PERRY METROPOLITAN HOUSING AUTHORITY

PERRY COUNTY

SINGLE AUDIT

JANUARY 1, 2020 – DECEMBER 31, 2020

WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

OHIO AUDITOR OF STATE
KEITH FABER

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Board of Commissioners
Perry Metropolitan Housing Authority
26 Brown Circle Drive
Crooksville, Ohio 43731

We have reviewed the *Independent Auditor's Report* of the Perry Metropolitan Housing Authority, Perry County, prepared by Wilson, Shannon & Snow, 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 Perry Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

June 28, 2021

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PERRY METROPOLITAN HOUSING AUTHORITY
PERRY COUNTY

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WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Perry Metropolitan Housing Authority
Perry County
26 Brown Circle Drive
Crooksville, Ohio 43731

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the Perry Metropolitan Housing Authority, Perry 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 preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

10 West Locust Street | Newark, Ohio 43055 | Phone: 740-345-6611 | Fax: 740-345-5635 | wssinc.net

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Perry Metropolitan Housing Authority, Perry County as of December 31, 2020, and the changes in its financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 13 to the financial statements, during 2020, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

The Financial Data Schedules as required by the Department of Housing and Urban Development present additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report June 9, 2021, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Wilson, Shannon & Snow, Inc.

Newark, Ohio
June 9, 2021

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The Perry Metropolitan Housing Authority's ("the Authority") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position, and (d) identify individual fund issues or concerns.

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

FINANCIAL HIGHLIGHTS

- The Authority's net position increased by $182,090 (or 10.76%) during 2020 and were $1,875,093 and $1,693,003 for 2020 and 2019, respectively.
- Revenues increased by $254,934 (or 13.34%) during 2020 and were $2,166,542 and $1,911,608.
- The total expenses of all Authority programs decreased by $105,675 (or 5.06%). Total expenses were $1,984,452 and $2,090,127 for 2020 and 2019, respectively.

USING THIS ANNUAL REPORT

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

MD&A
~Management's Discussion and Analysis ~

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

Required Supplementary Information
~Pension and OPEB Schedules~

Other Supplementary Information
~Financial Data Schedules ~
~Schedule of Expenditures of Federal Awards~

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

BASIC FINANCIAL STATEMENTS

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

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

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

Investment in Capital Assets: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowing that are attributable to the acquisition, construction, or improvement of those assets. The Authority does not have any debt related to capital assets.

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

Unrestricted Net Position: Consists of Net Position that do not meet the definition of "Investment in Capital Assets", or" Restricted Net Position".

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

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

The Authority consists of exclusively Enterprise Funds. Enterprise Funds utilize the full accrual basis of accounting. The Enterprise method of accounting is like accounting utilized by the private sector accounting.

FUND FINANCIAL STATEMENTS

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

Conventional Public Housing - Under the conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties. The CARES Act provided additional funding to PHAs to prevent, prepare for, and respond to coronavirus, including to maintain normal operations during the period the program was impacted by the coronavirus.

Housing Choice Voucher Program - Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income. The CARES Act provided additional funding to PHAs to prevent, prepare for, and respond to coronavirus, including to maintain normal operations during the period the program was impacted by the coronavirus.

Business Activities - Represents non-HUD resources developed from Supported Living Program (Perry County DD) activity.

AUTHORITY-WIDE STATEMENTS

STATEMENT OF NET POSITION

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

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

	2020	2019
Current Assets	$ 645,609	$ 488,413
Capital Assets	2,196,586	2,169,680
Deferred Outflows of Resources	113,023	236,269
Total Assets and Deferred Outflows of Resources	$ 2,955,218	$ 2,894,362
Current Liabilities	$ 148,941	$ 181,808
Noncurrent Liabilities	728,867	1,009,525
Total Liabilities	877,808	1,191,333
Deferred Inflows of Resources	202,317	10,026
Net Positions:		
Investment in Capital Assets	2,196,586	2,169,680
Restricted Net Positions	25,605	17,242
Unrestricted Net Positions	(347,098)	(493,919)
Total Net Positions	1,875,093	1,693,003
Total Liabilities, Deferred Inflows and Net Positions	$ 2,955,218	$ 2,894,362

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

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

During 2020, current assets increased by $157,196 (or 32.19%), and current liabilities decreased by $32,867 (or 18.08%). The increase in current assets resulted from current year activities. Current liabilities decreased mainly due to change in the amount of invoices not paid by the end of the year.

Capital assets also changed, increasing from $2,169,680 to $2,196,586. The $26,906 (or 1.24%) increase is primarily, due to a combination of net acquisitions, less current year depreciation.

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Change in Net Position

Details on the change in net position can be found below:

Table 2 - Change in Unrestricted Net Position

	Unrestricted	Restricted	Investment in Captial Assets
Beginning Balance - December 31, 2019	$ (493,919)	$ 17,242	$ 2,169,680
Results of Operation	173,727	8,363	-
Adjustments:			
Current year Depreciation Expense (1)	217,471	-	(217,471)
Capital Expenditure (2)	(253,072)	-	253,072
Loss on Disposal of Capital Assets	8,695	-	(8,695)
Ending Balance - December 31, 2020	$ (347,098)	$ 25,605	$ 2,196,586

(1) Depreciation is treated as an expense and reduces the results of operations but does not have an impact on Unrestricted Net Position.

(2) Capital expenditures represent an outflow of unrestricted net position, but are not treated as an expense against results of operations, and therefore must be deducted.

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

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITIONS

The Following schedule compares the revenues and expenses for the current and previous year.

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

	2020	2019
Revenues		
Total Tenant Revenues	$ 294,415	$ 345,034
Operating Subsidies	1,572,516	1,364,696
Capital Grants	250,011	152,921
Investment Income	3,442	2,158
Other Revenues	46,158	46,799
Total Revenues	**2,166,542**	**1,911,608**
Expenses		
Administrative	399,686	486,761
Tenant Services	5,162	7,475
Utilities	164,387	177,697
Maintenance	256,064	290,278
General and Insurance Expenses	64,523	83,760
Housing Assistance Payaments	868,464	832,902
Loss on Disposal of Capital Assets	8,695	165
Depreciation	217,471	211,089
Total Expenses	**1,984,452**	**2,090,127**
Change in Net Position	**182,090**	**(178,519)**
Net Position - Beginning	1,693,003	1,871,522
Net Position - Ending	$ 1,875,093	$ 1,693,003

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

Total revenue increased by $254,934 due mainly by increase in Operating Subsidies and HUD capital grant funding for the year.

