JACKSON METROPOLITAN HOUSING AUTHORITY

JACKSON COUNTY

SINGLE AUDIT

OCTOBER 1, 2020 – SEPTEMBER 30, 2021

WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Commissioners
Jackson Metropolitan Housing Authority
249 West 13th Street
Wellston, Ohio 45692

We have reviewed the *Independent Auditor's Report* of the Jackson Metropolitan Housing Authority, Jackson County, prepared by Wilson, Shannon & Snow, Inc., for the audit period October 1, 2020 through September 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 Jackson Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

April 07, 2022

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JACKSON METROPOLITAN HOUSING AUTHORITY
JACKSON COUNTY

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INDEPENDENT AUDITOR'S REPORT

Jackson Metropolitan Housing Authority
Jackson County
249 W. 13th Street
Wellston, Ohio 45692

To the Board of Commissioners:

Report on the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Jackson Metropolitan Housing Authority, Jackson County as of September 30, 2021, and the changes in its financial position and its cash flows for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As disclosed in Note 11 to financial statements, during fiscal year 2021, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2022, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Wilson, Shannon & Snow, Inc.

Newark, Ohio
March 11, 2022

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The Jackson Metropolitan Housing Authority's ("the Authority") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position, and (d) identify individual fund issues or concerns. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current years activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statement.

FINANCIAL HIGHLIGHTS

- The Authority's Net Position increased by $441,293 (or 17.96%) for the fiscal year ending September 30, 2021, resulting from the operations of the Authority. Since the Authority engages only in business-type activities, the increase is all in the category of business-type Net Position. Net Position was $2,898,309 and $2,457,016 for 2021 and 2020, respectively.

- Revenues increased by $231,871 (or 8.69%) during 2021 and were $2,899,775 and $2,667,904 for 2021 and 2020, respectively.

- The total expenses of all Authority programs decreased by $210,971 (or 7.9%). Total expenses were $2,458,482 and $2,669,453 for 2021 and 2020, respectively.

- In March 2020, the United States and the State of Ohio declared a state of emergency due to the COVID-19 pandemic. HUD provided additional funds to the Authority's Public Housing, Housing Choice Voucher and Mainstream programs to help the Authority prepare for, prevent, and respond to the coronavirus, which has helped the Authority maintain normal operations during this period.

USING THIS ANNUAL REPORT

The following graphic outlines the format of this Report:

MD&A
~Management's Discussion and Analysis~

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

Other Required Supplementary Information
~Required Supplementary Information (Pension and OPEB Schedules)~

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

Authority Financial Statements

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

These Statements include a Statement of Net Position, which is like a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The Statement is presented in the format where assets and deferred outflows of resources minus liabilities and deferred inflows of resources, equals "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 and deferred outflows of resources, net of liabilities and deferred inflows of resources, for the entire Authority. Net Position are reported in three broad categories:

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

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

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

The Authority's financial statements also include a Statement of Revenues, Expenses and Changes in Net Position (like an Income Statement). This Statement includes Operating Revenue, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as capital grant revenue, interest revenue and interest expense.

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, investing activities, capital and related financing activities, and non-cash investing, capital and financial activities.

Fund Financial Statements

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

Many of the programs maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

The Authority's Programs

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

Capital Fund Program – This is the current primary funding source for the Authority's physical and management improvements to the Authority's properties. While the formula funding methodology used for the CGP was revised for the CFP, funds are still provided by formula allocations and based on size and age of your units.

Mainstream Vouchers – The Mainstream Vouchers Program provides subsidies (Housing Assistance Payments) on behalf of persons with disabilities (elderly and non-elderly) to participating owners. CARES Act Funding is also included in this program. The CARES Act provided additional funding to PHAs to prevent, prepare for, and respond to coronavirus, including to maintain normal operations during the period the program was impacted by coronavirus.

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

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Economic Development and Supportive Services Program – This is a grant program funded by the Department of Housing and Urban Development that encourages economic self-sufficiency among the Authority's resident population. These programs are identified on the FDS Schedule as the PIH Family Self-Sufficiency Program and the HOME investment Partnership Program.

Business Activity – Business activity represents other services that the PHA provides to the County. The revenue and expenses for these services are identified and tracked separate from the HUD activities.

