

Erie Metropolitan Housing Authority
Erie County

Single Audit

For the Year Ended June 30, 2021

OHIO AUDITOR OF STATE
KEITH FABER



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Board of Commissioners
Erie Metropolitan Housing Authority
322 Warren Street
Sandusky, Ohio 44870

We have reviewed the *Independent Auditor's Report* of the Erie Metropolitan Housing Authority, Erie County, prepared by Salvatore Consiglio, CPA, Inc., for the audit period July 1, 2020 through June 30, 2021. 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 Erie Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

March 24, 2022

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ERIE METROPOLITAN HOUSING AUTHORITY
AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2021

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Independent Auditor's Report

Board of Commissioners
Erie Metropolitan Housing Authority

I have audited the accompanying financial statements of the business-type activities of Erie Metropolitan Housing Authority, Ohio, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Erie Metropolitan Housing Authority as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As disclosed in Note 12 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the Authority. I did not modify my opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Erie Metropolitan Housing Authority, Ohio's basic financial statements. The accompanying financial data schedule ("FDS") is not required part of the basic financial statements. The Schedule of Expenditure of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the financial statements.

The financial data schedule (FDS) is presented for purposes of additional analysis as required by the Department of Housing and Urban Development and is the responsibility of management and was derived from and relate directly to the underlying accounting and

other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Schedule of Expenditure of Federal Awards, and the financial data schedule ("FDS") are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated February 28, 2022, on my consideration of the Authority's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of my 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 Entity's internal control over financial reporting and compliance.

Salvatore Consiglio

Salvatore Consiglio, CPA, Inc.
North Royalton, Ohio
February 28, 2022

ERIE METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
JUNE 30, 2021

Unaudited

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

Since the MD&A is designed to focus on the 2021 year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statement.

FINANCIAL HIGHLIGHTS

- The Authority's total net position increased by \$1,753,897 (or 89.30 percent) during fiscal year ended 2021. Since the Authority engages only in business-type activities, the increase is all in the category of business-type net position. Net position was \$1,964,154 and \$3,718,051 for 2020 and 2021, respectively.
- The business-type activities revenue increased by \$608,978 (or 6.35 percent) during fiscal year ended 2021. Revenues were \$9,589,100 and \$10,198,078 for 2020 and 2021, respectively.
- The total expenses of all Authority programs decreased by \$845,547 (or 9.10 percent). Total expenses were \$9,289,728 and \$8,444,181 for fiscal years ended 2020 and 2021, respectively.
- In March 2020, the United States and the State of Ohio declared a state of emergency due to the COVID-19 pandemic. HUD has provided additional funds to the Authority's Public Housing and Housing Choice Voucher programs to help the Authority prepare for, prevent, and respond to the coronavirus, which has helped the Authority maintain normal operations during the period.
- In January 2021, the Authority entered into an Energy Performance Lease/Purchase Agreement which provided funding of \$2,109,520. \$754,221 of that funding was used to retire the Energy Performance Agreement from December 2014. The remaining \$1,355,299 will be used by the Authority to make energy improvements to its public housing program rental units.

Authority-Wide Financial Statements

The Authority-wide financial statements are designed to be corporate-like in that all business-type programs 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 outflow of resources minus liabilities and deferred inflow 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 (as applicable):

ERIE METROPOLITAN HOUSING AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS – Cont’d
JUNE 30, 2021

Unaudited

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

Restricted: 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: Consists of Net Position that do not meet the definition of “Investment in Capital Assets,” or “Restricted.” This account resembles the old operating reserves account.

The basic 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 operating grant revenue and rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, Non-Operating Revenue, such as capital grant revenue and interest income.

The focus of the Statement of Revenues, Expenses and Changes in 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, non-capital financing activities, from capital and related financing activities, and from noncash investing, capital, and financing activities.

Funds Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is no on Major Funds, rather than on fund types. The Authority consist of exclusive Enterprise Fund. Enterprise Fund utilizes the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

The Department of Housing and Urban Development requires the funds maintained by the Authority.

THE AUTHORITY’S PRGRAMS

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.

ERIE METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – Cont'd
JUNE 30, 2021

Unaudited

The Authority converted to asset management starting July 1, 2007 and has separated its properties into two asset management projects-AMP # 1 consists of all scattered sites and AMP # 2 consists of all units at the Bayshore Towers. The Authority tracks income and expenses at the AMP level for better management and control.

Housing Choice Voucher Program (HCV) – Under the Housing Choice Voucher Program, the Authority subsidizes rents to independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. 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.

Central Office Cost Center – As part of the conversion to asset management, the Authority has established a central office cost center (COCC) fund by fees charged to the individual AMPs. Salaries and benefits of administrative personnel and charged to the COCC as are other administrative-related expenses. The profit remaining in the COCC is deprogrammed and is available for any housing use. As part of the conversion to asset management, the management fees received from the Erie Community Plaza, Inc. (a 202 PRAC project) and the Erie Metropolitan Housing Authority are now reported under the Central Office Cost Center.

Special Programs for the Aging – Title III-C – Under the Title III-C Program, the Authority oversees the administration of the nutrition program by the Erie County Senior Center. Funding is received from the Area Office on Aging of Northwest Ohio, Inc. through the Department of Health and Human Services to provide nutritionally balanced meals to residents of Erie County age 60 and older. Meals are provided for a donation only.

Special Programs for the Aging – Title III-C, Special Programs for the Aging – Title III-B, Medical Assistance Program – Passport Medicaid – under these programs the Authority oversees the administration of programs of the Erie County Senior Center. Funding is received from the Area Office on Aging of Northwest Ohio, Inc. through the Department of Health and Human Services. Services provided using these grants include providing nutritionally balanced meals to residents of Erie County age 60 and older where the meals are provided in exchange a donation; providing the elderly of Erie County transportation, escort, education, information & referral, volunteer placement, health assessment and socialization; and providing the elderly of Erie County medical assistance.

State and Local Grants – represents resources derived from local grants for training and protective services at both the Bayshore Towers and the Erie County Senior Center. The Authority oversees the administration of Erie County Senior Center Gift Store and the local fund-raising activities of the Erie County Center to provide the local cash match needed for the Title III-B and Title III-C programs.

ERIE METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – Cont'd
JUNE 30, 2021

Unaudited

AUTHORITY 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.

	<u>2021</u>	<u>2020</u>
Current and Other Assets	\$ 4,087,779	\$ 2,487,243
Capital Assets	4,357,517	3,471,942
Deferred Outflows of Resources	133,379	260,702
Total Assets and Deferred Outflows of Resources	<u>\$ 8,578,675</u>	<u>\$ 6,219,887</u>
Current Liabilities	\$ 655,379	\$ 461,315
Long-Term Liabilities	3,465,314	3,370,684
Deferred Inflows of Resources	739,931	423,734
Total Liabilities and Deferred Inflows of Resources	<u>4,860,624</u>	<u>4,255,733</u>
Net Position:		
Net Investment in Capital Assets	1,847,811	2,200,648
Restricted Net Position	593,105	133,567
Unrestricted Net Position	<u>1,277,135</u>	<u>(370,061)</u>
Total Net Position	<u>3,718,051</u>	<u>1,964,154</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 8,578,675</u>	<u>\$ 6,219,887</u>

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

Major Factors Affecting the Statement of Net Position

Notable changes on the statement to current assets, capital assets, current liabilities and non-current liabilities from the prior year are to a large extent related. The Authority took on new debt in this period in the amount of \$2,109,520. The debt is in the form of an Equipment Lease to enable the Authority to make energy improvements to its Public Housing program rental units. \$1,002,188 of the proceeds from the new debt had been expended at June 30, 2021 on capital energy improvements which is reflected in the increase in capital assets. And a little more than \$353,000 of the debt proceeds have yet to be spent which contributes to the increase in current assets. And there is an invoice for work in progress at June 30, 2021 related to these improvements in the amount of \$90,697 that contributes to the increase in current liabilities.

ERIE METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – Cont'd
JUNE 30, 2021

Unaudited

The reason non-current liabilities only increased \$94,630 despite taking on the new debt of \$2.1 million is because a portion of the new debt was used to retire debt from a similar arrangement that had a balance of \$786,294 at last year-end. In addition, non-current liabilities also include the Net Pension (NPL) and Net OPEB Liabilities and those liabilities dropped by over \$1.1 million from last year. The NPL and OPEB liabilities are balances reported by Erie MHA pursuant to GASB 68 and GASB 75, accounting standards that essentially require the Authority to report what is estimated to be its share of the unfunded pension liability and an estimated share of the surplus funding of the postemployment health insurance (Other Post Employment Benefits or OPEB) benefit plan of the pension system, the Ohio Public Employees Retirement System (OPERS). Employees of Erie MHA are required by state law to be members of OPERS, and Erie MHA is required to make retirement contributions to OPERS for all of its employees. The Net Pension Liability is unlike other liabilities the Authority has in that the liability does not represent an invoice to be paid by the Authority but rather is an attempt to estimate the extent to which contributions to OPERS would have to increase in order for OPERS to fully fund its pension obligations. Likewise, the OPEB Asset is unlike other assets the Authority has in that it is an estimate of the share of the OPERS funding surplus due to contributions to the system by Erie MHA and its employees. Contribution rates for employees and employers are set by state law, so any change in contribution rates would require a change in state law. In Ohio there is no legal means to enforce the unfunded liability of the pension/OPEB plan against a public employer like Erie MHA and no means for a public employer like Erie MHA to access the surplus funding in the OPERS OPEB plan. The estimated share of these balances reported by Erie MHA is based on the percentage of contributions to the plans made by Erie MHA and its employees compared to all contributions by all members and employers contributing to the plan in the measurement period (the period ended December 31, 2020). Other balances reported in accordance with GASB 68 & GASB 75 are Deferred Outflow of Resources and Deferred Inflow of Resources which also changed notably. These changes reflect changes at the retirement system and not in the operations of the Authority.

