1,150,324	1,256,495	1,328,639	1,424,260	1,468,453	1,646,865
	12,494,059	12,510,404	12,221,902	11,464,313	11,048,683	11,614,010
	<u>84,241,449</u>	<u>83,975,531</u>	<u>84,751,818</u>	<u>83,339,784</u>	<u>87,195,375</u>	<u>88,988,371</u>
	(14,121,855)	(13,844,024)	(12,367,451)	(8,930,446)	(10,169,331)	(1,653,458)
	1,385,550	1,372,016	1,382,248	1,257,556	1,465,426	1,089,368
	(392,875)	(291,296)	(238,064)	(308,556)	(999,361)	(422,285)
	-	-	-	-	-	-
	(1,198,523)	(1,126,064)	(1,045,794)	(299,530)	(386,413)	(391,731)
	-	-	-	-	-	-
	65,719	223,763	761,813	(159,457)	(56,355)	(29,275)
	<u>(140,129)</u>	<u>178,419</u>	<u>860,203</u>	<u>490,013</u>	<u>23,297</u>	<u>246,077</u>
	(14,261,984)	(13,665,605)	(11,507,248)	(8,440,433)	(10,146,034)	(1,407,381)
	-	-	-	-	-	-
	8,123,083	8,105,587	3,306,382	4,064,658	4,908,911	5,280,014
	<u>8,123,083</u>	<u>8,105,587</u>	<u>3,306,382</u>	<u>4,064,658</u>	<u>4,908,911</u>	<u>5,280,014</u>
	(6,138,901)	(5,560,018)	(8,200,866)	(4,375,775)	(5,237,123)	3,872,633
	218,594,322	212,455,421	206,895,403	188,409,820	184,034,045	181,240,628
\$	<u>212,455,421</u>	<u>\$ 206,895,403</u>	<u>\$ 198,694,537</u>	<u>\$ 184,034,045</u>	<u>\$ 178,796,922</u>	<u>\$ 185,113,261</u>

Akron Metropolitan Housing Authority
OPERATING REVENUES BY SOURCE
LAST TEN FISCAL YEARS¹

(Unaudited)

Fiscal Year	Tenant Revenue		Governmental Operating Grants		Other Revenue		Total	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
6/30/2011	\$ 8,179,935	11%	\$ 60,009,549	80%	\$ 6,433,189	9%	\$ 74,622,673	100.00%
6/30/2012	8,874,586	12%	57,842,339	76%	9,682,340	13%	76,399,265	100.00%
6/30/2013	9,468,774	14%	52,989,009	76%	6,994,509	10%	69,452,292	100.00%
12/31/2014	14,452,453	15%	75,458,024	76%	9,500,197	10%	99,410,674	100.00%
12/31/2015	13,331,805	19%	49,797,066	71%	6,990,723	10%	70,119,594	100.00%
12/31/2016	14,269,067	20%	51,409,578	73%	4,452,862	6%	70,131,507	100.00%
12/31/2017	14,647,403	20%	54,769,466	76%	2,967,498	4%	72,384,367	100.00%
12/31/2018	14,988,154	20%	55,211,477	75%	3,674,472	5%	73,874,103	100.00%
12/31/2019	15,758,723	20%	56,857,903	74%	4,409,418	6%	77,026,044	100.00%
12/31/2020	17,719,222	20%	65,071,929	75%	4,543,762	5%	87,334,913	100.00%

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior audited financial statements and current year audited Financial Data Schedule.

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Akron Metropolitan Housing Authority
NONOPERATING REVENUES BY SOURCE

LAST TEN FISCAL YEARS¹

(Unaudited)

Fiscal Year	Interest and Investment Revenue		Casualty Gain (Loss)		Special Item - Contributions	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
6/30/2011	\$ 2,337,529	13%	\$ -	0%	\$ -	0%
6/30/2012	2,133,940	11%	13,061	0%	2,167,737	11%
6/30/2013	2,118,164	31%	(202,418)	-3%	-	0%
12/31/2014	4,001,153	30%	(449,453)	-3%	-	0%
12/31/2015	1,385,550	15%	(392,875)	-4%	-	0%
12/31/2016	1,372,016	15%	(291,296)	-3%	-	0%
12/31/2017	1,382,248	27%	(238,064)	-5%	-	0%
12/31/2018	1,257,556	26%	(308,556)	-6%	-	0%
12/31/2019	1,465,426	28%	(999,361)	-19%	-	0%
12/31/2020	1,089,368	18%	(422,285)	-7%	-	0%

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior audited financial statements and current year audited Financial Data Schedule.