AUTHORITY STATEMENTS

STATEMENT OF NET POSITION

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

TABLE 1 - STATEMENT OF NET POSITION

	2021	2020
Current and Other Assets	$ 1,303,854	$ 1,164,773
Capital Assets	3,023,424	3,105,624
Deferred Outflows	55,602	112,657
Total Assets and Deferred Outflows of Resources	$ 4,382,880	$ 4,383,054
Current Liabilities	$ 234,909	$ 246,052
Non-Current Liabilities	944,056	1,493,365
Deferred Inflows	305,606	186,621
Total Liabilities and Deferred Inflows of Resources	1,484,571	1,926,038
Net Position:		
Net Investment in Capital Assets	2,423,819	2,449,819
Restricted	26,134	10,148
Unrestricted	448,356	(2,951)
Total Net Positions	2,898,309	2,457,016
Total Liabilities, Deferred Inflows and Net Position	$ 4,382,880	$ 4,383,054

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

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Major Factors Affecting the Statement of Net Position

During 2021, current and other assets increased by $139,081 and total liabilities and deferred inflows of resources decreased by $441,467. The current and other assets, primarily cash and investments, mainly increased due to change in cash resulting from current fiscal year activities and change in GASB 75 resulting in a Net OPEB Asset.

The decrease in current liabilities of $11,143 was due to decrease in unearned revenue at fiscal year-end. The decrease in non-Current Liabilities of $549,309 was due to change in accrued Pension and OPEB liability/asset at fiscal year-end.

Capital assets also changed, decreasing from $3,105,624 to $3,023,424. The $82,200 decrease was contributed primarily to current year depreciation expense less additions.

TABLE 2 - CHANGE OF UNRESTRICTED NET POSITION

Beginning Balance - September 30, 2020	$	(2,951)
Results of Operation		425,307
Adjustments:		
Current year Depreciation Expense (1)		379,712
Capital Expenditure (2)		(297,513)
Retirement of Debt		(56,200)
Rounding Adjustment		1
Ending Balance - September 30, 2021	$	448,356

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

(2) Capital expenditures represent an outflow of Unrestricted Net Position, but are not treated as an expense against Results of Operations, and therefore must be deducted

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer change in financial well-being. The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only Business-Type Activities.

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TABLE 3 - STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2021	2020
Revenues		
Tenant Revenues	$ 418,927	$ 420,708
Operating Grants	2,142,337	1,765,886
Capital Grants	217,864	378,101
Interest Revenue	1,580	2,688
Other Revenues	119,067	100,521
Total Revenues	**2,899,775**	**2,667,904**
Expenses		
Administrative	258,625	434,342
Tenant Services	47,693	40,950
Utilities	210,896	193,358
Maintenance	556,205	464,163
General and Interest Expenses	112,848	106,044
Housing Assistance Payments	1,218,325	1,005,152
Depreciation	379,712	425,444
Pension & OPEB Expense	(325,822)	0
Total Expenses	**2,458,482**	**2,669,453**
Change in Net Position	441,293	(1,549)
Total Net Position - Beginning	2,457,016	2,458,565
Total Net Position - Ending	**$ 2,898,309**	**$ 2,457,016**

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

Total revenue increased by $231,871 compared to the prior fiscal year. The increase is due to grant revenue earned from HUD for the operation and capital activities funded by HUD.

Total expenses decreased by $210,971 in comparison with prior fiscal year financials. The decrease was mainly due to the change in the GASB 68 and 75 liability that resulted in a negative expenditure, otherwise the expenses remained stable in comparison with prior fiscal year. In prior fiscal years, the changes in GASB 68 and 75 liability amounts were reflected within administrative and maintenance amounts.

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CAPITAL ASSETS

As of fiscal year-end, the Authority had $3,023,424 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease due to current fiscal year additions less depreciation expense. See table 5 for detail of current fiscal year change.

TABLE 4 - CAPITAL ASSETS AT YEAR END (NET OF DEPRECIATION)

	2021	2020
Land	$ 257,876	$ 257,875
Buildings & Improvements	13,294,346	13,041,135
Equipment	367,047	322,746
Accumulated Depreciation	(10,895,845)	(10,516,132)
Total	$ 3,023,424	$ 3,105,624

The following reconciliation summarizes the change in Capital Assets, which is presented in detail in Note 5 of the notes to the basic financial statements:

TABLE 5 - CHANGE IN CAPITAL ASSETS

Beginning Balance - September 30, 2020	$ 3,105,624
Current year Additions	297,513
Current year Depreciation Expense	(379,712)
Rounding Adjustment	(1)
Ending Balance - September 30, 2021	$ 3,023,424

Current year Additions are summarized as follows:	
- Video cameras	$ 5,438
- Administration office renovation	32,098
- Ford F-250 truck	38,862
- Air purifier for elevator at Cabrian	3,250
- Elevator upgrade and Chiller repalacement at Cabrian	29,685
- Sanitary line replacement at Fairview Terrace	188,180
Total 2021 Additions	$ 297,513

DEBT OUTSTANDING

As of fiscal year-end, the Authority has $599,605 in debt (mortgages) outstanding compared to $655,805 in the prior fiscal year.