Finally unrestricted net position increased dramatically, by more than \$1.6 million. A big part of that increase was also related to the reporting of balances in accordance with GASB 68 & GASB 75. Pension and OPEB expense is what is affected by the changes in the GASB 68 & GASB 75 balances. This year pension and OPEB expense was a negative \$787,781 which is a little more than half of the change in unrestricted net position. Otherwise changes contributing to the favorable increase in net position will be addressed later in this MD&A in the section following the comparison of balances on the Statement of Revenues, Expenses and Changes in Net Position. The other factors contributing the favorable increase in unrestricted net position also explains a part of the reasons why current assets increased as much as it did.

ERIE METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – Cont'd
JUNE 30, 2021

Unaudited

	Net Investment in Capital		
	Unrestricted	Assets	Restricted
Beginning Balance - Restated	(\$370,061)	\$2,200,648	\$133,567
Results of Operation	1,647,469	0	106,428
Adjustments:			
Current year Depreciation Expense (1)	341,996	(341,996)	0
Capital Expenditure (2)	(1,227,571)	1,227,571	0
Retirement of Debt	(871,108)	871,108	0
New Debt Issued	2,109,520	(2,109,520)	0
Change in Unspent Debt Proceeds	(353,110)	0	353,110
Rounding Adjustment	0	0	0
Ending Balance	<u>\$1,277,135</u>	<u>\$1,847,811</u>	<u>\$593,105</u>

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

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

(3) The restricted position is the amount of equity restricted for Housing Assistance Payments.

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 presentation of financial position. The Authority's unrestricted net position increased \$1,647,196.

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged on in business-type activities.

ERIE METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – Cont'd
JUNE 30, 2021

Unaudited

	<u>2021</u>	<u>2020</u>
<u>Revenues</u>		
Total Tenant Revenues	\$ 515,311	\$ 507,503
Operating Grants	8,741,444	8,239,434
Capital Grants	108,373	100,466
Investment Income	1,507	3,507
Other Revenues	831,443	738,190
Total Revenues	<u>10,198,078</u>	<u>9,589,100</u>
<u>Expenses</u>		
Administrative	1,005,688	1,692,828
Tenant Services	148,259	122,219
Utilities	194,476	192,888
Maintenance	484,863	834,268
Protective Services	52,112	53,754
General and Interest	260,296	216,529
Housing Assistance Payments	5,956,491	5,753,721
Depreciation	341,996	423,521
Total Expenses	<u>8,444,181</u>	<u>9,289,728</u>
Net Increases (Decreases)	1,753,897	299,372
Beginning Net Position	1,964,154	1,664,782
Ending Net Position	<u>\$ 3,718,051</u>	<u>\$ 1,964,154</u>

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

Overall revenues increased \$608,978 (or 6.4%) and expenses decreased \$845,547 (or 9.1%) contributing to favorable results from operations this period, net position increased \$1,753,897. The increases in revenues were primarily due to increased receipts from sources that provide support for Authority programs. Operating grants increased \$502,010 and other income increased \$93,253. The increase in other income was most noted in increases in contributions to the Senior Center Program operated by Erie MHA.

The largest decreases in expenses were in administrative and maintenance expenses. Combined those decreased \$1,036,545. Pension expense, the expense affected by changes in the balances in accordance with GASB 68 and GASB 75 discussed in a previous section, is allocated to the administration and maintenance functions. Pension expense this year was negative \$787,781, and the change in pension expense from last year was \$962,075, making up the majority of the reduction in administrative and maintenance expenses.

ERIE METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – Cont'd
JUNE 30, 2021

Unaudited

CAPITAL ASSETS

As of year-end, the Authority had \$4,357,517 invested in a variety of capital assets as reflected in the following schedule, which represents a net increase of \$885,575 or 25.51% from the end of 2020. This increase was primarily due to energy improvements made using funding from the new Energy Performance Lease Agreement.

	<u>2021</u>	<u>2020</u>
Land	\$ 674,630	\$ 674,630
Building and Improvement	16,997,872	16,798,802
Equipment	542,702	516,389
Construction in Progress	1,002,188	-
Accumulated Depreciation	<u>(14,859,875)</u>	<u>(14,517,879)</u>
 Total	 <u>\$ 4,357,517</u>	 <u>\$ 3,471,942</u>

The following reconciliation identifies the change in Capital Assets:

Beginning Balance	\$	3,471,942
Current year Additions		1,227,571
Current year Depreciation Expense		<u>(341,996)</u>
 Ending Balance	 \$	 <u><u>4,357,517</u></u>

DEBT OUTSTANDING

As of year-end, the change in the Authority outstanding debt was as follows:

Beginning Balance	\$	1,392,914
Current Year Debt Issued		2,109,520
Current Year Debt Retired		<u>(871,108)</u>
 Ending Balance	 \$	 <u><u>2,631,326</u></u>

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates

ERIE METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – Cont'd
JUNE 30, 2021

Unaudited

- 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

FINANCIAL CONTACT

The individual to be contacted regarding this report is Ralph Chamberlain, Executive Director, Erie Metropolitan Housing Authority, (419) 334-4426.

ERIE METROPOLITAN HOUSING AUTHORITY
Statement of Net Position
June 30, 2021

ASSETS

Current assets

Cash and cash equivalents	\$ 2,995,717
Restricted cash and cash equivalents	765,573
Receivables, net	57,969
Prepaid expenses and other assets	83,574
Inventory	35,238
Total current assets	<u>3,938,071</u>

Noncurrent assets

Capital assets:

Non-Depreciable capital assets	1,676,818
Depreciable capital assets, net	2,680,699
Total capital assets	<u>4,357,517</u>
Net Pension Assets	42,243
Net OPEB Asset	107,465
Total noncurrent assets	<u>4,507,225</u>

Deferred Outflows of Resources

Pension	75,394
OPEB	57,985
Total Deferred Outflows of Resources	<u>133,379</u>

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES **\$ 8,578,675**

LIABILITIES

Current liabilities

Accounts payable	\$ 241,686
Accrued liabilities	62,979
Interest Payable	16,156
Tenant security deposits	24,150
Other current liabilities	3,469
Unearned Revenue	138,644
Long-Term Debt - Current Portion	168,295
Total current liabilities	<u>\$ 655,379</u>

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

ERIE METROPOLITAN HOUSING AUTHORITY
Statement of Net Position – Cont'd
June 30, 2021

Noncurrent liabilities

Long-Term Debt - Noncurrent Portion	\$ 2,341,411
Accrued Compensated Absences	84,302
Non-current Liabilities - Other	148,318
Net Pension Liability	891,283
Net OPEB Liability	0
Total noncurrent liabilities	3,465,314
<i>Total liabilities</i>	<i>4,120,693</i>

Deferred Inflows of Resources

Pension	406,681
OPEB	333,250
<i>Total Deferred Inflows of Resources</i>	<i>739,931</i>

NET POSITION

Net Invested in capital assets	1,847,811
Restricted net position	593,105
Unrestricted net position	1,277,135
<i>Total net position</i>	<i>3,718,051</i>

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES
AND NET POSITION**

\$ 8,578,675

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

ERIE METROPOLITAN HOUSING AUTHORITY
Statement of Revenue, Expenses, and Change in Fund Net Position
For the Year Ended June 30, 2021

OPERATING REVENUES

Tenant revenue	\$ 515,311
Government operating grants	8,741,444
Other revenue	831,443
Total operating revenues	<u>10,088,198</u>

OPERATING EXPENSES

Administrative	1,005,688
Tenant services	148,259
Utilities	194,476
Maintenance	484,863
Protective Services	52,112
General and insurance	170,644
Housing assistance payment	5,956,491
Depreciation	341,996
Total operating expenses	<u>8,354,529</u>
Operating income (loss)	<u>1,733,669</u>

NONOPERATING REVENUES (EXPENSES)

Capital grant revenue	108,373
Interest income	1,507
Interest expense	(89,652)
Total nonoperating revenues (expenses)	<u>20,228</u>
Change in net position	1,753,897
Beginning net position	1,964,154
Total net position - ending	<u><u>\$ 3,718,051</u></u>

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

ERIE METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows
For the Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Operating grants received	\$8,530,952
Receipts from tenants	513,290
Other revenue received	969,004
Cash payments for administrative and operating costs	(2,629,495)
Cash payments for HAP	(5,956,491)