Total expenses decreased in 2020 by $105,675. The decrease was due mainly by decrease in administrative and maintenance expenses.

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CAPITAL ASSETS AND DEBT ADMINISTRATION CAPITAL ASSETS

As of year-end, the Authority had $2,196,586 invested in a variety of capital assets as reflected in the following schedule, which represents a net increase (additions, deductions and depreciation) of $26,906 (or 1.24%) from the end of last year:

Table 4 - Condensed Statement of Changes in Capital Assets

	2020	2019
Land	$ 241,579	$ 241,579
Buildings	7,724,137	7,481,722
Equipment	442,422	451,210
Leasehold Improvments	1,852,064	1,852,064
Construction in Progress	-	72,955
Accumulated Depreciation	(8,063,616)	(7,929,850)
Total	$ 2,196,586	$ 2,169,680

The following reconciliation summarizes the change in Capital Assets, which is presented in detail in Note 4 of the notes to the basic financial statements.

Table 5 - Changes in Capital Assets

Beginning Balance - December 31, 2019	$ 2,169,680
Current year additions	253,072
Current year disposal, net	(8,695)
Current year depreciation expense	(217,471)
Ending Balance - December 31, 2020	$ 2,196,586

Table 6 - Current Year Breakout of Additions to Assets

Kitchen & Bath Cabinet Countertop replacement - 19 units	$ 97,464
Capital Improvements in Common Areas	19,292
Furnace Replacement	124,721
Copier and Notebook computers	11,595
Total	$ 253,072

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DEBT OUTSTANDING

At year end the Authority had $0 outstanding debt.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding levels of the Department of Housing and Urban Development.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies and other costs.
- Market rates for rental housing.
- Local rental market rates and housing supply and demand, which affects the Authority's ability to maintain leasing rates.
- Unknown financial and operational impacts as well as impacts to the federal programs because of the COVID-19 pandemic.

IN CONCLUSION

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

FINANCIAL CONTACT

If you have any questions regarding this report, you may contact Christina Curtis, Executive Director of the Perry Metropolitan Housing Authority at (740) 982-5991.

PERRY METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2020

ASSETS	
Current assets	
Cash and cash equivalents	$ 498,485
Cash and cash equivalents - restricted	79,656
Receivables, net	6,576
Inventories, net	20,392
Prepaid items	40,500
TOTAL CURRENT ASSETS	645,609
Noncurrent assets	
Capital assets:	
Land	241,579
Building and equipment	10,018,623
Less: accumulated depreciation	(8,063,616)
Total capital assets, net	2,196,586
TOTAL NONCURRENT ASSETS	2,196,586
TOTAL ASSETS	2,842,195
DEFERRED OUTFLOWS OF RESOURCES	
Pension	67,539
OPEB	45,484
TOTAL DEFERRED OUTFLOWS OF RESOURCES	113,023
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2,955,218
LIABILITIES	
Current liabilities	
Accounts payable	20,795
Accrued wages and payroll taxes	17,559
Accrued compensated absences payable	34,642
Intergovernmental payables	12,256
Tenant security deposits	29,497
Unearned revenue	34,192
TOTAL CURRENT LIABILITIES	148,941
Noncurrent liabilities	
Net pension liability	441,565
Net OPEB liability	287,302
TOTAL NONCURRENT LIABILITIES	728,867
TOTAL LIABILITIES	877,808
DEFERRED INFLOWS OF RESOURCES	
Pension	135,882
OPEB	66,435
TOTAL DEFERRED INFLOWS OF RESOURCES	202,317
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,080,125
NET POSITION	
Investment in capital assets	2,196,586
Restricted net position	25,605
Unrestricted net position	(347,098)
TOTAL NET POSITION	$ 1,875,093

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

PERRY METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020

OPERATING REVENUES	
Tenant revenues	$ 294,415
Government operating grants	1,572,516
Other revenues	46,158
TOTAL OPERATING REVENUES	1,913,089
OPERATING EXPENSES	
Administrative	399,686
Tenant services	5,162
Utilities	164,387
Maintenance	256,064
General and insurance	64,523
Housing assistance payments	868,464
Depreciation	217,471
TOTAL OPERATING EXPENSES	1,975,757
OPERATING LOSS	(62,668)
NON-OPERATING REVENUES (EXPENSES)	
Investment income	3,442
Capital grant revenue	250,011
Loss on disposal of capital assets	(8,695)
TOTAL NON-OPERATING REVENUES (EXPENSES)	244,758
CHANGES IN NET POSITION	182,090
TOTAL NET POSITION - BEGINNING	1,693,003
TOTAL NET POSITION - ENDING	$ 1,875,093

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

PERRY METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating grants received	$ 1,572,516
Tenant revenue received	297,479
Other revenue received	50,595
General and administrative expenses paid	(835,615)
Housing assistance payments	(868,464)
NET CASH PROVIDED BY OPERATING ACTIVITIES	216,511
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	3,442
NET CASH PROVIDED BY INVESTING ACTIVITIES	3,442
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital grants received	250,011
Property and equipment purchased	(253,072)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(3,061)
CHANGE IN CASH AND CASH EQUIVALENTS	216,892
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	361,249
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 578,141
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	$ (62,668)
Adjustment to reconcile operating loss to net cash provided by operating activities:	
Depreciation	217,471
(Increases) decreases in:	
Accounts receivables, net of allowance	67,211
Inventory, net of allowance	(1,805)
Prepaid items and other assets	(5,710)
Deferred outflows of resources	123,246
Increases (decreases) in:	
Accounts payable	(61,566)
Accrued wages and payroll taxes	3,388
Intergovernmental payables	(5,966)
Tenant security deposits	562
Unearned Revenue	25,681
Accrued compensated absences	5,034
Net pension liability	(257,925)
Net OPEB liability	(22,733)
Deferred inflows of resources	192,291
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 216,511

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

1. DESCRIPTION OF THE HOUSING AUTHORITY AND REPORTING ENTITY

Summary of Significant Accounting Policies

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

Reporting Entity

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

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

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

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

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

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

Basis of Presentation

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

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

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

Measurement Focus

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

Fund Accounting

The Authority uses the enterprise fund to report on its financial position and results of its operations for the HUD programs. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The enterprise fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Enterprise Fund

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

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

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

Projects - Conventional Public Housing and Capital Fund Programs

Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the PHA to provide the housing at a rent that is based upon 30% of adjusted gross household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for the Authority's physical and management improvement. Funds are allocated by a formula allocation and based on size and age of the Authority's units. Additional CARES Act Funding was also received under this program.