TABLE 6
CONDENSED STATEMENT OF CHANGE IN DEBT OUTSTANDING

Beginning Balance - September 30, 2020	$	655,805
Current Year Principal Amortization		(56,200)
Ending Balance - September 30, 2021	$	599,605

There was no new debt issued in fiscal year 2021. See Note 8 in the notes to the basic financial statements for more information.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies and other costs.
- Unknown financial and operational impacts as well as impacts to federal programs because of the COVID-19 pandemic.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Rhonda Downey, Executive Director of the Jackson Metropolitan Housing Authority, at (740) 384-5627. Specific requests may be submitted to the Jackson Metropolitan Housing Authority at 249 W. Thirteenth Street PO Box 619, Wellston, Ohio 45692.

JACKSON METROPOLITAN HOUSING AUTHORITY
JACKSON COUNTY

STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Assets	
Current Assets:	
Cash and Cash Equivalents	$ 1,159,795
Restricted Cash and Cash Equivalents	93,009
Receivable, net	2,216
Prepaid Items	8,250
Total Current Assets	1,263,270
Non-Current Assets:	
Capital Assets:	
Nondepreciable Capital Assets	257,876
Depreciable Capital Assets	13,661,393
Accumulated Depreciation	(10,895,845)
Total Capital Assets	3,023,424
Net OPEB Asset	40,584
Total Non-Current Assets	3,064,008
Total Assets	4,327,278
Deferred Outflow of Resources	
Pension	35,649
OPEB	19,953
Total Deferred Outflow of Resources	55,602
Liabilities	
Current Liabilities:	
Accounts Payable	42,434
Accrued Wages and Payroll Taxes	19,691
Accrued Compensated Absences	23,174
Intergovernmental Payable	30,874
Tenant Security Deposits Payable	31,410
Accrued Liabilities - Other	31,126
Notes and Loans Payable	56,200
Total Current Liabilities	234,909
Non-Current Liabilities:	
Notes and Loans Payable	543,405
Accrued Compensated Absences	2,986
Noncurrent Liabilities - Other	35,465
Net Pension Liability	362,200
Total Non-Current Liabilities	944,056
Total Liabilities	1,178,965
Deferred Inflow of Resources	
Pension	174,516
OPEB	131,090
Total Deferred Inflow of Resources	305,606
Net Position	
Net Investment in Capital Assets	2,423,819
Restricted	26,134
Unrestricted	448,356
Total Net Position	$ 2,898,309

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

JACKSON METROPOLITAN HOUSING AUTHORITY
JACKSON COUNTY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Operating Revenues		
Tenant Revenue		$ 418,927
Government Operating Grants		2,142,337
Other Revenues		119,067
Total Operating Revenues		2,680,331
Operating Expenses		
Administrative	$ 258,625	
Tenant Services	47,693	
Utilities	210,896	
Maintenance	556,205	
General	112,848	
Pension & OPEB Expense	(325,822)	
Housing Assistance Payments	1,218,325	
Depreciation	379,712	
Total Operating Expenses		2,458,482
Operating Income		221,849
Nonoperating Revenues		
Interest Revenue		1,580
Capital Grants		217,864
Total Nonoperating Revenues		219,444
Change in Net Position		441,293
Net Position at October 1, 2020		2,457,016
Net Position at September 30, 2021		$ 2,898,309