Net cash provided (used) by operating activities 1,427,260

CASH FLOWS FROM INVESTING ACTIVITIES

Interest earned	1,507
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Net cash provided (used) by investing activities 1,507

CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES

Capital grant received	108,373
Capital purchases	(1,227,571)
Interest payment	(73,496)
Retirement of debt	(871,108)
Debt Issuance	2,109,520

Net cash provided (used) by capital and related activities 45,718

Net increase (decrease) in cash	1,474,485
Cash and cash equivalents - Beginning of year	2,286,805

Cash and cash equivalents - End of year \$ 3,761,290

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

ERIE METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows – Cont'd
For the Year Ended June 30, 2021

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Net Operating Income (Loss)	\$ 1,733,669
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating	
- Depreciation	341,996
- (Increases) Decreases in Accounts Receivable	(18,481)
- (Increases) Decreases in Prepaid Assets	(352)
- (Increases) Decreases in Inventory	13,705
- Increases (Decreases) in Pension Assets	(13,458)
- Increases (Decreases) in OPEB Assets	(107,465)
- (Increases) Decreases in Deferred Outflows	127,323
- Increases (Decreases) in Accounts Payable	130,577
- Increases (Decreases) in Accrued Liabilities	294
- Increases (Decreases) in Unearned Revenue	3,529
- Increases (Decreases) in Other Current Liabilities	513
- Increases (Decreases) in Pension Liability	(1,110,378)
- Increases (Decreases) in Deferred Inflows	316,197
- Increases (Decreases) in Non-Current Liabilities Other	9,591
	9,591
Net cash provided (used) by operating activities	\$ 1,427,260

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

ERIE METROPOLITAN HOUSING AUTHORITY
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization and Reporting Entity

The Erie Metropolitan Housing Authority (EMHA) is a political subdivision of the State of Ohio, located in Erie, Ohio, created under Section 3735.27 of the Ohio Revised Code, to engage in the acquisition, development, leasing and administration of low-rent housing program. An Annual Contributions Contract was signed by the EMHA and the United States Department of Housing and Urban Development (HUD), under the provisions of the United States Housing Act of 1937 (42 U.S.C. 1437) Section 1.1. The Authority was also created in accordance with state law to eliminate housing conditions which are detrimental to the public peace, health, safety, morals, or welfare by purchasing, acquiring constructing, maintenance, operating, improving, extending, and repairing housing facilities.

The nucleus of the financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) Statement No. 61 is the "primary government". A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criteria of financial accountability is the ability of the primary government to impose its will upon the potential component unit. This criterion was considered in determining the reporting entity. The Authority is a political subdivision with no component units.

Basis of Presentation

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

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

The Authority's basic financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows.

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

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

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd

For the Year Ended June 30, 2021

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

Measurement Focus and Basis of Accounting

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

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

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 repair costs are expensed as incurred.

Useful life of property and equipment is as follows:

Buildings	40 years
Land and Building Improvements	15 years
Equipment	7 years
Autos	5 years

Depreciation is recorded on the straight-line method. Total depreciation expense for the 2021 fiscal year was \$341,996.

Cash and Cash Equivalents

The Authority considers all highly liquid investments (including restricted assets) with maturity of three months or less when purchased to be cash and cash equivalents.

Investments

Investments are stated at fair value. Cost-based measures of fair value were applied to nonnegotiable certificates of deposit and money market investments.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

Net position represents the difference between assets and deferred outflow of resources and liabilities and deferred inflow of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position includes the HAP equity for the Housing Choice Voucher and Mainstream Voucher Programs. That is funding provided to the Agency by HUD for the purpose of making rental assistance payments on behalf of program participants that has yet to be expended and was \$195,724 at June 30, 2021. Restricted net position also includes debt bond pool funds held by paying agent of \$44,271 at June 30, 2021.

Pensions/Other Postemployment Benefits (OPEB)

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

Deferred inflow/outflow of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Authority, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Note 7 and 8.

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

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

Budgetary Accounting

The Authority annually prepares funding requests as prescribed by HUD. After HUD approval of these requests, a budget is adopted by the Board of Commissioners.

Capitalization of Interest

The Authority's policy is not to capitalize interest related to the construction or purchase of capital assets.

Financial Statement Format and Content

The format and content of the financial statements included in this report conforms to the format and content submitted to U.S. Department of Housing and Urban Development, via the Real Estate Assessment Center.

NOTE 2: **DEPOSITS AND INVESTMENTS**

The Authority follows the provisions of GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. This new standard revised the existing requirement regarding disclosure of custodial credit risk and establishes requirements for disclosures regarding credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

Deposits

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed to 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.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

NOTE 2: **DEPOSITS AND INVESTMENTS** (Continued)

Deposits (Continued)

On June 30, 2021, the carrying amount of the Authority's cash deposits was \$3,761,290, including \$410 of petty cash and change fund, \$44,271 of debt service funds held by the paying agent, and \$208,335 unspent proceeds of the Energy Performance Lease Agreement held by the trustee. Bank deposits totaled \$3,796,476, of which \$794,272 were covered by Federal Depository Insurance, while \$3,002,204 was collateralized by securities pledged in the name of the Authority.

Custodial credit is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority's policy is to place deposits with major local banks approved by the Board. Multiple financial institution collateral pools that insure public deposits held by fiscal and escrow agents, are collateralized with eligible securities in amounts equal to at least 102 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at 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 a Federal Reserve bank in the name of the Authority.

Investments

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

The Authority has a formal investment policy. The objective of this policy shall be to maintain liquidity and protection of principal while earning investment interest. Safety of principal is the primary objective of the investment program. The Authority follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and records all its investments at fair value. At June 30, 2021, the Authority has no investments.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

NOTE 2: **DEPOSITS AND INVESTMENTS** (Continued)

Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the Authority's investment policy requires those funds which are not operating reserve funds to be invested in investments with a maximum term of one year or the Authority's operating cycle. For investments of the Authority's operating reserve funds, the maximum term can be up to three years. The intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Authority has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

Generally, the Authority places no limit on the amount it may invest in any one financial institution. However, the investment policy limits the investment of HUD - approved mutual funds to no more than 20 percent of the Authority's available investment funds. The Authority's deposits in financial institutions represent 100 percent of its deposits.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. As of year-end, the Authority had no exposure to foreign currency rate risk, as regulated by HUD.

Restricted Cash

Restricted cash is composed of the following restricted:

Restricted HAP Equity	\$ 195,724
FSS Escrow Funds	148,318
Tenant Security Deposit	24,150
CFFP Debt Escrows	44,271
Unspent Debt Proceeds	353,110
Total	<u><u>\$ 765,573</u></u>

NOTE 3: **CHANGES IN ACCOUNTING PRINCIPLES**

During 2021, the Authority implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred before the end of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period and requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The implementation of GASB Statement No. 89 did not have an effect on the financial statements of the Authority.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d

For the Year Ended June 30, 2021

NOTE 4: CAPITAL ASSETS

A summary of capital assets at June 30, 2021 by class is as follows:

Land	\$ 674,630
Construction in Progress	\$ 1,002,188
Building and Building Improvements	16,997,872
Furniture and Equipment - Dwelling	2,590
Furniture and Equipment - Administration	540,112
Total	<u>19,217,392</u>
Less Accumulated Depreciation	<u>(14,859,875)</u>
Total Property and Equipment, Net of Depreciation	<u><u>\$ 4,357,517</u></u>

A summary of changes in capital assets during the year is as follows:

	Balance June 30, 2020	Additions	Deletions	Adjustments	Balance June 30, 2021
<u>Capital Assets Not Being Depreciated</u>					
Land	\$ 674,630	\$ 0	\$ 0	\$ 0	\$ 674,630
Construction in Progress	\$ -	\$ 1,002,188	\$ 0	\$ 0	\$ 1,002,188
Total Capital Assets Not Being Depreciated	<u>674,630</u>	<u>1,002,188</u>	<u>0</u>	<u>0</u>	<u>1,676,818</u>
<u>Capital Assets Being Depreciated</u>					
Buildings and Improvements	16,798,802	199,070	0	0	16,997,872
Furniture, Machinery, and Equipment	516,389	26,313	0	0	542,702
Subtotal Capital Assets Being Depreciated	<u>17,315,191</u>	<u>225,383</u>	<u>0</u>	<u>0</u>	<u>17,540,574</u>
<u>Accumulated Depreciation</u>					
Buildings and Improvements	(14,043,974)	(311,282)	0	(32,103)	(14,387,359)
Equipment and Vehicles	(473,905)	(30,714)	0	32,103	(472,516)
Total Accumulated Depreciation	<u>(14,517,879)</u>	<u>(341,996)</u>	<u>0</u>	<u>0</u>	<u>(14,859,875)</u>
Total Capital Assets Being Depreciated, Net	<u>2,797,312</u>	<u>(116,613)</u>	<u>0</u>	<u>0</u>	<u>2,680,699</u>
Total Capital Assets, Net	<u>\$ 3,471,942</u>	<u>\$ 885,575</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,357,517</u>

NOTE 5: LONG-TERM OBLIGATIONS – DIRECT BORROWING AND DIRECT PLACEMENTS

The long-term debt consists of bond payable dated July 17, 2007, due June 2027, and was funded by a bond issue in the principal amount of \$40,532,000, of which the Authority’s share is \$1,130,000. Repayment of the loan is funded through contributions from HUD under the Capital Fund Program and investment earnings. Payments are made by reducing the Capital Fund Program subsidy due to the Authority. Payments are due semi-annually beginning October 1, 2007, totaling approximately \$90,000 annually. Serial bonds were issued with fixed interest rates between 3.90 percent and 4.67 percent. The bonds were issued to provide major renovations at Bayshore Towers. The outstanding balance as of June 30, 2021 is \$425,000.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d
For the Year Ended June 30, 2021

NOTE 5: LONG-TERM OBLIGATIONS (Continued)

The Authority entered into an Energy Performance Agreement in December 2014 which was funded in the amount of \$1,056,444 with an interest rate of 4.75 percent. The funds were used for energy conservation improvements and equipment for the Public Housing units. The repayment of this debt began in February 2015 with the final payment due in February 2030. This debt was refinanced and fully repaid in the year ended June 30, 2021.