Gain (Loss) on Assets		Capital Grants		Capital Contributions		Total	
Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
\$ (1,008,661)	-6%	\$ 16,790,494	93%	\$ -	0%	\$ 18,119,362	100.00%
18,394	0%	15,689,309	78%	-	0%	20,022,441	100.00%
(441,217)	-6%	5,448,340	79%	-	0%	6,922,869	100.00%
30,148	0%	-	0%	9,900,837	73%	13,482,685	100.00%
65,719	1%	-	0%	8,123,083	88%	9,181,477	100.00%
223,763	2%	-	0%	8,105,587	86%	9,410,070	100.00%
761,813	15%	-	0%	3,306,382	63%	5,212,379	100.00%
(159,457)	-3%	-	0%	4,064,658	84%	4,854,201	100.00%
(56,355)	-1%	-	0%	4,908,911	92%	5,318,621	100.00%
(29,275)	0%	-	0%	5,280,014	89%	5,917,822	100.00%

Akron Metropolitan Housing Authority

DEBT SERVICE COVERAGE

LAST TEN FISCAL YEARS¹

(Unaudited)

	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>	<u>12/31/2014</u>
Revenue	\$ 91,392,653	\$ 94,875,615	\$ 75,197,027	\$ 111,364,098
Expenses (excluding depreciation)	<u>69,778,786</u>	<u>69,595,584</u>	<u>70,508,330</u>	<u>107,222,006</u>
Revenue Available for Debt Service	21,613,867	25,280,031	4,688,697	4,142,092
Debt Service Requirements:				
Principal	1,845,044	1,818,719	1,961,549	2,710,362
Interest	<u>863,677</u>	<u>1,540,360</u>	<u>849,971</u>	<u>1,487,943</u>
Total	\$ 2,708,721	\$ 3,359,079	\$ 2,811,520	\$ 4,198,305
Debt Service Coverage	7.98%	7.53%	1.67%	0.99%

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior audited financial statements and current year audited Financial Data Schedule.

12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
\$ 78,102,548	\$ 78,415,513	\$ 76,550,952	\$ 78,428,774	\$ 81,958,252	\$ 92,861,004
71,747,390	71,465,127	72,529,916	71,875,471	76,146,692	77,374,361
6,355,158	6,950,386	4,021,036	6,553,303	5,811,560	15,486,643
2,111,343	2,138,774	2,208,507	2,043,649	2,157,695	2,122,343
841,187	810,402	695,094	347,479	269,755	369,316
\$ 2,952,530	\$ 2,949,176	\$ 2,903,601	\$ 2,391,128	\$ 2,427,450	\$ 2,491,659
2.15%	2.36%	1.38%	2.74%	2.39%	6.22%

Akron Metropolitan Housing Authority

RATIO OF DEBT TO CAPITAL ASSETS

LAST TEN FISCAL YEARS¹

(Unaudited)

General Long-Term Obligations

Fiscal Year	Capital Fund Financing Program (CFFP)	Bonds Payable	Notes Payable	Mortgage & Loans Payable
6/30/2011	\$ 13,722,920	\$ 4,405,000	\$ 6,511,615	\$ -
6/30/2012	13,141,800	4,130,000	5,618,863	-
6/30/2013	12,535,676	3,840,000	4,656,090	-
12/31/2014	11,899,554	3,535,000	3,159,869	2,327,922
12/31/2015	11,233,438	3,215,000	2,219,945	2,302,922
12/31/2016	10,532,316	2,880,000	1,296,965	3,339,907
12/31/2017	9,796,196	2,525,000	498,289	3,399,946
12/31/2018	8,529,194	-	497,000	3,374,822
12/31/2019	7,706,506	-	247,000	3,348,270
12/31/2020	6,853,818	-	247,000	5,486,261

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

Source: Prior audited financial statements and current year audited Financial Data Schedule.