Housing Choice Voucher Program
Under the Housing Choice Voucher Program, the Authority subsidizes rents to independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides funding to enable the Authority to structure a lease that requires the participant to pay a rent based on a percentage of their adjusted gross household income, typically 30%, and the Housing Authority subsidizes the balance. Additional CARES Act Funding was also received under this program.

Business Activities
Business Activities are the miscellaneous activities of the authority that currently include housing activities outside the scope of the conventional and housing choice voucher programs. The Business Activity Program represents MR/DD Supported Living Program activities. The revenue and expenses for these services are identified and tracked separate from the HUD activities.

<u>Accounting and Reporting for Nonexchange Transactions</u>
Non-exchange transactions occur when the Authority receives (or gives) value without directly giving equal value in return. GASB 33 identifies four classes of non-exchange transactions as follows:

- Derived tax revenues: result from assessments imposed on exchange transactions (i.e., income taxes, sales taxes and other assessments on earnings or consumption).
- Imposed non-exchange revenues: result from assessments imposed on non-governmental entities, including individuals, other than assessments on exchange transactions (i.e., property taxes and fines).
- Government-mandated non-exchange transactions: occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (i.e., federal programs that state or local governments are mandated to perform).
- Voluntary non-exchange transactions: result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (i.e., certain grants and private donations).

The Authority grants and subsidies will be defined as government-mandated or voluntary nonexchange transactions. GASB 33 establishes two distinct standards depending upon the kind of stipulation imposed by the provider.

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

- Time requirements specify (a) the period when resources are required to be used or when use may begin (for example, operating or capital grants for a specific period) or (b) that the resources are required to be maintained intact in perpetuity or until a specified date or event has occurred (for example, permanent endowments, term endowments, and similar agreements). Time requirements affect the timing of recognition of non-exchange transactions.
- Purpose restrictions specify the purpose for which resources are required to be used, (i.e., capital grants used for the purchase of capital assets). Purpose restrictions do not affect when a non-exchange transaction is recognized. However, authority's that receive resources with purpose restrictions should report resulting net assets, equity, or fund balance as restricted.

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

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

Receivables – net of allowance
Total receivable as December 31, 2020 is $6,576. This amount is net from the allowance of doubtful accounts of $27,950. Bad debts are provided on the allowance method based on management's evaluation of the probability of collecting the outstanding tenant receivable balances at the end of the year.

Prepaid Items
Payments made to vendors for services that will benefit periods beyond December 31, 2020, are recorded as prepaid expenses using the consumption method. A current asset for the amount is recorded at the time of the purchase and expense is reported in the year in which the services are consumed.

Property and Equipment
Property and equipment are recorded at cost. Costs that materially add to the productive capacity or extend the life of an asset are capitalized while maintenance and repair costs are expensed as incurred. The capitalization policy amount is $2,500.

The following are the useful lives used for depreciation purposes:

Buildings	40 years
Building improvements	15 years
Furniture and Equipment	7 years
Vehicles	5 years
Computer Equipment	3 years

Depreciation is recorded on the straight-line method.

Investments

Investments are stated at fair value. The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure 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. Negotiable certificates of deposit are stated at cost.

Inventory

The Authority's inventory is comprised of maintenance materials and supplies. Inventory is stated at cost. The consumption method is used to record inventory. Under this method, the acquisition of materials and supplies is recorded initially in inventory accounts and charged as expenditures when used. The allowance for obsolete inventory was $2,000 at December 31, 2020.

Compensated Absences

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

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

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

	Current Accrued Compensated Absence	Long-Term Accrued Compensated Absence	Total Accrued Compensated Absence
Public Housing	$19,389	$0	$19,389
Housing Choice Voucher	4,288	0	4,288
Central Office	10,965	0	10,965
Total	$34,642	$0	$34,642

The following is a summary of changes in compensated absence liability:

	Balance 12/31/2019	Earned	Used	Balance 12/31/2020	Due Within One Year
Compensated Absences	$29,608	$30,016	($24,982)	$34,642	$34,642

Unearned Revenue

Unearned revenue arises when revenues are received before revenue recognition criteria have been satisfied.

Deferred Outflows and Inflows of Resources

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

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

Pensions/Other Postemployment Benefits (OPEB)

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

Net Position

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

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

Operating Revenues and Expenses

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

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

Capital Grant

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

Budgetary Accounting

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

Estimates

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

2. DEPOSITS

Deposits

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

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

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

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

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

The carrying amount of the Authority's deposits was $578,141 at December 31, 2020. The corresponding bank balances were $609,848. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosure," as of December 31, 2020, $359,848 was exposed to custodial risk as discussed below, while $250,000 was covered by the Federal Depository Insurance Corporation.

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

3. RESTRICTED CASH

Restricted cash balance as of December 31, 2020 of $79,656 represents cash on hand for the following:

Tenant Security Deposits	$ 29,497
CARES Act Funding Unspent Funds	24,554
Housing Assistance Payments Unspent Funds	25,605
	$ 79,656

4. CAPITAL ASSETS

A summary of changes in the Authority's capital assets for the year ended December 31, 2020, follows:

	Balance 12/31/19	Additions	Disposal	Adjustment	Balance 12/31/20
Capital Assets Not Being Depreciated:					
Land	$ 241,579	$ -	$ -	$ -	$ 241,579
Construction in Progress	72,955	-	-	(72,955)	-
Total Capital Assets Not Being Depreciated	314,534	-	-	(72,955)	241,579
Capital Assets Being Depreciated:					
Buildings and Improvements	9,333,786	241,477	(72,017)	72,955	9,576,201
Furniture, Machinery and Equipment	451,210	11,595	(20,384)	1	442,422
Total Capital Assets Being Depreciated:	9,784,996	253,072	(92,401)	72,956	10,018,623
Accumulated Depreciation					
Buildings	(7,605,870)	(188,371)	63,322	(1)	(7,730,920)
Furniture, Machinery and Equipment	(323,980)	(29,100)	20,384	-	(332,696)
Total Accumulated Depreciation	(7,929,850)	(217,471)	83,706	(1)	(8,063,616)
Total Capital Assets Being Depreciated, Net	1,855,146	35,601	(8,695)	72,955	1,955,007
Total Capital Assets, Net	$ 2,169,680	$ 35,601	$ (8,695)	$ -	$ 2,196,586

5. NON-CURRENT LIABILITIES

The balance of the non-current liabilities at December 31, 2020 consists of the following:

Description	Balance 12/31/2019	Issued	Retired	Balance 12/31/2020	Due Within One Year
Net Pension Liability	$699,490	$0	($257,925)	$441,565	$0
Net OPEB Liability	310,035	0	(22,733)	287,302	0
TOTAL	$1,009,525	$0	($280,658)	$728,867	$0

6. MRDD PROJECT AGREEMENT

Perry Metropolitan Housing Authority and Perry County Board MRDD have a project agreement for a supported living program. The agreement outlines that monies received by MRDD for supported living will be forwarded to the Authority to purchase real estate with homes previously constructed and title to the said real estate will be in the name of the Authority. MRDD clients will benefit from these real estate transactions. The real estate monies will revert to MRDD if the property is not being used by eligible persons.