In January 2021, the Authority entered into an Energy Performance Equipment Lease/Purchase Agreement which provided funding of \$2,109,520 that the Authority used to fully retire the Energy Performance Agreement from December 2014, with the remainder to be used to make energy improvements to its Public Housing program rental units. Rental payments required under the Agreement will be quarterly for a total of 60 payments of \$49,613 with a term maturing October 31, 2035, with the initial payment due January 30, 2021 and amortized at a 4.65% interest rate. The Agreement shall terminate upon payment in full of all rental payments due, or upon payment by the Authority of the rental payment due on such date and payment in full of the then-applicable purchase price as set forth in the Schedule of Payments. In the event of default, Lessor shall have the right to declare an amount equal to the Purchase Price immediately due and payable; or may peaceably retake possession of the equipment. The outstanding balance on the Agreement at June 30, 2021 is \$2,084,706 and the Purchase Price is \$2,449,467.

The following is a summary of changes in long-term debt for the year ended June 30, 2021.

	Balance			Balance	
	June 30, 2020	Additions	Deletions	June 30, 2021	Due Within One Year
U.S. Department of HUD	\$ 485,000	\$ 0	\$ (60,000)	\$ 425,000	\$ 65,000
Energy Performance Equipment Lease	786,294	0	(786,294)	0	0
Energy Performance Equipment Lease	0	2,109,520	(24,814)	2,084,706	103,295
Net Pension Liability	1,178,430	0	(287,147)	891,283	0
Net OPEB Liability	823,231	0	(823,231)	0	0
Compensated Absence Liability	102,793	9,610	0	112,403	28,101
Other Liabilities-FSS Escrow	145,931	43,614	(41,227)	148,318	0
Total Long-Term Obligations	\$ 3,521,679	\$ 2,162,744	\$ (2,022,713)	\$ 3,661,710	\$ 196,396

Debt maturities are estimated in the amortization schedule as follows:

Year Ended June 30	U.S. Department of HUD		Energy Performance Equipment Lease	
	Principal	Interest	Principal	Interest
2022	65,000	14,450	103,295	95,156
2023	65,000	12,240	108,184	90,267
2024	70,000	10,030	113,303	85,148
2025	75,000	7,650	118,664	79,787
2026	75,000	5,100	124,279	74,172
2027-2031	75,000	2,550	715,371	276,884
2032-2036	-	-	801,610	91,424
Total	\$ 425,000	\$ 52,020	\$ 2,084,706	\$ 792,838

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

NOTE 6: ALLOCATION OF COSTS

The Authority allocated expenses not attributable to a specific program to all programs under management. The basis for this allocation was the number of units in each program or estimated actual usage. Management considers this to be an equitable method of allocation.

NOTE 7: DEFINED BENEFIT PENSION PLAN

Net Pension Liability/Asset

The net pension liability/asset reported on the statement of net position represents a liability/asset 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/asset 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/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting 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 current liabilities.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

During 2019, the OPERS Board of Trustees approved changes to the Combined Plan and the Member-Directed Plan. Beginning in 2022, the Combined Plan will be consolidated under the Traditional Plan. Effective January 1, 2022, the Combined Plan option will no longer be available for new hires. The Member-Directed Plan will be modified with changes to the vesting schedule, annuitization, mitigating rate, cost-of-living adjustment and retiree medical account funding. These changes would impact future new members and are in the process of being implemented and the final implementation date will be determined in conjunction with Group D, discussed below.

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

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d

For the Year Ended June 30, 2021

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

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

When a 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 2019, the COLA is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

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 future new OPERS contributing members. 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. The date of implementation will be determined when finalized changes are approved.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd

For the Year Ended June 30, 2021

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

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

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:

	<u>State and Local</u>
2021 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2021 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	<u>0.0 %</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

* 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.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d

For the Year Ended June 30, 2021

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer’s contribution allocated to health care was 0% for 2020-2021 for the Traditional and Combined plans. The portion of the employer’s contribution allocated to health care was 4% for the Member-Directed plan for 2020-2021. The Authority’s contractually required contributions used to fund pension benefits was \$128,440 for fiscal year ending June 30, 2021.

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

The net pension liability/asset for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability/asset was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability/asset was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS Traditional Pension Plan</u>	<u>OPERS Combined Plan</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.005962%	0.013804%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	<u>0.006019%</u>	<u>0.014634%</u>	
Change in Proportionate Share	<u>0.000057%</u>	<u>0.000830%</u>	
Proportionate Share of the Net Pension Liability/(Asset)	\$ 891,283	\$ (42,243)	\$ 849,040
Pension Expense	\$ (58,895)	\$ (3,698)	\$ (62,593)

At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d
For the Year Ended June 30, 2021

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

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

	<u>OPERS Traditional Pension Plan</u>	<u>OPERS Combined Plan</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes of assumptions	\$ 0	\$ 2,639	\$ 2,639
Changes in proportion and differences between Authority contributions and proportionate share of contributions	7,688	833	8,521
Authority contributions subsequent to the measurement date	<u>60,183</u>	<u>4,051</u>	<u>64,234</u>
Total Deferred Outflows of Resources	<u>\$ 67,871</u>	<u>\$ 7,523</u>	<u>\$ 75,394</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$ 347,395	\$ 6,279	\$ 353,674
Differences between expected and actual experience	37,284	7,970	45,254
Changes in proportion and differences between Authority contributions and proportionate share of contributions	<u>6,171</u>	<u>1,582</u>	<u>7,753</u>
Total Deferred Inflows of Resources	<u>\$ 390,850</u>	<u>\$ 15,831</u>	<u>\$ 406,681</u>

\$64,234 reported as deferred outflows of resources related to pension resulting from the Authority’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. 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 June 30:	<u>OPERS Traditional Pension Plan</u>	<u>OPERS Combined Plan</u>	<u>Total</u>
2022	\$ (147,724)	\$ (3,137)	\$ (150,861)
2023	(46,450)	(2,034)	(48,484)
2024	(141,610)	(3,477)	(145,087)
2025	(47,378)	(1,685)	(49,063)
2026	0	(757)	(757)
Thereafter	<u>0</u>	<u>(1,269)</u>	<u>(1,269)</u>
Total	<u>\$ (383,162)</u>	<u>\$ (12,359)</u>	<u>\$ (395,521)</u>

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd

For the Year Ended June 30, 2021

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

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 10.75 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 0.50 percent, simple through 2021, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

The total pension asset in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 8.25 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 0.50 percent, simple through 2021, then 2.15 percent simple
Investment Rate of Return	7.2 percent
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

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d

For the Year Ended June 30, 2021

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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.

Actuarial Assumptions – OPERS (Continued)

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 11.7 percent for 2020.

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 2020 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	9.00	4.75
Total	100.00 %	5.43 %

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d

For the Year Ended June 30, 2021

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions – OPERS (Continued)

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

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

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Traditional Pension Plan	\$ 1,700,127	\$ 891,283	\$ 218,730
Combined Plan	\$ (29,414)	\$ (42,243)	\$ (51,804)

NOTE 8: DEFINED BENEFIT OPEB PLANS

Net OPEB Asset

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

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd

For the Year Ended June 30, 2021

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

Net OPEB Asset (Continued)

Ohio Revised Code limits the Authority's obligation for this asset 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 any liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB asset. Resulting adjustments to the net OPEB asset 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 funded benefits is presented as a long-term *net OPEB asset*. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in current liabilities.

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.

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

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

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

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. Beginning in 2018, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020-2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan. 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 2020-2021 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 allocated to health care was \$0 for fiscal year 2021.