Capital Lease	Total Primary Government Debt	Capital Assets	Ratio of Total Debt to Capital Assets
\$ 4,608,698	\$ 29,248,233	\$ 174,524,266	16.76
4,517,731	27,408,394	176,089,645	15.57
4,393,959	25,425,725	168,801,913	15.06
4,149,819	25,072,164	164,894,539	15.20
3,968,400	22,939,705	164,027,915	13.99
3,767,607	21,816,795	156,869,930	13.91
3,331,568	19,550,999	147,327,620	13.27
2,475,969	14,876,985	142,857,200	10.41
1,280,007	12,581,783	137,526,480	9.15
6,342,149	18,929,228	140,420,718	13.48

Akron Metropolitan Housing Authority
RESIDENT DEMOGRAPHICS POPULATION STATISTICS¹
LOW-INCOME PUBLIC HOUSING PROGRAM
HEAD OF HOUSEHOLD INFORMATION

December 31, 2020

(Unaudited)

Racial Composition			By Gender		
Categories	By Unit	Percent	Categories	By Unit	Percent
Asian/Pacific Islander	55	1.3%	Number of Female	3,150	76.1%
Black	2,351	56.8%	Number of Male	992	23.9%
Hispanic	66	1.6%			
White	1,631	39.4%			
Unknown	39	0.9%			
Total	<u>4,142</u>	<u>100.0%</u>	Total	<u>4,142</u>	<u>100.0%</u>

¹Statistics only include the units owned and managed by AMHA and exclude non-dwelling units.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority

RESIDENT DEMOGRAPHICS POPULATION STATISTICS¹

LOW-INCOME PUBLIC HOUSING PROGRAM

HEAD OF HOUSEHOLD INFORMATION

December 31, 2020

(Unaudited)

Resident Members Per Household			Number Bedrooms Per Household		
Categories	Households	Percent	Categories	Households	Percent
1 Member	2,046	49.4%	Efficiency	104	2.5%
2 Members	876	21.1%	1 Bedroom	1,659	40.1%
3 Members	593	14.3%	2 Bedroom	1,260	30.4%
4 Members	365	8.8%	3 Bedroom	897	21.7%
5 Members	156	3.8%	4 Bedroom	206	5.0%
6 Members	70	1.7%	5 Bedroom	16	0.4%
7 Members	25	0.6%			
8 Members	7	0.2%			
9+ Members	4	0.1%			
Total	<u>4,142</u>	<u>100.0%</u>	Total	<u>4,142</u>	<u>100.0%</u>

¹Statistics only include the units owned and managed by AMHA and exclude non-dwelling units.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority
RESIDENT DEMOGRAPHICS POPULATION STATISTICS¹
LOW-INCOME PUBLIC HOUSING PROGRAM

December 31, 2020

(Unaudited)

Age Categories	Household Ages				Annual Income		
	Family Members Excluding Head of Household		Head of Household		Annual Income Range	No. of Households	Percent
	Number	Percent	Number	Percent			
Total members under 18	3,651	83.7%	-	0.0%	\$0.00-99	287	6.9%
Total members 18 and over	713	16.3%	4,142	100.0%	\$1.00-3,999	416	10.0%
Total	4,364	100.0%	4,142	100.0%	\$4,000-7,999	271	6.5%
					\$8,000-15,999	2,077	50.1%
					\$16,000-27,999	739	17.8%
					\$28,000-35,999	190	4.6%
					\$36,000+	162	3.9%
Grand Total All Members			8,506	100.0%	Total	4,142	100.0%

¹Statistics only include the units owned and managed by AMHA and exclude non-dwelling units.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority
RESIDENT DEMOGRAPHICS POPULATION STATISTICS
HOUSING CHOICE VOUCHER (SECTION 8) PROGRAMS¹
HEAD OF HOUSEHOLD INFORMATION