7. 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.

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *accrued wages and payroll taxes*.

Plan Description – Ohio Public Employees Retirement Systems (OPERS)

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

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

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 Comprehensive Annual Financial Report reference above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements:	**Age and Service Requirements:**	**Age and Service Requirements:**
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula:	**Formula:**	**Formula:**
2.2% of FAS multiplied by years of service form the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service form the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service form the first 30 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 members' career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

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

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

A death benefit of $500 - $2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Traditional pension plan and the Combined Plan.

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

	State and Local
2020 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2020 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

* Member contributions within combined plan are not used to fund the defined benefit retirement allowance

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contributions used to fund pension benefits was $38,069 for the year ended December 31, 2020.

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

The net pension liability 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:

	Traditional Plan
Proportionate Share of Net Pension Liability	$441,565
Percentate for Proportionate Share of Net Pension Liability	0.002234%
Change in Proportion from Prior Measurement Date	(0.000320%)
Pension Expense	$19,152

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

	Traditional Plan
Deferred Outflows of Resources	
Change in assumption	$23,585
Change in prportionate share	5,885
Authority contributions subsequent to the measurement date	38,069
Total Deferred Outflows of Resources	$67,539
Deferred Inflows of Resources	
Net difference between projected and actual earning on pension plan investments	$88,080
Difference Between Expected and Actual Experience	5,582
Change in proportionate share	42,220
Total Deferred Inflows of Resources	$135,882

$38,069 reported as deferred outflows of resources related to pension resulting from Authority contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:		
	2021	($31,561)
	2022	(43,523)
	2023	3,648
	2024	(34,976)
	Total	($106,412)

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 prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Valuation Date	December 31, 2019
Experience Study	5 year ended 12/31/15
Actuarial Cost Method	Individual entry age
Actuarial Assumptions:	
Investment Return	7.20%
Wage Inflation	3.25%
Projected salary increase	3.25%-10.75% (includes wage inflation at 3.25%)
Cost-of-living adjustments	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2020, then 2.15% Simple

The total pension asset in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Individual entry age
Actuarial Assumptions:	
Investment Return	7.20%
Wage Inflation	3.25%
Projected salary increase	3.25%-8.25%
Cost-of-living adjustments	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2020, then 2.15% Simple

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 previously described tables.

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

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

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

Asset Class	Target Allocation for 2019	Weighted Average Long- Term Expected Real Rate of Return
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	13.00%	4.98%
Total	100.00%	5.61%

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

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

	1% Decrease (6.2%)	Current Discount Rate 7.2%	1% Increase (8.2%)
Authority's proporationate share of the net pension liability - Traditional Pension Plan	$728,284	$441,565	$183,814

Changes Between Measurement Date and Report Date
Subsequent to December 31, 2019, the global economy continued to be impacted by the COVID-19 pandemic and market volatility continued and it is likely that 2021 investment market conditions and other economic factors will be negatively implacted.

8. DEFINED BENEFIT OPEB PLAN

Net OPEB Liability

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

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

Ohio Revised Code limits the Authority’s obligation for this liability to annually required payments. The Authority cannot control benefit terms or the manner in which 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 receipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net OPEB liability.* Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *accrued wages and payroll taxes*.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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 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:

	Health Care Plan
Proportionate Share of Net OPEB Liability	$287,302
Proportion of the Net OPEB Liability	0.002080%
Change in Proportion from Prior Measurement date	-0.000298%
Pension Expense	$15,727

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

	Health Care Plan
Deferred Outflows of Resources	
Assumption Changes	$45,476
Difference between expected and actual experience	8
Total Deferred Outflows of Resources	$45,484
Deferred Inflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$14,628
Difference between expected and actual experience	26,276
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	25,531
Total Deferred Inflows of Resources	$66,435

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

	Health Care Plan
Year Ending December 31:	
2021	($8,896)
2022	(5,815)
2023	12
2024	(6,252)
Total	($20,951)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 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:

Actuarial Information	
Wage Inflation	3.25%
Future Salary Increases, including inflation 3.25%	3.25 - 10.75%
Single Discount Rate:	
Current measurement rate	3.16%
Prior measurement rate	3.96%
Investment Rate of Return	6.00%
Municipal Bond Rate	2.75%
Health Care Cost Trend Rate	10.0% initial, 3.5% 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.

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 was 19.70 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:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	36.00%	1.53%
Domestic Equities	21.00%	5.75%
REITs	6.00%	5.69%
International Equities	23.00%	7.66%
Other Investments	14.00%	4.90%
TOTAL	100.00%	4.55%

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.

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 (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
Authority's proportionate share of the net OPEB liability	$167,981	$287,302	$216,299

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 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.

	1% Decrease	Current Health Care Cost Trent Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability	$278,824	$287,302	$295,672

Changes Between Measurement Date and Report Date
Subsequent to December 31, 2019, the global economy was impacted by the COVID-19 pandemic and market volatility increased significantly. It is likely that 2020 investment market conditions and other economic factors will be negatively impacted; however, the overall impact on the OPERS investment portfolio and funding position is unknown at this time.

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

9. 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 maintained comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. There was no significant reduction in coverage and no settlements exceeded insurance coverage during the past three years.

Also, during 2020, the Authority was insured through the State Housing Authority Risk Pool Association, Inc. (SHARP), a public entity risk pool operating a common risk management and insurance program for its housing authority members. The State Housing Authority Risk Pool Association, Inc. is self-sustaining through member premiums and reinsures through commercial insurance companies.