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

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, 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 asset was based on the Authority's share of

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Notes to the Basic Financial Statements – Cont'd

For the Year Ended June 30, 2021

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

contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

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

	<u>OPERS</u>
Proportion of the Net OPEB Liability:	
Prior Measurement Date	0.005960%
Proportion of the Net OPEB Asset:	
Current Measurement Date	<u>0.006032%</u>
Change in Proportionate Share	<u>0.000072%</u>
Proportionate Share of the Net OPEB Asset	\$ 107,465
OPEB Expense	\$ (660,954)

At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>
Deferred Outflows of Resources	
Changes of assumptions	52,831
Changes in proportion and differences between Authority contributions and proportionate share of contributions	<u>5,154</u>
Total Deferred Outflows of Resources	<u>\$ 57,985</u>
Deferred Inflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	\$ 57,235
Differences between expected and actual experience	96,987
Changes of assumptions	174,126
Changes in proportion and differences between Authority contributions and proportionate share of contributions	<u>4,902</u>
Total Deferred Inflows of Resources	<u>\$ 333,250</u>

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

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d

For the Year Ended June 30, 2021

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

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

Year Ending June 30:	<u>OPERS</u>
2022	\$ (145,595)
2023	(98,053)
2024	(24,871)
2025	<u>(6,746)</u>
Total	<u>\$ (275,265)</u>

Actuarial Assumptions - OPERS

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

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, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior Measurement date	3.16 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	2.00 percent
Health Care Cost Trend Rate	8.50 percent initial, 3.50 percent ultimate in 2035
Actuarial Cost Method	Individual Entry Age

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

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

Actuarial Assumptions – OPERS (Continued)

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 2020, 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 10.5 percent for 2020.

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 2020 and the long-term expected real rates of return:

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d

For the Year Ended June 30, 2021

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

Actuarial Assumptions – OPERS (Continued)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	<u>100.00 %</u>	4.43 %

Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. 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 2.00 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 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, 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 Asset to Changes in the Discount Rate The following table presents the Authority’s proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the Authority’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB asset	\$ 26,722	\$ 107,465	\$ 173,842

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont’d

For the Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OPERS (Continued)

Sensitivity of the Authority’s Proportionate Share of the Net OPEB Asset 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 asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset 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 2021 is 8.50 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 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.

	Current Health Care Cost Trend Rate		
	<u>1% Decrease</u>	<u>Assumption</u>	<u>1% Increase</u>
Authority's proportionate share of the net OPEB asset	\$ 110,084	\$ 107,465	\$ 104,535

NOTE 9: COMPENSATED ABSENCES

Vacation and sick leave policies are established by the Board of Authority based on local and state laws. All permanent employees will earn 4.6 hours of sick leave per eighty (80) hours of service. Unused sick leave may accumulate without limit. At the time of retirement, employees shall be paid the value of twenty-five percent of unused sick leave subject to a maximum payment equal to 120 days of sick leave. All permanent employees will earn vacation hours accumulated based on length of service. Employees will be paid for all unused vacation time upon their separation from service.

NOTE 10: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; damage to and theft or destruction of assets; errors and omissions; injuries to employees, and natural disasters. The Authority is covered for property damage, general liability, automobile liability, law enforcement liability, public officials’ liability, and other crime liabilities through membership in the State Housing Authority Risk Pool Association, Inc. (SHARP). SHARP is an insurance risk pool comprised of forty (40) housing authorities in Ohio, of which the Authority is a member. Settled claims have not exceeded the Authority’s insurance in any of the past three years.

NOTE 11: CONTINGENCIES

ERIE METROPOLITAN HOUSING AUTHORITY

Notes to the Basic Financial Statements – Cont'd
For the Year Ended June 30, 2021

The Authority is party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The Authority's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the Authority.

The Authority has received several Federal and state grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, management believes such disallowances, if any, will be immaterial.

NOTE 12: SUBSEQUENT EVENTS

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will likely impact subsequent periods of the Authority. The investments of the pension and other post-employment benefit plans in which the Authority participates 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.

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
111 Cash - Unrestricted	\$1,432,980	\$0	\$0	\$0	\$0	\$481,191	\$0	\$0	\$0
112 Cash - Restricted - Modernization and Development	\$397,381	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
114 Cash - Tenant Security Deposits	\$24,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$1,854,511	\$0	\$0	\$0	\$0	\$481,191	\$0	\$0	\$0
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,586
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$4,556	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
126.1 Allowance for Doubtful Accounts - Tenants	-\$120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	-\$7,567	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$31,205	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$28,784	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,586