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

JACKSON METROPOLITAN HOUSING AUTHORITY
JACKSON COUNTY

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Cash flows from operating activities:		
Operating grants received	$	2,097,123
Tenant revenues received		421,343
Other revenue received		62,685
General and administrative expenses paid		(1,186,617)
Housing assistance payments paid		(1,218,325)
Net cash provided by operating activities		176,209
Cash flows from investing activities:		
Interest		1,580
Net cash provided by investing activities		1,580
Cash flows from capital and related activities:		
Capital grant funds received		217,864
Acquisition of capital assets		(297,513)
Net cash used by capital and related activities		(79,649)
Net change in cash		98,140
Cash at October 1, 2020		1,154,664
Cash at September 30, 2021	$	1,252,804
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$	221,849
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation		379,712
Amortization of Loan Liability		(56,200)
Changes in:		
Accounts receivable, net		9
Prepaid items		(366)
Net OPEB asset		(40,584)
Deferred outflows of resources		57,055
Accounts payable		20,374
Intergovernmental payable		(4,245)
Accrued wages and payroll taxes		(6,549)
Unearned revenues		(45,214)
Compensated absences		(13,283)
Other liabilities		5,947
Net pension liability		(136,685)
Net OPEB liability		(324,596)
Deferred inflows of resources		118,985
Net cash provided by operating activities	$	176,209

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies
The financial statements of the Jackson Metropolitan Housing Authority (the Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

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

The accompanying financial statements comply with the provision of Governmental Accounting Standards Board (GASB) Statement 14, the Financial Reporting Entity, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

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

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

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

Basis of Presentation

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

Fund Accounting

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

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

Proprietary Fund Types

Proprietary funds are used to account for the Authority’s ongoing activities, which are like those found in the private sector. The following is the proprietary fund type:

Enterprise Fund - This fund is used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The enterprise fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting.

Description of programs

The following are the various programs which are included in the single enterprise fund:

A. **Public Housing Program**

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

B. **Capital Fund Program**

The capital fund program provides funds annually, via a formula, to Public Housing Agencies for capital and management activities, including modernization and development housing.

C. **Mainstream Vouchers**

The Mainstream Vouchers Program provides subsidies (Housing Assistance Payments) on behalf of a person with disabilities (elderly and non-elderly) to participating housing owners. Under this program, the landlord-tenant relationship is between a housing owner and a family, rather than the Authority and a family as in Public Housing programs.

D. **Housing Choice Voucher Program**

The Housing Choice Voucher Program was authorized by Section 8 of the National Housing Act and provides housing assistance payments to private, not-for-profit or public landlords to subsidize rentals for low-income persons.

E. **Business Activity**

Business activity represents other services that the PHA provides to the County. The revenue and expenses for these services are identified and tracked separate from the HUD activities.

F. **Economic Development and Supportive Services Program**

The PIH Family Self-Sufficiency Program and the HOME investment Partnership Program are programs funded by the Department of Housing and Urban Development that encourages economic self-sufficiency among the Authority's resident population and also needy families with temporary housing assistance throughout the county.

For fiscal year 2021, CARES Act Funding is also included in the Housing Choice Vouchers and Mainstream Vouchers programs. The CARES Act provided additional funding to PHAs to prevent, prepare for, and respond to coronavirus, including to maintain normal operations during the period the program was impacted by coronavirus.

Investments

The provisions of the HUD Regulations restrict investments. Investments are valued at fair value. The Authority categorizes its fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Cost based measures of fair value were applied to nonnegotiable certificates of deposit and money market investments. All investments of the Authority are reported at cost. Interest revenue for the fiscal year ended September 30, 2021 totaled $1,580.

Capital Assets

Capital assets are stated at cost. The capitalization policy of the Authority is to depreciate all non-expendable personal property having a useful life of more than one year and purchase price of $1,000 or more per unit. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings	40 year
Buildings Improvements	15 years
Furniture, equipment and machinery	3-15 years

Net Position

Net Position represents the difference between all other elements of statement of net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net Position is recorded as restricted when there are limitations imposed on their use by internal or external restrictions. Unrestricted Net Position consists of all other assets that do not meet the definition of "restricted" or "net investment in capital assets".

Operating Revenues and Expenses

Operating revenues and expenses are those revenues that are generated directly from the primary activities of the proprietary fund and expenses incurred for the day-to-day operation. For the Authority, operating revenues are tenant rent charges, operating subsidy from HUD and other miscellaneous revenue.

Capital Contributions

This represents contributions made available by HUD with respect to all federally aided projects under an annual contribution contract.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less. The Authority places its temporary cash investments with high credit quality financial institutions. Amounts in excess of FDIC insurance limits are fully collateralized.

Unearned Revenues

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

Accounts Receivable

Management considers all accounts receivable (excluding the tenant accounts receivable) to be collected in full.

Prepaid Items

Payments made to vendors for services that will benefit beyond fiscal year-end are reported as prepaid items via the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expense is reported in the fiscal year in which services are consumed.