10. CONTINGENCIES

Grants
Amounts grantor agencies pay to the Authority are subject to audit and adjustments by the grantor, principally the federal government. Grantors may require refunding any disallowed costs or excess reserve balances. Management cannot presently determine amounts grantors may disallow or recapture. However, based on prior experience, management believes any such disallowed claims or recaptured amounts would not have a material adverse effect on the overall financial position of the Authority at December 31, 2020.

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

Litigations
In the normal course of operations, the Authority may be subject to litigations and claims. At December 31, 2020, the Authority was not aware of any such matters.

11. PAYMENT IN LIEU OF TAXES

The Authority has cooperation agreements with certain municipalities under which it makes payment in lieu of real estate taxes for various public services. Expense recognized within general and insurance expenses for payment in lieu of taxes for the year ended December 31, 2020 totaled $12,270.

12. FINANCIAL DATA SCHEDULE SUBMITTED TO HUD

For the fiscal year ended December 31, 2020, the Authority electronically submitted an unaudited version of the balance sheet, statement of revenue and expenses and changes in net position, and other data to HUD as required on the GAAP basis. The schedules are presented in the manner prescribed by HUD.

13. 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 ensuring emergency measures will impact subsequent periods of the Authority. The investments of the pension and other employee benefit plan in which the Authority participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

PERRY METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST SEVEN YEARS

Traditional Plan	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Liability	0.002234%	0.002554%	0.002445%	0.002387%	0.002295%	0.002365%	0.002365%
Authority's Proportionate Share of the Net Pension Liability - Traditional Plan	$441,565	$699,490	$383,573	$542,049	$397,524	$285,245	$278,803
Authority's Covered-Employee Payroll	$328,387	$344,911	$322,804	$312,961	$302,696	$290,129	$276,103
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	134.46%	202.80%	118.83%	173.20%	131.33%	98.32%	100.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available.
(2) The amounts presented for each year were determined as of the Authority's measurement date which is the prior year-end.

PERRY METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY
LAST FOUR YEARS

	2020	**2019**	**2018**	**2017**
Authority's Proportion of the Net OPEB Liability	0.002080%	0.002378%	0.002280%	0.002280%
Authority's Proportionate Share of the Net OPEB Liability	$287,302	$310,035	$247,591	$230,288
Authority's Covered Payroll	$328,387	$344,911	$322,804	$312,961
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	87.49%	89.89%	76.70%	73.58%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	68.52%

(1) The amounts presented for each year were determined as of the Authority's measurement date which is the prior year-end.

(2) Information prior to 2017 is not available.

PERRY METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS
LAST TEN YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually Required Contribution										
Pension	$38,069	$46,037	$48,288	$41,965	$37,556	$36,310	$34,821	$35,817	$29,491	$26,784
OPEB	$0	$0	$0	$3,228	$6,259	$6,067	$5,796	$2,761	$11,796	$14,880
Contributions in Relation to the Contractually Required Contribution	$38,069	$46,037	$48,288	$45,193	$43,815	$42,377	$40,617	$38,578	$41,287	$41,664
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Authority's Covered-Employee Payroll	$271,925	$328,387	$344,911	$322,804	$312,961	$302,696	$290,129	$276,103	$294,909	$297,604
Contributions as a Percentage of Covered-Employee Payroll										
Pension	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%	10.00%	9.00%
OPEB	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%	1.00%	4.00%	5.00%

(1) Total contribution reported include any amounts contributed to other post employment benefits in addition to the Traditional Plans.

PERRY METROPOLITAN HOUSING AUTHORITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020

Ohio Public Employees' Retirement System

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2020.

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

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2020.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%.

Perry Metropolitan Housing Authority
Financial Data Schedules
For The Year Ended December 31, 2020

	Project Total	14.871 Housing Choice Vouchers	1 Business Activities	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$329,558	$75,993	$6,884	$0	$86,050	$498,485	$0	$498,485
112 Cash - Restricted - Modernization and Development	$0	$0	$0	$0	$0	$0	$0	$0
113 Cash - Other Restricted	$0	$25,605	$0	$24,554	$0	$50,159	$0	$50,159
114 Cash - Tenant Security Deposits	$29,497	$0	$0	$0	$0	$29,497	$0	$29,497
115 Cash - Restricted for Payment of Current Liabilities	$0	$0	$0	$0	$0	$0	$0	$0
100 Total Cash	$359,055	$101,598	$6,884	$24,554	$86,050	$578,141	$0	$578,141
121 Accounts Receivable - PHA Projects	$0	$0	$0	$0	$0	$0	$0	$0
122 Accounts Receivable - HUD Other Projects	$0	$0	$0	$0	$0	$0	$0	$0
124 Accounts Receivable - Other Government	$0	$0	$0	$0	$0	$0	$0	$0
125 Accounts Receivable - Miscellaneous	$4,136	$0	$0	$0	$0	$4,136	$0	$4,136
126 Accounts Receivable - Tenants	$3,399	$0	$0	$0	$0	$3,399	$0	$3,399
126.1 Allowance for Doubtful Accounts -Tenants	-$959	$0	$0	$0	$0	-$959	$0	-$959
126.2 Allowance for Doubtful Accounts - Other	$0	$0	$0	$0	$0	$0	$0	$0
127 Notes, Loans, & Mortgages Receivable - Current	$0	$0	$0	$0	$0	$0	$0	$0
128 Fraud Recovery	$0	$26,991	$0	$0	$0	$26,991	$0	$26,991
128.1 Allowance for Doubtful Accounts - Fraud	$0	-$26,991	$0	$0	$0	-$26,991	$0	-$26,991
129 Accrued Interest Receivable	$0	$0	$0	$0	$0	$0	$0	$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	$6,576	$0	$0	$0	$0	$6,576	$0	$6,576
131 Investments - Unrestricted	$0	$0	$0	$0	$0	$0	$0	$0
132 Investments - Restricted	$0	$0	$0	$0	$0	$0	$0	$0
135 Investments - Restricted for Payment of Current Liability	$0	$0	$0	$0	$0	$0	$0	$0
142 Prepaid Expenses and Other Assets	$24,407	$5,448	$625	$0	$10,020	$40,500	$0	$40,500
143 Inventories	$22,392	$0	$0	$0	$0	$22,392	$0	$22,392
143.1 Allowance for Obsolete Inventories	-$2,000	$0	$0	$0	$0	-$2,000	$0	-$2,000
144 Inter Program Due From	$0	$0	$0	$0	$4,628	$4,628	-$4,628	$0
145 Assets Held for Sale	$0	$0	$0	$0	$0	$0	$0	$0
150 Total Current Assets	$410,430	$107,046	$7,509	$24,554	$100,698	$650,237	-$4,628	$645,609
161 Land	$233,579	$0	$7,000	$0	$1,000	$241,579	$0	$241,579
162 Buildings	$7,616,776	$29,361	$61,500	$0	$16,500	$7,724,137	$0	$7,724,137
163 Furniture, Equipment & Machinery - Dwellings	$374,747	$16,915	$0	$0	$0	$391,662	$0	$391,662
164 Furniture, Equipment & Machinery - Administration	$24,669	$0	$0	$0	$26,091	$50,760	$0	$50,760
165 Leasehold Improvements	$1,852,064	$0	$0	$0	$0	$1,852,064	$0	$1,852,064
166 Accumulated Depreciation	-$7,928,533	-$38,787	-$54,736	$0	-$41,560	-$8,063,616	$0	-$8,063,616
167 Construction in Progress	$0	$0	$0	$0	$0	$0	$0	$0
168 Infrastructure	$0	$0	$0	$0	$0	$0	$0	$0
160 Total Capital Assets, Net of Accumulated Depreciation	$2,173,302	$7,489	$13,764	$0	$2,031	$2,196,586	$0	$2,196,586
171 Notes, Loans and Mortgages Receivable - Non-Current	$0	$0	$0	$0	$0	$0	$0	$0