December 31, 2020

(Unaudited)

<u>Resident Members Per Household</u>			<u>Number Bedrooms Per Household</u>		
<u>Categories</u>	<u>Households</u>	<u>Percent</u>	<u>Categories</u>	<u>Households</u>	<u>Percent</u>
1 Member	2,597	51.5%	Efficiency	33	0.7%
2 Members	956	18.9%	1 Bedroom	1,418	28.1%
3 Members	729	14.4%	2 Bedroom	1,665	33.0%
4 Members	447	8.9%	3 Bedroom	1,384	27.4%
5 Members	197	3.9%	4 Bedroom	481	9.5%
6 Members	76	1.5%	5 Bedroom	66	1.3%
7 Members	33	0.7%			
8 Members	7	0.1%			
9+ Members	5	0.1%			
Total	<u>5,047</u>	<u>100.0%</u>	Total	<u>5,047</u>	<u>100.0%</u>

¹Includes Housing Choice Voucher, Shelter Plus Care, Veteran Affairs Supportive Housing (VASH), Family Unification Program (FUP), Project Based Voucher and Moderate Rehab programs.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority
RESIDENT DEMOGRAPHICS POPULATION STATISTICS
HOUSING CHOICE VOUCHER (SECTION 8) PROGRAMS¹
HEAD OF HOUSEHOLD INFORMATION

December 31, 2020

(Unaudited)

Racial Composition			By Gender		
Categories	By Unit	Percent	Categories	By Unit	Percent
Asian/Pacific Islander	21	0.4%	Number of Female	3,921	77.7%
Black	3,313	65.6%	Number of Male	1,126	22.3%
Hispanic	66	1.3%			
White	1,592	31.5%			
Unknown	55	1.1%			
Total	<u>5,047</u>	<u>100.0%</u>	Total	<u>5,047</u>	<u>100.0%</u>

¹Includes Housing Choice Voucher, Shelter Plus Care, Veteran Affairs Supportive Housing (VASH), Family Unification Program (FUP), Project Based Voucher and Moderate Rehab programs.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority
RESIDENT DEMOGRAPHICS POPULATION STATISTICS
HOUSING CHOICE VOUCHER (SECTION 8) PROGRAMS¹

December 31, 2020

(Unaudited)

Age Categories	Household Ages				Annual Income		
	Family Members Excluding Head of Household		Head of Household		Annual Income Range	No. of Households	Percent
	Number	Percent	Number	Percent			
Total members under 18	4,367	83.8%	-	0.0%	\$0.00-99	536	10.6%
Total members 18 and over	845	16.2%	5,047	100.0%	\$1.00-3,999	529	10.5%
Total	<hr/>		<hr/>		\$4,000-7,999	272	5.4%
	5,212	100.0%	5,047	100.0%	\$8,000-15,999	2,482	49.2%
					\$16,000-27,999	925	18.3%
					\$28,000-35,999	205	4.1%
					\$36,000+	98	1.9%
Grand Total All Members	<hr/> <hr/>		10,259	100.0%	Total	5,047	100.0%

¹Includes Housing Choice Voucher, Shelter Plus Care, Veteran Affairs Supportive Housing (VASH), Project Based Voucher Family Unification Program (FUP) and Moderate Rehab programs.

Source: Akron Metropolitan Housing Authority's Statistics

Akron Metropolitan Housing Authority

OTHER DEMOGRAPHIC STATISTICS

LAST TEN YEARS

(Unaudited)

Year	Akron Population¹	Personal Income¹	Per Capita Personal Income¹	School Enrollment¹	Akron Unemployment Rate²
2011	199,110	\$ 3,915,299,040	\$ 19,664	56,760	9.40%
2012	199,110	3,915,299,040	19,664	56,760	7.60%
2013	199,110	3,915,299,040	19,664	56,760	7.60%
2014	199,110	3,915,299,040	19,664	56,760	6.60%
2015	199,110	3,915,299,040	19,664	56,760	5.70%
2016	199,110	3,915,299,040	19,664	56,760	6.20%
2017	199,110	3,915,299,040	19,664	56,760	4.80%
2018	199,110	3,915,299,040	19,664	56,760	4.90%
2019	199,110	3,915,299,040	19,664	56,760	4.00%
2020	199,110	3,915,299,040	19,664	56,760	5.00%