Compensated Absences

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

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

Budgetary Accounting

The Authority is required by contractual agreements to adopt annual operating budgets for all its HUD funded programs. The budget for its programs is prepared on a HUD basis, which is materially consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at fiscal year end. The Board of Commissioners adopts the budget through passage of a budget resolution.

Accounting and Reporting for Non-exchange Transactions

The Authority accounts for non-exchange transactions in accordance with Governmental Accounting Standards Board (GASB) Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions. Non-exchange transactions occur when the Authority receives (or gives) value without directly giving (or receiving) equal value in return.

In conformity with the requirements of GASB 33, the Authority has recognized grant funds expended for capitalizable capital assets acquired after September 30, 2000 as revenues and the related depreciation thereon, as expenses in the accompanying Statement of Revenues, Expenses and Changes in Net Position.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, and deferred outflows and inflows of resources and disclosure of contingent assets, liabilities, and deferred outflows and inflows of resources at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the Authority, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Note 6 and 7.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources are reported on the statement of net position for pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 6 and 7.

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

NOTE 2: DEPOSITS AND INVESTMENTS

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

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

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

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

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

At fiscal year-end September 30, 2021, the carrying amount of the Authority's deposits totaled $1,252,804 and its bank balance was $1,277,983. Based on the criteria described in GASB Statement No. 40, "Deposit and Investment Risk Disclosure," as of September 30, 2021, $673,709 was exposed to custodial risk as discussed below, while $604,274 was covered by the Federal Deposit Insurance Corporation. Of the carrying amount, $230 represents petty cash.

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits.

Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the Federal Reserve Banks or at member banks of the Federal Reserve System, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Authority.

NOTE 3: <u>RESTRICTED CASH</u>

Restricted cash as of September 30, 2021 represent money held that can only be used for specific purpose or money held on behalf of the tenants:

- Cash restricted for used for Housing Assistance Payments	$26,134
- FSS Escrow	29,105
- Unexpended HOME grant funds	6,360
- Tenant security deposit	31,410
Total Restricted Cash Balance	$93,009

NOTE 4: <u>RISK MANAGEMENT</u>

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending September 30, 2021 the Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

Settled claims have not exceeded this coverage in any of the last three fiscal years. There has been no significant reduction in coverage from fiscal last year.

NOTE 5*:* CAPITAL ASSETS

This is a summary of the changes in Capital Assets:

	Balance 9/30/2020	Rounding Adj.	Additions	Deletions	Balance 9/30/2021
Capital Assets Not Depreciated:					
Land	$257,875	$1	$0	$0	$257,876
Total Capital Assets Not Depreciated	**257,875**	**1**	**0**	**0**	**257,876**
Capital Assets Depreciated:					
Buildings and Improvements	13,041,135	(1)	253,212	0	13,294,346
Furniture, Machinery & Equipment	322,746	0	44,301	0	367,047
Total Capital Assets Being Depreciated	**13,363,881**	**(1)**	**297,513**	**0**	**13,661,393**
Accumulated Depreciation:					
Buildings and Improvements	(10,267,605)	(1)	(364,710)	0	(10,632,316)
Furniture, Machinery & Equipment	(248,527)	0	(15,002)	0	(263,529)
Total Accumulated Depreciation	**(10,516,132)**	**(1)**	**(379,712)**	**0**	**(10,895,845)**
Total Capital Assets Being Depreciated, Net	**2,847,749**	**(2)**	**(82,199)**	**0**	**2,765,548**
Total Capital Assets, Net	**$3,105,624**	**($1)**	**($82,199)**	**$0**	**$3,023,424**

NOTE 6: DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

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

OPERS provides retirement, disability, survivor and death benefits, and annual costs-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 OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (800) 222-7377.

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

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 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

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

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

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

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

	State and Local
2020-2021 Statutory Maximum Contribution Rates	
Employer	14.0%
Employee*	10.0%
2020-2021 Actual Contribution Rates	
Employer:	
Pension	14.0%
Post-employment Health Care Benefits	0.0%
Total Employer	14.0%
Employee	10.0%

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution was $49,263 for the fiscal year ended September 30, 2021. Of this amount $3,693 was included in the accrued wages and payroll taxes payable.