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$40,946	\$0	\$0	\$0	\$0	\$2,729	\$0	\$0	\$0
143 Inventories	\$31,577	\$0	\$0	\$0	\$0	\$3,867	\$0	\$0	\$0
143.1 Allowance for Obsolete Inventories	-\$2,220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144 Inter Program Due From	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$1,953,598	\$0	\$0	\$0	\$0	\$487,787	\$0	\$0	\$16,586
161 Land	\$638,695	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
162 Buildings	\$16,336,722	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
163 Furniture, Equipment & Machinery - Dwellings	\$2,590	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$257,907	\$0	\$0	\$0	\$0	\$147,179	\$0	\$0	\$0
165 Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$14,076,045	\$0	\$0	\$0	\$0	-\$87,986	\$0	\$0	\$0
167 Construction in Progress	\$1,002,188	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$4,162,057	\$0	\$0	\$0	\$0	\$59,193	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
Current - Past Due									
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$39,237	\$0	\$0	\$0	\$0	\$20,313	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$4,201,294	\$0	\$0	\$0	\$0	\$79,506	\$0	\$0	\$0
200 Deferred Outflow of Resources	\$34,958	\$0	\$0	\$0	\$0	\$18,096	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$6,189,850	\$0	\$0	\$0	\$0	\$585,389	\$0	\$0	\$16,586
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$30,525	\$0	\$0	\$0	\$0	\$31,130	\$0	\$0	\$0
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$11,162	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
322 Accrued Compensated Absences - Current Portion	\$5,723	\$0	\$0	\$0	\$0	\$5,306	\$0	\$0	\$0
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$16,156	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$25,133	\$0	\$0	\$0	\$0	\$15,000	\$0	\$0	\$0
341 Tenant Security Deposits	\$24,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
342 Unearned Revenue	\$6,366	\$0	\$0	\$0	\$0	\$112,427	\$0	\$0	\$0
343 Current Portion of Long-term Debt - Capital	\$168,295	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
Projects/Mortgage Revenue									
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$512	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
346 Accrued Liabilities - Other	\$90,697	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347 Inter Program - Due To	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,586
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$378,719	\$0	\$0	\$0	\$0	\$163,863	\$0	\$0	\$16,586
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$2,341,411	\$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	\$0
353 Non-current Liabilities - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$17,169	\$0	\$0	\$0	\$0	\$15,917	\$0	\$0	\$0
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$233,602	\$0	\$0	\$0	\$0	\$120,929	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$2,592,182	\$0	\$0	\$0	\$0	\$136,846	\$0	\$0	\$0
300 Total Liabilities	\$2,970,901	\$0	\$0	\$0	\$0	\$300,709	\$0	\$0	\$16,586
400 Deferred Inflow of Resources	\$193,932	\$0	\$0	\$0	\$0	\$100,393	\$0	\$0	\$0
508.4 Net Investment in Capital Assets	\$1,652,351	\$0	\$0	\$0	\$0	\$59,193	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
511.4 Restricted Net Position	\$397,381	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
512.4 Unrestricted Net Position	\$975,285	\$0	\$0	\$0	\$0	\$125,094	\$0	\$0	\$0
513 Total Equity - Net Assets / Position	\$3,025,017	\$0	\$0	\$0	\$0	\$184,287	\$0	\$0	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$6,189,850	\$0	\$0	\$0	\$0	\$585,389	\$0	\$0	\$16,586
70300 Net Tenant Rental Revenue	\$439,057	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70400 Tenant Revenue - Other	\$76,254	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70500 Total Tenant Revenue	\$515,311	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$1,374,838	\$85,832	\$459	\$51,716	\$0	\$0	\$0	\$0	\$134,281
70610 Capital Grants	\$108,373	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70710 Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70720 Asset Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70730 Book Keeping Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$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	\$0	\$0	\$0	\$0
70800 Other Government Grants	\$0	\$0	\$0	\$0	\$46,312	\$0	\$33,694	\$345,649	\$0
71100 Investment Income - Unrestricted	\$1,080	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71500 Other Revenue	\$63,789	\$0	\$0	\$0	\$0	\$537,514	\$0	\$0	\$0
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70000 Total Revenue	\$2,063,391	\$85,832	\$459	\$51,716	\$46,312	\$537,514	\$33,694	\$345,649	\$134,281
91100 Administrative Salaries	\$39,745	\$18,785	\$459	\$0	\$0	\$213,469	\$0	\$0	\$8,352
91200 Auditing Fees	\$5,589	\$0	\$0	\$0	\$0	\$2,300	\$0	\$0	\$0
91300 Management Fee	\$205,368	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$20,340	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$1,086	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60
91500 Employee Benefit contributions - Administrative	-\$32,999	\$0	\$0	\$0	\$0	-\$20,435	\$0	\$0	\$4,673
91600 Office Expenses	\$50,977	\$0	\$0	\$0	\$0	\$10,811	\$0	\$0	\$4,905
91700 Legal Expense	\$14,177	\$0	\$0	\$0	\$0	\$2	\$0	\$0	\$16
91800 Travel	\$6,342	\$0	\$0	\$0	\$0	\$3,342	\$0	\$0	\$115
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91900 Other	\$0	\$0	\$0	\$0	\$0	\$352,966	\$0	\$0	\$682
91000 Total Operating - Administrative	\$310,625	\$18,785	\$459	\$0	\$0	\$562,455	\$0	\$0	\$18,803
92000 Asset Management Fee	\$27,240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$17,940	\$0	\$0	\$34,635	\$0	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
92300 Employee Benefit Contributions - Tenant Services	-\$5,249	\$0	\$0	\$17,081	\$0	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$54,576	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92500 Total Tenant Services	\$94,507	\$0	\$0	\$51,716	\$0	\$0	\$0	\$0	\$0
93100 Water	\$7,438	\$0	\$0	\$0	\$0	\$11	\$0	\$0	\$3
93200 Electricity	\$110,497	\$12,934	\$0	\$0	\$0	\$422	\$0	\$0	\$124
93300 Gas	\$37,104	\$0	\$0	\$0	\$0	\$111	\$0	\$0	\$32
93400 Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93600 Sewer	\$17,239	\$2,518	\$0	\$0	\$0	\$15	\$0	\$0	\$4
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	\$172,278	\$15,452	\$0	\$0	\$0	\$559	\$0	\$0	\$163
94100 Ordinary Maintenance and Operations - Labor	\$87,265	\$51,595	\$0	\$0	\$0	\$0	\$0	\$0	\$0
94200 Ordinary Maintenance and Operations - Materials and Other	\$70,781	\$0	\$0	\$0	\$0	\$7,815	\$0	\$0	\$51
94300 Ordinary Maintenance and Operations Contracts	\$273,039	\$0	\$0	\$0	\$0	\$11,404	\$0	\$0	\$285
94500 Employee Benefit Contributions - Ordinary Maintenance	-\$62,603	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
94000 Total Maintenance	\$368,482	\$51,595	\$0	\$0	\$0	\$19,219	\$0	\$0	\$336
95100 Protective Services - Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$52,112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
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	\$52,112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$73,680	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96120 Liability Insurance	\$1,190	\$0	\$0	\$0	\$0	\$2,331	\$0	\$0	\$205
96130 Workmen's Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96140 All Other Insurance	\$4,590	\$0	\$0	\$0	\$0	\$4,343	\$0	\$0	\$0
96100 Total insurance Premiums	\$79,460	\$0	\$0	\$0	\$0	\$6,674	\$0	\$0	\$205
96200 Other General Expenses	\$410	\$0	\$0	\$0	\$0	\$3,611	\$0	\$0	\$0
96210 Compensated Absences	\$4,904	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96300 Payments in Lieu of Taxes	\$25,133	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96400 Bad debt - Tenant Rents	\$29,468	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	\$932	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$60,847	\$0	\$0	\$0	\$0	\$3,611	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable	\$89,652	\$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	\$89,652	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
Cost									
96900 Total Operating Expenses	\$1,227,963	\$85,832	\$459	\$51,716	\$0	\$592,518	\$0	\$0	\$19,507
97000 Excess of Operating Revenue over Operating Expenses	\$835,428	\$0	\$0	\$0	\$46,312	-\$55,004	\$33,694	\$345,649	\$114,774
97100 Extraordinary Maintenance	\$21,846	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$4,037	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$185,052
97350 HAP Portability-In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97400 Depreciation Expense	\$311,545	\$0	\$0	\$0	\$0	\$12,315	\$0	\$0	\$0
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	\$1,565,391	\$85,832	\$459	\$51,716	\$0	\$604,833	\$0	\$0	\$204,559
10010 Operating Transfer In	\$294,365	\$0	\$0	\$0	\$0	\$425,655	\$0	\$0	\$0
10020 Operating transfer Out	-\$294,365	\$0	\$0	\$0	-\$46,312	\$0	-\$33,694	-\$345,649	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
10060 Proceeds from Property Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	-\$46,312	\$425,655	-\$33,694	-\$345,649	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$498,000	\$0	\$0	\$0	\$0	\$358,336	\$0	\$0	-\$70,278
11020 Required Annual Debt Principal Payments	\$168,295	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$2,527,017	\$0	\$0	\$0	\$0	-\$174,049	\$0	\$0	\$70,278
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11060 Changes in Contingent Liability Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11070 Changes in Unrecognized Pension Transition Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11080 Changes in Special Term/Severance Benefits Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11100 Changes in Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11170 Administrative Fee Equity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
 Financial Data Schedule – Cont'd
 For the Year Ended June 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	93.778 Medical Assistance Program	2 State/Local	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	93.045 Special Programs for the Aging Title III, Part C Nutrition Services	14.879 Mainstream Vouchers
11180 Housing Assistance Payments Equity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11190 Unit Months Available	2,724	0	0	0	0	0	0	0	768
11210 Number of Unit Months Leased	2,712	0	0	0	0	0	0	0	414
11270 Excess Cash	\$1,020,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11610 Land Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$557,620	\$0	\$523,926	\$2,995,717	\$0	\$2,995,717
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$397,381	\$0	\$397,381
113 Cash - Other Restricted	\$344,042	\$0	\$0	\$344,042	\$0	\$344,042
114 Cash - Tenant Security Deposits	\$0	\$0	\$0	\$24,150	\$0	\$24,150
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$901,662	\$0	\$523,926	\$3,761,290	\$0	\$3,761,290
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$16,586	\$0	\$16,586
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$9,907	\$0	\$2,692	\$13,309	\$0	\$13,309
126 Accounts Receivable - Tenants	\$0	\$0	\$0	\$4,556	\$0	\$4,556
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0	\$0	-\$120	\$0	-\$120
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	-\$7,567	\$0	-\$7,567
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$31,205	\$0	\$31,205
128 Fraud Recovery	\$0	\$0	\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0	\$0
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$9,907	\$0	\$2,692	\$57,969	\$0	\$57,969

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$0	\$0	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$2,570	\$0	\$37,329	\$83,574	\$0	\$83,574
143 Inventories	\$0	\$0	\$2,174	\$37,618	\$0	\$37,618
143.1 Allowance for Obsolete Inventories	\$0	\$0	-\$160	-\$2,380	\$0	-\$2,380
144 Inter Program Due From	\$16,586	\$0	\$0	\$16,586	-\$16,586	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$930,725	\$0	\$565,961	\$3,954,657	-\$16,586	\$3,938,071
161 Land	\$0	\$0	\$35,935	\$674,630	\$0	\$674,630
162 Buildings	\$72,305	\$0	\$588,845	\$16,997,872	\$0	\$16,997,872
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$0	\$2,590	\$0	\$2,590
164 Furniture, Equipment & Machinery - Administration	\$4,000	\$0	\$131,026	\$540,112	\$0	\$540,112
165 Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$52,493	\$0	-\$643,351	-\$14,859,875	\$0	-\$14,859,875
167 Construction in Progress	\$0	\$0	\$0	\$1,002,188	\$0	\$1,002,188
168 Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$23,812	\$0	\$112,455	\$4,357,517	\$0	\$4,357,517
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$51,283	\$0	\$38,875	\$149,708	\$0	\$149,708
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$75,095	\$0	\$151,330	\$4,507,225	\$0	\$4,507,225
200 Deferred Outflow of Resources	\$45,689	\$0	\$34,636	\$133,379	\$0	\$133,379
290 Total Assets and Deferred Outflow of Resources	\$1,051,509	\$0	\$751,927	\$8,595,261	-\$16,586	\$8,578,675
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$0	\$0	\$49,201	\$110,856	\$0	\$110,856
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$0	\$23,716	\$34,878	\$0	\$34,878
322 Accrued Compensated Absences - Current Portion	\$7,461	\$0	\$9,611	\$28,101	\$0	\$28,101
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0	\$0	\$16,156	\$0	\$16,156
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$0	\$0	\$0	\$40,133	\$0	\$40,133
341 Tenant Security Deposits	\$0	\$0	\$0	\$24,150	\$0	\$24,150
342 Unearned Revenue	\$0	\$0	\$19,851	\$138,644	\$0	\$138,644
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$168,295	\$0	\$168,295
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
345 Other Current Liabilities	\$2,657	\$0	\$300	\$3,469	\$0	\$3,469
346 Accrued Liabilities - Other	\$0	\$0	\$0	\$90,697	\$0	\$90,697
347 Inter Program - Due To	\$0	\$0	\$0	\$16,586	-\$16,586	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$10,118	\$0	\$102,679	\$671,965	-\$16,586	\$655,379
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$2,341,411	\$0	\$2,341,411
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$148,318	\$0	\$0	\$148,318	\$0	\$148,318
354 Accrued Compensated Absences - Non Current	\$22,384	\$0	\$28,832	\$84,302	\$0	\$84,302
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$305,309	\$0	\$231,443	\$891,283	\$0	\$891,283
350 Total Non-Current Liabilities	\$476,011	\$0	\$260,275	\$3,465,314	\$0	\$3,465,314
300 Total Liabilities	\$486,129	\$0	\$362,954	\$4,137,279	-\$16,586	\$4,120,693
400 Deferred Inflow of Resources	\$253,465	\$0	\$192,141	\$739,931	\$0	\$739,931
508.4 Net Investment in Capital Assets	\$23,812	\$0	\$112,455	\$1,847,811	\$0	\$1,847,811
511.4 Restricted Net Position	\$195,724	\$0	\$0	\$593,105	\$0	\$593,105
512.4 Unrestricted Net Position	\$92,379	\$0	\$84,377	\$1,277,135	\$0	\$1,277,135
513 Total Equity - Net Assets / Position	\$311,915	\$0	\$196,832	\$3,718,051	\$0	\$3,718,051
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,051,509	\$0	\$751,927	\$8,595,261	-\$16,586	\$8,578,675