Perry Metropolitan Housing Authority
Financial Data Schedules
For The Year Ended December 31, 2020

	Project Total	14.871 Housing Choice Vouchers	1 Business Activities	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	$0	$0	$0	$0	$0	$0	$0	$0
173 Grants Receivable - Non Current	$0	$0	$0	$0	$0	$0	$0	$0
174 Other Assets	$0	$0	$0	$0	$0	$0	$0	$0
176 Investments in Joint Ventures	$0	$0	$0	$0	$0	$0	$0	$0
180 Total Non-Current Assets	$2,173,302	$7,489	$13,764	$0	$2,031	$2,196,586	$0	$2,196,586
200 Deferred Outflow of Resources	$59,583	$20,386	$0	$0	$33,054	$113,023	$0	$113,023
290 Total Assets and Deferred Outflow of Resources	$2,643,315	$134,921	$21,273	$24,554	$135,783	$2,959,846	-$4,628	$2,955,218
311 Bank Overdraft	$0	$0	$0	$0	$0	$0	$0	$0
312 Accounts Payable <= 90 Days	$19,956	$621	$143	$0	$75	$20,795	$0	$20,795
313 Accounts Payable >90 Days Past Due	$0	$0	$0	$0	$0	$0	$0	$0
321 Accrued Wage/Payroll Taxes Payable	$5,756	$1,238	$0	$0	$10,565	$17,559	$0	$17,559
322 Accrued Compensated Absences - Current Portion	$19,389	$4,288	$0	$0	$10,965	$34,642	$0	$34,642
324 Accrued Contingency Liability	$0	$0	$0	$0	$0	$0	$0	$0
325 Accrued Interest Payable	$0	$0	$0	$0	$0	$0	$0	$0
331 Accounts Payable - HUD PHA Programs	$0	$0	$0	$0	$0	$0	$0	$0
332 Account Payable - PHA Projects	$0	$0	$0	$0	$0	$0	$0	$0
333 Accounts Payable - Other Government	$12,256	$0	$0	$0	$0	$12,256	$0	$12,256
341 Tenant Security Deposits	$29,497	$0	$0	$0	$0	$29,497	$0	$29,497
342 Unearned Revenue	$9,638	$0	$0	$24,554	$0	$34,192	$0	$34,192
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$0	$0	$0	$0	$0	$0	$0	$0
344 Current Portion of Long-term Debt - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0	$0
345 Other Current Liabilities	$0	$0	$0	$0	$0	$0	$0	$0
346 Accrued Liabilities - Other	$0	$0	$0	$0	$0	$0	$0	$0
347 Inter Program - Due To	$0	$0	$4,628	$0	$0	$4,628	-$4,628	$0
348 Loan Liability - Current	$0	$0	$0	$0	$0	$0	$0	$0
310 Total Current Liabilities	$96,492	$6,147	$4,771	$24,554	$21,605	$153,569	-$4,628	$148,941
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$0	$0	$0	$0	$0	$0	$0	$0
352 Long-term Debt, Net of Current - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0	$0
353 Non-current Liabilities - Other	$0	$0	$0	$0	$0	$0	$0	$0
354 Accrued Compensated Absences - Non Current	$0	$0	$0	$0	$0	$0	$0	$0
355 Loan Liability - Non Current	$0	$0	$0	$0	$0	$0	$0	$0
356 FASB 5 Liabilities	$0	$0	$0	$0	$0	$0	$0	$0
357 Accrued Pension and OPEB Liabilities	$431,380	$111,251	$0	$0	$186,236	$728,867	$0	$728,867
350 Total Non-Current Liabilities	$431,380	$111,251	$0	$0	$186,236	$728,867	$0	$728,867
300 Total Liabilities	$527,872	$117,398	$4,771	$24,554	$207,841	$882,436	-$4,628	$877,808

Perry Metropolitan Housing Authority

Financial Data Schedules

For The Year Ended December 31, 2020

	Project Total	14.871 Housing Choice Vouchers	1 Business Activities	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
400 Deferred Inflow of Resources	$124,376	$28,386	$0	$0	$49,555	$202,317	$0	$202,317
508.4 Net Investment in Capital Assets	$2,173,302	$7,489	$13,764	$0	$2,031	$2,196,586	$0	$2,196,586
511.4 Restricted Net Position	$0	$25,605	$0	$0	$0	$25,605	$0	$25,605
512.4 Unrestricted Net Position	-$182,235	-$43,957	$2,738	$0	-$123,644	-$347,098	$0	-$347,098
513 Total Equity - Net Assets / Position	$1,991,067	-$10,863	$16,502	$0	-$121,613	$1,875,093	$0	$1,875,093
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$2,643,315	$134,921	$21,273	$24,554	$135,783	$2,959,846	-$4,628	$2,955,218

Perry Metropolitan Housing Authority
Financial Data Schedules
For the Year Ended December 31, 2020