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

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

	Traditional Plan
Proportionate Share of Net Pension Liability	$362,200
Proportion of the Net Pension Liability	
- Prior Measurement Date	0.002524%
- Current Measurement Date	0.002446%
Change in Proportion from Prior Measurement date	0.000078%
Pension Expense	($65,703)

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

	Traditional Plan
Deferred Inflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$141,175
Difference between expected and actual experience	15,152
Change in proportionate share	18,189
Total Deferred Inflows of Resources	$174,516

	Traditional Plan
Deferred Outflows of Resources	
Contributions after measurement date	$35,649
Total Deferred Outflows of Resources	$35,649

Amount of $35,649 reported as deferred inflows of resources related to pension resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 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:

	Traditional Plan
Fiscal Year Ending September 30:	
2022	($73,824)
2023	(23,889)
2024	(57,549)
2025	(19,255)
Total	($174,517)

Actuarial Assumptions – PERS

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 was determined by an actuarial valuation as of 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:

Actuarial Information	Traditional Plan
Measurement and Valuation Date	December 31, 2020
Experience Study	5 year ended 12/31/15
Actuarial Cost Method	Individual entry age
Actuarial Assumptions:	
Investment Return	7.20%
Wage Inflation	3.25%
Projected salary increase	3.25%-10.75% (includes wage inflation at 3.25%)
Cost-of-living adjustments	Pre 1/7/2013 Retirees: 3.00% Simple Post 1/7/2013 Retirees: .50% Simple through 2021, then 2.15% Simple

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

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

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

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

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 statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease 6.2%	Current Discount rate 7.2%	1% Increase 8.2%
Authority's proporationate share of the net pension liability - Traditional Pension Plan	$690,897	$362,200	$88,888

NOTE 7 – DEFINED BENEFIT OPEB PLAN

Net OPEB liability/asset

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

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

Plan Description – OPERS

Health Care Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate plans: The traditional pension plan is a cost-sharing, multiple-employer defined benefit plan; The member-directed plan is a defined contribution plan; and the combined plan is a cost sharing, multiple-employer defined benefit plan with defined contribution features.

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' ACFR referenced below for additional information.

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

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

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

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

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. Authority's contractually required contribution was $0 for the fiscal year 2021.

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

The net OPEB liability/asset and total OPEB liability/asset 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 liability/asset was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	Health Care Plan
Proportionate Share of Net OPEB Liability (Asset)	($40,584)
Proportion of the Net OPEB Liability/Asset	
- Prior Measurement Date	0.002350%
- Current Meassurement Date	0.002278%
Change in Proportion from Prior Measurement date	-0.000072%
Pension Expense	($260,119)

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

	Health Care Plan
Deferred Inflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$21,617
Assumption Changes	65,759
Difference between expected and actual experience	36,628
Change in proportionate share	7,086
Total Deferred Inflows of Resources	$131,090
Deferred Outlows of Resources	
Assumption Changes	$19,953
Total Deferred Outflows of Resources	$19,953

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

	Health Care Plan
Fiscal Year Ending September 30:	
2022	($59,698)
2023	(39,497)
2024	(9,395)
2025	(2,547)
Total	($111,137)

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/asset 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:

Actuarial Information	
Actuarial Valuation Date	December 31, 2019
Rolled-Forward Measurement Date	December 31, 2020
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual entry age normal
Single Discount Rate:	
Current measurement date	6.00%
Prior measurement date	3.16%
Investment Rate of Return	6.00%
Municipal Bond Rate	2.00%
Wage Inflation	3.25%
Projected Salary Increase	3.25%-10.75% (includes wage inflation at 3.25%)
Health Care Cost Trend Rate	8.5% initial, 3.5% ultimate in 2035

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 10.50 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:

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%
REITs	7.00%	6.48%
International Equities	25.00%	7.36%
Other investments	9.00%	4.02%
Total	100.00%	4.43%

Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB liability/asset on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability/asset 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%	**Current Discount Rate 6%**	**1% Increase 7%**
Authority's proporationate share of the net OPEB liability (Asset)	($10,092)	($40,584)	($65,652)

Sensitivity of the Authority's Proportionate Share of the Net OPEB liability/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 liability/asset. The following table presents the net OPEB liability/asset calculated using the assumed trend rates, and the expected net OPEB liability/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 8.5 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	**Current Trend Rate**	**1% Increase**
Authority's proporationate share of the net OPEB liability (Asset)	($10,092)	($40,584)	($65,652)

NOTE 8: LONG-TERM DEBT

On December 8, 2014, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to improve the availability of housing for individuals with disabilities in Jackson County. The Authority purchased a property located at 1672 Salem Road Wellston, Ohio to be rented to individuals with disabilities. In return the Authority received $67,905 from the Ohio Department of Developmental Disabilities to be used for the purchase of the property. The $67,905 will not be repaid if the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to 15-year period. The outstanding balance as of September 30, 2021 is $40,743.