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$0	\$0	\$0	\$439,057	\$0	\$439,057
70400 Tenant Revenue - Other	\$0	\$0	\$0	\$76,254	\$0	\$76,254
70500 Total Tenant Revenue	\$0	\$0	\$0	\$515,311	\$0	\$515,311
70600 HUD PHA Operating Grants	\$6,505,308	\$163,355	\$0	\$8,315,789	\$0	\$8,315,789
70610 Capital Grants	\$0	\$0	\$0	\$108,373	\$0	\$108,373
70710 Management Fee	\$0	\$0	\$205,368	\$205,368	-\$205,368	\$0
70720 Asset Management Fee	\$0	\$0	\$27,240	\$27,240	-\$27,240	\$0
70730 Book Keeping Fee	\$0	\$0	\$20,340	\$20,340	-\$20,340	\$0
70740 Front Line Service Fee	\$0	\$0	\$0	\$0	\$0	\$0
70750 Other Fees	\$0	\$0	\$133,560	\$133,560	\$0	\$133,560
70700 Total Fee Revenue	\$0	\$0	\$386,508	\$386,508	-\$252,948	\$133,560
70800 Other Government Grants	\$0	\$0	\$0	\$425,655	\$0	\$425,655
71100 Investment Income - Unrestricted	\$34	\$0	\$393	\$1,507	\$0	\$1,507
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$10,580	\$0	\$0	\$10,580	\$0	\$10,580
71500 Other Revenue	\$66,042	\$0	\$19,958	\$687,303	\$0	\$687,303
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
70000 Total Revenue	\$6,581,964	\$163,355	\$406,859	\$10,451,026	-\$252,948	\$10,198,078
91100 Administrative Salaries	\$74,628	\$163,355	\$213,340	\$732,133	\$0	\$732,133
91200 Auditing Fees	\$10,841	\$0	\$1,412	\$20,142	\$0	\$20,142
91300 Management Fee	\$0	\$0	\$0	\$205,368	-\$205,368	\$0
91310 Book-keeping Fee	\$0	\$0	\$0	\$20,340	-\$20,340	\$0
91400 Advertising and Marketing	\$1,627	\$0	\$0	\$2,773	\$0	\$2,773
91500 Employee Benefit contributions - Administrative	-\$159,535	\$0	-\$159,514	-\$367,810	\$0	-\$367,810
91600 Office Expenses	\$132,475	\$0	\$28,891	\$228,059	\$0	\$228,059
91700 Legal Expense	\$431	\$0	\$6	\$14,632	\$0	\$14,632
91800 Travel	\$3,107	\$0	\$1,617	\$14,523	\$0	\$14,523
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0	\$0
91900 Other	\$7,588	\$0	\$0	\$361,236	\$0	\$361,236
91000 Total Operating - Administrative	\$71,162	\$163,355	\$85,752	\$1,231,396	-\$225,708	\$1,005,688
92000 Asset Management Fee	\$0	\$0	\$0	\$27,240	-\$27,240	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0	\$52,575	\$0	\$52,575
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$11,832	\$0	\$11,832
92400 Tenant Services - Other	\$29,204	\$0	\$72	\$83,852	\$0	\$83,852
92500 Total Tenant Services	\$29,204	\$0	\$72	\$175,499	-\$27,240	\$148,259
93100 Water	\$79	\$0	\$31	\$7,562	\$0	\$7,562

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
93200 Electricity	\$3,341	\$0	\$1,213	\$128,531	\$0	\$128,531
93300 Gas	\$877	\$0	\$318	\$38,442	\$0	\$38,442
93400 Fuel	\$0	\$0	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0	\$0
93600 Sewer	\$121	\$0	\$44	\$19,941	\$0	\$19,941
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0	\$0	\$0	\$0
93000 Total Utilities	\$4,418	\$0	\$1,606	\$194,476	\$0	\$194,476
94100 Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0	\$138,860	\$0	\$138,860
94200 Ordinary Maintenance and Operations - Materials and Other	\$1,371	\$0	\$1,325	\$81,343	\$0	\$81,343
94300 Ordinary Maintenance and Operations Contracts	\$7,703	\$0	\$8,949	\$301,380	\$0	\$301,380
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	-\$62,603	\$0	-\$62,603
94000 Total Maintenance	\$9,074	\$0	\$10,274	\$458,980	\$0	\$458,980
95100 Protective Services - Labor	\$0	\$0	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$52,112	\$0	\$52,112
95300 Protective Services - Other	\$0	\$0	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$52,112	\$0	\$52,112
96110 Property Insurance	\$0	\$0	\$566	\$74,246	\$0	\$74,246

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
96120 Liability Insurance	\$5,533	\$0	\$418	\$9,677	\$0	\$9,677
96130 Workmen's Compensation	\$0	\$0	\$0	\$0	\$0	\$0
96140 All Other Insurance	\$0	\$0	\$605	\$9,538	\$0	\$9,538
96100 Total insurance Premiums	\$5,533	\$0	\$1,589	\$93,461	\$0	\$93,461
96200 Other General Expenses	\$1,578	\$0	\$0	\$5,599	\$0	\$5,599
96210 Compensated Absences	\$2,372	\$0	\$2,124	\$9,400	\$0	\$9,400
96300 Payments in Lieu of Taxes	\$0	\$0	\$0	\$25,133	\$0	\$25,133
96400 Bad debt - Tenant Rents	\$0	\$0	\$0	\$29,468	\$0	\$29,468
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0	\$0	\$0	\$0
96800 Severance Expense	\$1,724	\$0	\$4,927	\$7,583	\$0	\$7,583
96000 Total Other General Expenses	\$5,674	\$0	\$7,051	\$77,183	\$0	\$77,183
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$89,652	\$0	\$89,652
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$89,652	\$0	\$89,652
96900 Total Operating Expenses	\$125,065	\$163,355	\$106,344	\$2,372,759	-\$252,948	\$2,119,811
97000 Excess of Operating Revenue over Operating Expenses	\$6,456,899	\$0	\$300,515	\$8,078,267	\$0	\$8,078,267

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$21,846	\$0	\$21,846
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$4,037	\$0	\$4,037
97300 Housing Assistance Payments	\$5,751,553	\$0	\$0	\$5,936,605	\$0	\$5,936,605
97350 HAP Portability-In	\$19,886	\$0	\$0	\$19,886	\$0	\$19,886
97400 Depreciation Expense	\$1,601	\$0	\$16,535	\$341,996	\$0	\$341,996
97500 Fraud Losses	\$0	\$0	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds	\$0	\$0	\$0	\$0	\$0	\$0
97700 Debt Principal Payment - Governmental Funds	\$0	\$0	\$0	\$0	\$0	\$0
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0	\$0	\$0
90000 Total Expenses	\$5,898,105	\$163,355	\$122,879	\$8,697,129	-\$252,948	\$8,444,181
10010 Operating Transfer In	\$0	\$0	\$0	\$720,020	-\$720,020	\$0
10020 Operating transfer Out	\$0	\$0	\$0	-\$720,020	\$720,020	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds	\$0	\$0	\$0	\$0	\$0	\$0
10060 Proceeds from Property Sales	\$0	\$0	\$0	\$0	\$0	\$0
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0	\$0	\$0

ERIE METROPOLITAN HOUSING AUTHORITY
Financial Data Schedule – Cont'd
For the Year Ended June 30, 2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	COCC	Subtotal	ELIM	Total
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$683,859	\$0	\$283,980	\$1,753,897	\$0	\$1,753,897
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$168,295	\$0	\$168,295
11030 Beginning Equity	-\$371,944	\$0	-\$87,148	\$1,964,154	\$0	\$1,964,154
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance	\$0	\$0	\$0	\$0	\$0	\$0
11060 Changes in Contingent Liability Balance	\$0	\$0	\$0	\$0	\$0	\$0
11070 Changes in Unrecognized Pension Transition Liability	\$0	\$0	\$0	\$0	\$0	\$0
11080 Changes in Special Term/Severance Benefits Liability	\$0	\$0	\$0	\$0	\$0	\$0
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$0	\$0	\$0
11100 Changes in Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0
11170 Administrative Fee Equity	\$116,191	\$0	\$0	\$116,191	\$0	\$116,191
11180 Housing Assistance Payments Equity	\$195,724	\$0	\$0	\$195,724	\$0	\$195,724
11190 Unit Months Available	12,564	0	0	16,056	0	16,056
11210 Number of Unit Months Leased	11,171	0	0	14,297	0	14,297
11620 Building Purchases	\$0	\$0	\$0	\$108,373	\$0	\$108,373
13510 CFFP Debt Service Payments	\$0	\$0	\$0	\$60,000	\$0	\$60,000

ERIE METROPOLITAN HOUSING AUTHORITY
Required Supplementary Information
Schedule of the Authority's Proportion Share of the Net Pension Liability / (Asset)
Ohio Public Employee Retirement System
Fiscal Years Available