	Project Total	14.PHC Public Housing CARES Act Funding	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$280,673	$0	$12,202	$0	$0	$0	$292,875	$0	$292,875
70400 Tenant Revenue - Other	$1,540	$0	$0	$0	$0	$0	$1,540	$0	$1,540
70500 Total Tenant Revenue	$282,213	$0	$12,202	$0	$0	$0	$294,415	$0	$294,415
70600 HUD PHA Operating Grants	$474,683	$59,802	$0	$1,007,001	$31,030	$0	$1,572,516	$0	$1,572,516
70610 Capital Grants	$250,011	$0	$0	$0	$0	$0	$250,011	$0	$250,011
70710 Management Fee	$0	$0	$0	$0	$0	$105,391	$105,391	-$105,391	$0
70720 Asset Management Fee	$0	$0	$0	$0	$0	$0	$0	$0	$0
70730 Book Keeping Fee	$0	$0	$0	$0	$0	$25,440	$25,440	-$25,440	$0
70740 Front Line Service Fee	$0	$0	$0	$0	$0	$0	$0	$0	$0
70750 Other Fees	$0	$0	$0	$0	$0	$0	$0	$0	$0
70700 Total Fee Revenue	$0	$0	$0	$0	$0	$130,831	$130,831	-$130,831	$0
70800 Other Government Grants	$0	$0	$0	$0	$0	$0	$0	$0	$0
71100 Investment Income - Unrestricted	$2,042	$0	$4	$87	$0	$1,309	$3,442	$0	$3,442
71200 Mortgage Interest Income	$0	$0	$0	$0	$0	$0	$0	$0	$0
71300 Proceeds from Disposition of Assets Held for Sale	$0	$0	$0	$0	$0	$0	$0	$0	$0
71310 Cost of Sale of Assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
71400 Fraud Recovery	$0	$0	$0	$2,404	$0	$0	$2,404	$0	$2,404
71500 Other Revenue	$43,157	$0	$0	$576	$0	$21	$43,754	$0	$43,754
71600 Gain or Loss on Sale of Capital Assets	-$8,695	$0	$0	$0	$0	$0	-$8,695	$0	-$8,695
72000 Investment Income - Restricted	$0	$0	$0	$0	$0	$0	$0	$0	$0
70000 Total Revenue	$1,043,411	$59,802	$12,206	$1,010,068	$31,030	$132,161	$2,288,678	-$130,831	$2,157,847
91100 Administrative Salaries	$76,803	$30,606	$0	$4,985	$21,818	$57,084	$191,296	$0	$191,296
91200 Auditing Fees	$5,000	$0	$0	$4,322	$0	$133	$9,455	$0	$9,455
91300 Management Fee	$81,516	$0	$324	$23,551	$0	$0	$105,391	-$105,391	$0
91310 Book-keeping Fee	$10,598	$0	$203	$14,639	$0	$0	$25,440	-$25,440	$0
91400 Advertising and Marketing	$1,526	$0	$0	$0	$0	$0	$1,526	$0	$1,526
91500 Employee Benefit contributions - Administrative	$48,454	$0	$0	$15,034	$0	$57,034	$120,522	$0	$120,522
91600 Office Expenses	$25,289	$0	$69	$13,207	$60	$4,020	$42,645	$0	$42,645
91700 Legal Expense	$3,265	$0	$110	$0	$0	$0	$3,375	$0	$3,375
91800 Travel	$576	$0	$51	$59	$0	$25	$711	$0	$711
91810 Allocated Overhead	$0	$0	$0	$0	$0	$0	$0	$0	$0
91900 Other	$11,991	$0	$600	$17,544	$0	$726	$30,861	$0	$30,861
91000 Total Operating - Administrative	$265,018	$30,606	$1,357	$93,341	$21,878	$119,022	$531,222	-$130,831	$400,391
92000 Asset Management Fee	$0	$0	$0	$0	$0	$0	$0	$0	$0
92100 Tenant Services - Salaries	$0	$0	$0	$0	$0	$0	$0	$0	$0
92200 Relocation Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0

92300 Employee Benefit Contributions - Tenant Services	$0	$0	$0	$0	$0	$0	$0	$0	$0
92400 Tenant Services - Other	$5,162	$0	$0	$0	$0	$0	$5,162	$0	$5,162
92500 Total Tenant Services	$5,162	$0	$0	$0	$0	$0	$5,162	$0	$5,162
93100 Water	$58,136	$0	$1,293	$395	$0	$263	$60,087	$0	$60,087
93200 Electricity	$45,591	$0	$1,053	$202	$0	$135	$46,981	$0	$46,981
93300 Gas	$1,845	$0	$961	$0	$0	$0	$2,806	$0	$2,806
93400 Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0
93500 Labor	$0	$0	$0	$0	$0	$0	$0	$0	$0
93600 Sewer	$54,075	$0	$0	$263	$0	$175	$54,513	$0	$54,513
93700 Employee Benefit Contributions - Utilities	$0	$0	$0	$0	$0	$0	$0	$0	$0
93800 Other Utilities Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0
93000 Total Utilities	$159,647	$0	$3,307	$860	$0	$573	$164,387	$0	$164,387
94100 Ordinary Maintenance and Operations - Labor	$47,396	$17,247	$0	$0	$0	$0	$64,643	$0	$64,643
94200 Ordinary Maintenance and Operations - Materials and Other	$25,787	$0	$2,646	$0	$0	$0	$28,433	$0	$28,433
94300 Ordinary Maintenance and Operations Contracts	$133,506	$0	$217	$0	$0	$217	$133,940	$0	$133,940
94500 Employee Benefit Contributions - Ordinary Maintenance	$29,217	$0	$0	$0	$0	$0	$29,217	$0	$29,217
94000 Total Maintenance	$235,906	$17,247	$2,863	$0	$0	$217	$256,233	$0	$256,233
95100 Protective Services - Labor	$0	$0	$0	$0	$0	$0	$0	$0	$0
95200 Protective Services - Other Contract Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0
95300 Protective Services - Other	$0	$0	$0	$0	$0	$0	$0	$0	$0
95500 Employee Benefit Contributions - Protective Services	$0	$0	$0	$0	$0	$0	$0	$0	$0
95000 Total Protective Services	$0	$0	$0	$0	$0	$0	$0	$0	$0
96110 Property Insurance	$10,792	$0	$779	$0	$0	$0	$11,571	$0	$11,571
96120 Liability Insurance	$8,427	$0	$0	$0	$0	$3,667	$12,094	$0	$12,094
96130 Workmen's Compensation	$0	$0	$0	$0	$0	$0	$0	$0	$0
96140 All Other Insurance	$0	$0	$0	$0	$0	$0	$0	$0	$0
96100 Total insurance Premiums	$19,219	$0	$779	$0	$0	$3,667	$23,665	$0	$23,665
96200 Other General Expenses	$0	$0	$0	$0	$0	$0	$0	$0	$0
96210 Compensated Absences	$6,097	$0	$0	$10,302	$0	$9,208	$25,607	$0	$25,607
96300 Payments in Lieu of Taxes	$12,256	$0	$14	$0	$0	$0	$12,270	$0	$12,270
96400 Bad debt - Tenant Rents	$2,107	$0	$0	$0	$0	$0	$2,107	$0	$2,107
96500 Bad debt - Mortgages	$0	$0	$0	$0	$0	$0	$0	$0	$0
96600 Bad debt - Other	$0	$0	$0	$0	$0	$0	$0	$0	$0
96800 Severance Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0
96000 Total Other General Expenses	$20,460	$0	$14	$10,302	$0	$9,208	$39,984	$0	$39,984
							$0	$0	$0
96710 Interest of Mortgage (or Bonds) Payable	$0	$0	$0	$0	$0	$0	$0	$0	$0
96720 Interest on Notes Payable (Short and Long Term)	$0	$0	$0	$0	$0	$0	$0	$0	$0