On August 24, 2015, the Authority signed a promissory note with Milton Banking Company in the amount of $29,300 to finance the renovation of the property located on 1672 Salem Road. The note matured on November 22, 2015 and bears a 2.750% interest rate. On December 9, 2015 the Authority entered into an agreement with that DD Board for a loan of $29,300 to cover the renovation costs at the 1672 Salem Road property and to pay-off the loan with Milton Bank. According to the Master Agreement signed with the DD Board the loan bears a 0% interest rate and is not paid back if the Authority is following the agreement. The loan balance is forgiven every year up to 15-year period. The outstanding balance as of September 30, 2021 is $19,535.

On November 12, 2015, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) to finance the purchase of the follow's properties:

-	Candlelight	$82,890
-	110 Florance	53,739
-	480 S Michigan	27,000
-	4 Vine	66,150
-	518 E Six Street	41,850
	Total Amount	$271,629

The $271,629 loan amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. This entire balance is forgiven every year up to 15-year period. The outstanding balance as of September 30, 2021 is $181,084.

On March 15, 2017, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to renovate the properties located on Candlelight and Florance. In return the Authority received $38,700 from the Ohio Department of Developmental Disabilities to be used for the renovations. The $38,700 will not be repaid if the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to 15-year period. The outstanding balance as of September 30, 2021 is $28,380.

On November 7, 2016, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to renovate the properties located on Vine Street, S Michigan and E Six Street. In return the Authority received $45,855 from the Ohio Department of Developmental Disabilities to be used for the renovations. The $45,855 will not be repaid if the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to 15-year period. The outstanding balance as of September 30, 2021 is $33,623.

On November 28, 2016, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to improve the availability of housing for individuals with disabilities in Jackson County. The Authority purchased a property located at 132 W 13th St to be rented to individuals with disabilities. In return the Authority received $52,515 from the Ohio Department of Developmental Disabilities to purchase the property. The $52,515 will not be repaid as long as the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to a 15-year period. The outstanding balance as of September 30, 2021 is $38,511.

On August 30, 2017, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to improve the availability of housing for individuals with disabilities in Jackson County. The Authority purchased a property located at 154 W 13th St to be rented to individuals with disabilities. In return the Authority received $85,500 from the Ohio Department of Developmental Disabilities to purchase the property. The $85,500 will not be repaid if the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to a 15-year period. The outstanding balance as of September 30, 2021 is $62,700.

On November 20, 2017, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to improve the availability of housing for individuals with disabilities in Jackson County. The Authority purchased a property located at 414 East Broadway St to be rented to individuals with disabilities. In return the Authority received $81,660 from the Ohio Department of Developmental Disabilities to purchase the property. The $81,660 will not be repaid as long as the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to a 15-year period. The outstanding balance as of September 30, 2021 is $61,245.

On March 14, 2018, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to improve the availability of housing for individuals with disabilities in Jackson County. The Authority purchased a property located at 23887 St RT 93 to be rented to individuals with disabilities. In return the Authority received $72,900 from the Ohio Department of Developmental Disabilities to purchase the property. The $72,900 will not be repaid as long as the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to a 15-year period. The outstanding balance as of September 30, 2021 is $55,890.

On April 10, 2018, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to renovate the property located at 132 West 13th Street. In return the Authority received $16,875 from the Ohio Department of Developmental Disabilities to be used for renovations. The $16,785 will not be repaid if the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to a 15-year period. The outstanding balance as of September 30, 2021 is $13,031.

On August 6, 2018, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to renovate the property located at 154 West 13th Street. In return the Authority received $26,540 from the Ohio Department of Developmental Disabilities to be used for renovations. The $26,540 will not be repaid if the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to a 15-year period. The outstanding balance as of September 30, 2021 is $20,938.

On January 7, 2019, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to renovate the property located at 414 E Broadway. In return the Authority received $27,775 from the Ohio Department of Developmental Disabilities to be used for renovations. The $27,775 will not be repaid if the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to a 15-year period. The outstanding balance as of September 30, 2021 is $22,682.

On February 8, 2019, Jackson Metropolitan Housing Authority entered into an agreement with Jackson County Board of Developmental Disabilities (DD Board) in order to renovate the property located at 23887 St. Rt. 93. In return the Authority received $25,835 from the Ohio Department of Developmental Disabilities to be used for renovations. The $25,835 will not be repaid if the Authority continues to comply with the Master Agreement signed and the balance is forgiven every year up to a 15-year period. The outstanding balance as of September 30, 2021 is $21,243.