Sources: ¹U. S. Census Bureau

²Ohio Department of Jobs and Family Services

Akron Metropolitan Housing Authority
NUMBER OF DWELLING RENTAL UNITS

LAST TEN FISCAL YEARS¹

(Unaudited)

Fiscal Year	Low-Income Public Housing²	Section 8	LHA Business Activities	Tax Credit Units²
6/30/2011	4,345	4,975	228	620
6/30/2012	4,284	4,975	242	632
6/30/2013	4,307	4,975	242	662
12/31/2014	4,309	4,975	247	662
12/31/2015	4,288	4,975	573	334
12/31/2016	4,308	4,981	573	334
12/31/2017	4,308	4,981	573	334
12/31/2018	4,304	4,977	573	334
12/31/2019	4,309	5,083	631	334
12/31/2020	4,309	5,058	731	234

¹AMHA switched to a 12/31 fiscal year on 7/1/2013 and reported an 18-month year ending 12/31/2014.

²Public Housing, Tax Credit Units and LHA Business Activities include the units operated and managed by a third party management company.

Sources: Prior and current years HUD PIH Information Center reports and Financial Data Schedules

Akron Metropolitan Housing Authority
PROPERTY CHARACTERISTICS AND UNIT COMPOSITION
December 31, 2020
(Unaudited)

Name of Development	Property Type	Address	Number of Units ¹	Year Built or Acquired
Public Housing Units:				
Akron Edgewood Homes	Family	491 Vernon Odom Boulevard	49	2008
Allen Dickson	Senior	21 23rd Street	83	1970
Alpeter Towers	Senior	130 5th Street SE	185	1974
Bon Sue	Family	65 Susan Court	83	1970
Paul E. Belcher North & South	Senior	400 Locust Street	229	1968-1970
Buchtel Apartments (Cotter House)	Senior	770 E. Buchtel Avenue	143	1969
Cascade Village North ²	Family	212 E. North Street	48	2009
Cascade Village South ²	Family	212 E. North Street	42	2009
Cascade Village East/West ²	Family	212 E. North Street	16	2009
Colonial Hills Apartments	Family	27 Colonial Hills Drive	149	1967
Crimson Terrace	Family	408 Herms Court	88	Various
Edgewood Village	Family	491 Vernon Odom Boulevard	23	2010
Edgewood Village South	Family	491 Vernon Odom Boulevard	20	2012
William E. Fowler Apartments	Senior	65 Byers Avenue	180	1973
Honey Locust Apartments	Family	3299 Prange Drive	137	1981
Joy Park Homes	Family	524 Fuller Street	163	1970
Stephanie S. Keys Towers	Senior	4133 Fishcreek Road	99	1982
Martin P. Lauer	Senior	666 N. Howard Street	94	1970
Maplewood Gardens	Family	500 Hardman Drive	104	1981
Marian Hall (Edgewood Village V)	Senior	491 Vernon Odom Boulevard	36	2012
Mohawk Apartments	Family	22 Safer Plaza	101	1970
Fred W. Nimmer Place	Senior	1600 Brittan Road	237	1970
Pinewood Gardens	Family	8788 Ray Court	125	1980
Saferstein Towers I & II	Senior	525 Diagonal Road	338	1969 -1972
Scattered Sites	Family	524 Fuller Street	630	Various
Seward	Family	9 Plato Avenue	1	2018
Spicer	Family	502 Spicer Street	12	2016
Summit Lake Apartments	Family	9 Plato Avenue	297	1965-2016
Ray C. Sutliff Towers	Senior	1850 2nd Street	185	1974
Van Buren Homes	Family	410 Pasadena Place	200	1972
Willow Run Apartments	Family	1367 Doty Drive	112	1981
Valley View	Family	943 Springdale Street	100	1970
Total Public Housing Units			4,309	
Tax Credit Units:				
Akron Edgewood Homes	Family	491 Vernon Odom Boulevard	31	2008
Edgewood Village	Family	491 Vernon Odom Boulevard	25	2010
Edgewood Village South	Family	491 Vernon Odom Boulevard	30	2012
Marian Hall (Edgewood Village V)	Senior	491 Vernon Odom Boulevard	12	2012
Cascade Village North ²	Family	212 E. North Street	49	2009
Cascade Village South ²	Family	212 E. North Street	38	2009
Cascade Village East/West ²	Family	212 E. North Street	49	2009
Total Tax Credit Units			234	
LHA Business Activities Units:				
Akron 14	Family	95 Chinook	14	1978
Akron 73	Family	600 Darrow Road	73	1979
Eastland Woods Apartments	Family	Various Addresses	100	1981
Green Retirement ²	Senior	4200 Town Crossing Boulevard	58	2003
Hilltop House	Senior	303 East Tuscarawas	76	1968
LHA Scattered Sites	Family	Various Addresses	24	Various
Thornton Terrace	Family	125 Bowdoin Lane	36	1980
Washington Square	Family	428 South Van Buren Avenue	24	1993
Wilbeth-Arlington Homes	Family	910 Eller Avenue	326	1943
Total LHA Business Activities Units			731	
Total Units			5,274	