96730 Amortization of Bond Issue Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0
96700 Total Interest Expense and Amortization Cost	$0	$0	$0	$0	$0	$0	$0	$0	$0
							$0	$0	$0
96900 Total Operating Expenses	$705,412	$47,853	$8,320	$104,503	$21,878	$132,687	$1,020,653	-$130,831	$889,822
97000 Excess of Operating Revenue over Operating Expenses	$337,999	$11,949	$3,886	$905,565	$9,152	-$526	$1,268,025	$0	$1,268,025
97100 Extraordinary Maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0
97200 Casualty Losses - Non-capitalized	$0	$0	$0	$0	$0	$0	$0	$0	$0
97300 Housing Assistance Payments	$0	$0	$0	$868,464	$0	$0	$868,464	$0	$868,464
97350 HAP Portability-In	$0	$0	$0	$0	$0	$0	$0	$0	$0
97400 Depreciation Expense	$212,552	$0	$2,236	$1,447	$0	$1,236	$217,471	$0	$217,471
97500 Fraud Losses	$0	$0	$0	$0	$0	$0	$0	$0	$0
97600 Capital Outlays - Governmental Funds	$0	$0	$0	$0	$0	$0	$0	$0	$0
97700 Debt Principal Payment - Governmental Funds	$0	$0	$0	$0	$0	$0	$0	$0	$0
97800 Dwelling Units Rent Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0
90000 Total Expenses	$917,964	$47,853	$10,556	$974,414	$21,878	$133,923	$2,106,588	-$130,831	$1,975,757
10010 Operating Transfer In	$36,500	$0	$0	$0	$0	$0	$36,500	-$36,500	$0
10020 Operating transfer Out	-$36,500	$0	$0	$0	$0	$0	-$36,500	$36,500	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$125,447	$11,949	$1,650	$35,654	$9,152	-$1,762	$182,090	$0	$182,090
11020 Required Annual Debt Principal Payments	$0	$0	$0	$0	$0	$0	$0	$0	$0
11030 Beginning Equity	$1,853,671	$0	$14,852	-$55,669	$0	-$119,851	$1,693,003	$0	$1,693,003
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$11,949	-$11,949	$0	$9,152	-$9,152	$0	$0	$0	$0
11170 Administrative Fee Equity	$0	$0	$0	-$36,468	$0	$0	-$36,468	$0	-$36,468
11180 Housing Assistance Payments Equity	$0	$0	$0	$25,605	$0	$0	$25,605	$0	$25,605
11190 Unit Months Available	1,416	0	0	2,616	0	0	4,032	0	4,032
11210 Number of Unit Months Leased	1,413	0	0	2,543	0	0	3,956	0	3,956
11270 Excess Cash	$213,381	$0	$0	$0	$0	$0	$213,381	$0	$213,381
11610 Land Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0
11620 Building Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0
11630 Furniture & Equipment - Dwelling Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0
11640 Furniture & Equipment - Administrative Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0
11650 Leasehold Improvements Purchases	$250,011	$0	$0	$0	$0	$0	$250,011	$0	$250,011
11660 Infrastructure Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0
13510 CFFP Debt Service Payments	$0	$0	$0	$0	$0	$0	$0	$0	$0
13901 Replacement Housing Factor Funds	$0	$0	$0	$0	$0	$0	$0	$0	$0

PERRY METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Grantor/Pass Through Grantor Program/Cluster Title	Pass-Through Number	Federal CFDA Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development			
Direct Programs:			
Public and Indian Housing:			
Public and Indian Housing - Low Rent Public Housing	N/A	14.850	$ 395,294
COVID-19 - Public Housing CARES Act Funding	N/A	14.PHC	59,802
Total Public and Indian Housing			455,096
Housing Choice Voucher Cluster:			
Section 8 Housing Choice Vouchers	N/A	14.871	1,007,001
COVID-19 - HCV CARES Act Funding	N/A	14.HCC	31,030
Total Housing Choice Voucher Cluster			1,038,031
Public Housing Capital Fund	N/A	14.872	329,400
Total Expenditures of Federal Awards			$ 1,822,527

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Perry 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. The Authority has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

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

Perry Metropolitan Housing Authority
Perry County
26 Brown Circle Drive
Crooksville, Ohio 43731

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Perry Metropolitan Housing Authority, Perry 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 June 9, 2021, wherein we noted the Authority considered the financial impact of COVID-19 as disclosed in Note 13.

Internal Control Over Financial Reporting

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

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

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

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Compliance and Other Matters

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

Purpose of this Report

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

Wilson, Shannon & Snow, Inc.

Newark, Ohio
June 9, 2021

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

Perry Metropolitan Housing Authority
Perry County
26 Brown Circle Drive
Crooksville, Ohio 43731

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

We have audited the Perry Metropolitan Housing Authority's (the Authority) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Perry Metropolitan Housing Authority's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Authority's major federal program.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to opine on the Authority's compliance for the Authority's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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Opinion on the Major Federal Program

In our opinion, the Perry Metropolitan Housing Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Wilson, Shannon & Snow, Inc.

Newark, Ohio
June 9, 2021

PERRY METROPOLITAN HOUSING AUTHROITY
PERRY 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 weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Housing Voucher Cluster
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR §200.520?**	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

OHIO AUDITOR OF STATE
KEITH FABER

PERRY COUNTY METROPOLITAN HOUSING AUTHORITY

PERRY 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 7/8/2021

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