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Authority's Proportion of the Net Pension Liability	0.006019%	0.005962%	0.006092%	0.006269%	0.007123%	0.008293%	0.008495%	0.008495%
Authority's Proportionate Share of the Net Pension Liability	\$ 891,283	\$ 1,178,430	\$ 1,668,475	\$ 983,487	\$ 1,617,512	\$ 1,430,634	\$ 1,024,595	\$ 1,001,450
Authority's Covered Payroll	\$ 847,699	\$ 838,915	\$ 822,793	\$ 828,500	\$ 920,848	\$ 1,032,204	\$ 1,041,492	\$ 1,052,809
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.14%	140.47%	202.78%	118.71%	175.65%	138.60%	98.38%	95.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Authority's Proportion of the Net Pension Asset	0.014634%	0.013804%	0.014502%	0.014995%	0.015921%	0.016490%	0.016901%	0.016901%
Authority's Proportionate Share of the Net Pension (Asset)	\$ (42,243)	\$ (28,785)	\$ (16,216)	\$ (20,413)	\$ (8,861)	\$ (6,835)	\$ (6,509)	\$ (7,470)
Authority's Covered Payroll	\$ 64,490	\$ 61,451	\$ 62,025	\$ 61,412	\$ 61,975	\$ 60,026	\$ 59,146	\$ 59,789
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	65.50%	46.84%	26.14%	33.24%	14.30%	11.39%	11.00%	12.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

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

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

See accompanying notes to the required supplementary information

ERIE METROPOLITAN HOUSING AUTHORITY
Required Supplementary Information
Schedule of the Authority's Contributions - Pension
Ohio Public Employee Retirement System
Fiscal Years Available

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Contractually Required Contributions</u>										
Traditional Plan	\$ 119,810	\$ 118,346	\$ 115,978	\$ 115,292	\$ 104,056	\$ 118,772	\$ 123,077	\$ 126,985	\$ 136,556	\$ 100,421
Combined Plan	8,630	8,857	8,548	8,637	7,613	7,117	7,151	7,045	7,556	4,430
Total Required Contributions	128,440	127,203	124,526	123,929	111,669	125,889	130,228	134,030	144,112	104,851
Contributions in Relation to the Contractually Required Contribution	<u>(128,440)</u>	<u>(127,203)</u>	<u>(124,526)</u>	<u>(123,929)</u>	<u>(111,669)</u>	<u>(125,889)</u>	<u>(130,228)</u>	<u>(134,030)</u>	<u>(144,112)</u>	<u>(104,851)</u>
Contribution Deficiency / (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Authority's Covered Payroll</u>										
Traditional Plan	\$ 855,786	\$ 845,329	\$ 828,412	\$ 855,335	\$ 835,219	\$ 989,769	\$ 1,025,639	\$ 1,058,208	\$ 1,050,431	\$ 1,004,210
Combined Plan	\$ 61,643	\$ 63,264	\$ 61,054	\$ 64,064	\$ 61,089	\$ 59,310	\$ 59,592	\$ 58,708	\$ 58,123	\$ 55,723
<u>Pension Contributions as a Percentage of Covered Payroll</u>										
Traditional Plan	14.00%	14.00%	14.00%	13.48%	12.46%	12.00%	12.00%	12.00%	13.00%	10.00%
Combined Plan	14.00%	14.00%	14.00%	13.48%	12.46%	12.00%	12.00%	12.00%	13.00%	7.95%

See accompanying notes to the required supplementary information

ERIE METROPOLITAN HOUSING AUTHORITY
 Required Supplementary Information
 Schedule of the Authority's Proportion Share of the Net OPEB Liability / (Asset)
 Ohio Public Employee Retirement System
 Fiscal Years Available

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's Proportion of the Net OPEB Liability/Asset	0.006032%	0.005960%	0.006100%	0.006280%	0.006280%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (107,465)	\$ 823,231	\$ 795,296	\$ 681,962	\$ 634,301
Authority's Covered Payroll	\$ 912,189	\$ 900,366	\$ 884,818	\$ 889,912	\$ 982,823
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	11.78%	91.43%	89.88%	76.63%	64.54%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information

ERIE METROPOLITAN HOUSING AUTHORITY
 Required Supplementary Information
 Schedule of the Authority's Contributions - OPEB
 Ohio Public Employee Retirement System
 Fiscal Years Available

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 0	\$ 0	\$ 0	\$ 4,787	\$ 13,814	\$ 20,982	\$ 21,705
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>(4,787)</u>	<u>(13,814)</u>	<u>(20,982)</u>	<u>(21,705)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Authority Covered Payroll	\$ 917,429	\$ 908,593	\$ 889,466	\$ 919,399	\$ 896,308	\$ 1,049,079	\$ 1,085,231
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.52%	1.54%	2.00%	2.00%

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

See accompanying notes to the required supplementary information

ERIE METROPOLITAN HOUSING AUTHORITY
Notes to the Required Supplementary Information
For the Year Ended June 30, 2021

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2021.

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

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2021.

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%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035.

ERIE METROPOLITAN HOUSING AUTHORITY
Schedule of Expenditure of Federal Award
For the Year Ended June 30, 2021

Federal Grantor Program Title	CFDA Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>		
Direct Programs:		
Low Rent Public Housing Program:		
Low Rent Public Housing Program	14.850	\$927,638
COVID-19 Low Rent Public Housing Program	14.850	85,832
Total Low Rent Public Housing Program		<u>1,013,470</u>
Capital Fund Program	14.872	555,573
Housing Voucher Program - Cluster		
Housing Choice Voucher Program	14.871	6,505,308
COVID-19 Housing Choice Voucher Program	14.871	163,355
Mainstream Voucher Program	14.879	134,281
COVID-19 Mainstream Voucher Program	14.879	459
Total Housing Voucher Program - Cluster		<u>6,803,403</u>
PIH Family Self-Sufficiency Program	14.896	51,716
Total U.S. Department of Housing and Urban Development		<u>8,424,162</u>
<u>U.S. Department of Health and Human Services</u>		
Pass-Through Programs:		
Area Office on Aging of Northwestern Ohio, Inc.		
Aging Programs (Cluster):		
Special Program for the Aging – Title III, Parma B Grant for Supportive Services and Senior Center	93.044	33,694
Special Program for the Aging – Title III, Parma C Nutrition Services	93.045	345,649
Total Aging Program - Cluster		<u>379,343</u>
Medical Assistance Program – Passport Medicaid	93.778	46,312
Total U.S. Department of Health and Human Services		<u>425,655</u>
Total Federal Awards		<u>\$8,849,817</u>

ERIE METROPOLITAN HOUSING AUTHORITY
Notes to the Schedule of Expenditure of Federal Awards
For the Year Ended June 30, 2021

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Authority and is presented on the full accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

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

NOTE B — SUBRECIPIENTS

The Authority provided no federal awards to subrecipients during the year ended June 30, 2021.

NOTE C — DISCLOSURE OF OTHER FORMS OF ASSISTANCE

The Authority received no federal awards of non-monetary assistance that are required to be disclosed for the year ended June 30, 2021.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the year ended June 30, 2021.



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Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Required by Government Auditing Standards

Board of Commissioners
Erie Metropolitan Housing Authority

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Erie Metropolitan Housing Authority, Ohio, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Erie Metropolitan Housing Authority, Ohio's basic financial statements, and have issued my report thereon dated February 28, 2022, wherein I noted the Authority considered the financial impact of COVID-19 as disclosed in Note 12.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Salvatore Consiglio

Salvatore Consiglio, CPA, Inc.
North Royalton, Ohio
February 28, 2022



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Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Commissioners
Erie Metropolitan Housing Authority

Report on Compliance for Each Major Federal Program

I have audited Erie Metropolitan Housing Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Erie Metropolitan Housing Authority's major federal programs for the year ended June 30, 2021. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In my opinion, Erie Metropolitan Housing Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

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

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

Salvatore Consiglio

Salvatore Consiglio, CPA, Inc.

North Royalton, Ohio

February 28, 2022

ERIE METROPOLITAN HOUSING AUTHORITY

Schedule of Findings

2 CFR § 200.515

June 30, 2021

1. SUMMARY OF AUDITOR'S RESULTS

Type of Financial Statement Opinion	Unmodified
Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
Were there any material weaknesses in internal control reported for major federal programs?	No
Were there any significant deficiencies in internal control reported for major federal programs?	No
Type of Major Programs' Compliance Opinion	Unmodified
Are there any reportable findings under 2 CFR § 200.516(a)?	No
Major Programs (list):	<ul style="list-style-type: none"> • CFDA 14.871 Housing Choice Voucher Program and the CARES Act • CFDA 14.879 Mainstream Vouchers and the CARES Act
Dollar Threshold: Type A/B Programs	Type A: > \$750,000 Type B: All Others
Low Risk Auditee under 2 CFR §200.520?	Yes

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

There are no findings or questioned costs for the year ended June 30, 2021.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There are no findings or questioned costs for the year ended June 30,2021.

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OHIO AUDITOR OF STATE KEITH FABER



ERIE COUNTY METROPOLITAN HOUSING AUTHORITY

ERIE 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 4/5/2022

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