¹ Excludes non-dwelling units.

² Operated and managed by a third party management company.

Akron Metropolitan Housing Authority

STAFF HEADCOUNT BY DIVISION

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Executive	Central Office Cost Center	Housing Management	Resident Services	Section 8	Part Time Employees & Live In's	Total
6/30/2011	8	58	160	23	29	100	378
6/30/2012	8	60	160	24	29	106	387
6/30/2013	10	55	159	25	26	109	384
12/31/2014	10	58	158	26	25	107	384
12/31/2015	8	60	153	22	24	106	373
12/31/2016	8	60	156	25	25	104	378
12/31/2017	8	52	154	26	24	103	367
12/31/2018	7	53	156	30	24	130	400
12/31/2019	7	53	157	33	26	126	402
12/31/2020	7	53	148	34	25	120	387

Source: The agency's prior and current years organizational charts.

Akron Metropolitan Housing Authority
PRINCIPAL EMPLOYERS IN SUMMIT COUNTY¹

CURRENT YEAR AND NINE YEARS AGO

(Unaudited)

2020				2011			
Employer	Full-Time Employees	Rank	Percentage of Total County Employment	Employer	Full-Time Employees	Rank	Percentage of Total County Employment
Summa Health System	5,790	1	2.26%	Summa Health System	10,000	1	3.86%
Akron Children's Hospital	4,129	2	1.61%	Akron General Health System	4,277	2	1.65%
Group Management Services	3,708	3	1.45%	County of Summit	3,468	3	1.34%
Akron Public Schools	3,392	4	1.33%	Akron City School District	3,094	4	1.19%
County of Summit	3,087	5	1.21%	Goodyear Tire & Rubber Company	3,000	5	1.16%
Goodyear Tire & Rubber Company	2,649	6	1.04%	The University of Akron	2,845	6	1.10%
FirstEnergy Corp.	2,233	7	0.87%	FirstEnergy Corp.	2,708	7	1.05%
Signet Jewelers, Inc.	1,968	8	0.77%	FirstMerit Corporation	2,695	8	1.04%
The University of Akron	1,899	9	0.74%	Akron Children's Hospital	2,681	9	1.04%
City of Akron	1,793	10	0.70%	Time Warner Cable NEO	2,440	10	0.94%
	<u>30,648</u>		<u>11.98%</u>		<u>37,208</u>		<u>14.37%</u>
Total Employed in County²	<u>255,900</u>				<u>259,000</u>		

Sources: ¹Greater Akron Chamber of Commerce and County of Summit, Ohio CAFR

²Ohio Job & Family Services, Office of Workforce Development-Labor Market Information

OHIO AUDITOR OF STATE KEITH FABER



AKRON METROPOLITAN HOUSING AUTHORITY

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 11/4/2021

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

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