The following is a summary of changes in long-term debt for the fiscal year ended September 30, 2021:

	Balance 9/30/2020	**Additions**	**Deletions**	**Balance 9/30/2021**	**Due within One Year**
Long-Term Payable:					
Ohio Depart of Develop Disabilities	$655,805	$0	($56,200)	$599,605	$56,200
Net Pension Liability	498,885	0	(136,685)	362,200	0
Net OPEB Liability	324,596	0	(324,596)	0	0
Total Liabilities	**$1,479,286**	**$0**	**($517,481)**	**$961,805**	**$56,200**

Debt maturities for the period after September 30, 2021 are as follows:

Years – September 30,	Principal
2022	$56,200
2023	56,200
2024	56,200
2025	56,200
2026	56,200
2027-2034	318,605
Total	$599,605

NOTE 9: COMPENSATED ABSENCES

Employees earn 2-5 weeks of annual vacation leave per calendar year, based on years of service. Annual leave may be taken after 1 year of employment. As of September 30, 2021, the compensated absences liability is $26,160.

The following is a summary of changes in compensated absence for the year ended September 30, 2021:

Description	Balance 09/30/20	Additions	Deletions	Balance 09/30/21	Due Within One Year
Compensated Absences	$39,443	$47,378	($60,661)	$26,160	$23,174

NOTE 10: CONTINGENCIES

Grants
Amounts grantor agencies pay to the Authority are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs or excess reserve balances. Management cannot presently determine amounts grantors may disallow or recapture. However, based on prior experience, management believes any such disallowed claims or recaptured amounts would not have a material adverse effect on the overall financial position of the Authority at September 30, 2021.

Litigations and Claims
In the normal course of operations, the PHA may be subject to litigation and claims. At September 30, 2021 the PHA was involved in such matters. While the outcome of these matters cannot presently be determined, management believes that their ultimate resolution will not have a material effect on the financial statements.

NOTE 11: COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuring emergency measures will impact subsequent periods of the Authority. The investments of the pension and other employee benefit plan in which the Authority participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Jackson Metropolitan Housing Authority
Required Supplementary Information
Schedule of Jackson Metropolitan Housing Authority
Proportionate Share of the Net Pension Liability Last
Ten Fiscal Years (2)

Traditional Plan	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.002446%	0.002524%	0.002611%	0.002769%	0.002955%	0.002604%	0.002777%	0.002777%
Authority's Proportionate Share of the Net Pension Liability	$362,200	$498,885	$715,100	$434,401	$671,029	$451,046	$334,937	$327,373
Authority's Covered Payroll	$344,540	$355,032	$353,295	$364,229	$359,851	$361,307	$330,150	$330,150
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.13%	140.52%	202.41%	119.27%	186.47%	124.84%	101.45%	99.17%
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%

(1) The amounts presented are as of the Authority plan measurement date, which is the prior calendar year.
(2) Information prior to 2014 is not available.

Jackson Metropolitan Housing Authority
Required Supplementary Information
Schedule of Jackson Metropolitan Housing Authority
Proportionate Share of the Net OPEB Liability (Asset)
For the Last Ten Fiscal Years (2)

	2021	**2020**	**2019**	**2018**	**2017**
Authority's Proportion of the Net OPEB Liability (Asset)	0.002278%	0.002350%	0.002431%	0.002590%	0.002764%
Authority's Proportionate Share of the Net OPEB Liability (Asset)	($40,584)	$324,596	$316,945	$281,255	$279,173
Authority's Covered Payroll	$344,540	$355,032	$353,295	$364,229	$359,851
Authority's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	(11.78%)	91.43%	89.71%	77.22%	77.58%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	115.57%	47.80%	46.33%	54.14%	68.52%

(1) The amounts presented is as of the Authority plan measurement date, which is the prior calendar year.
(2) Information prior to 2017 is not available.

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

	2021	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2013**	**2012**	**2011**
Contractually Required Contribution										
Pension	$49,263	$48,289	$49,206	$49,936	$45,794	$43,361	$39,618	$34,744	$42,839	$34,235
Contributions in Relation to the Contractually Required Contribution	$49,263	$48,289	$49,206	$49,936	$45,794	$43,361	$39,618	$34,744	$42,839	$34,235
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Authority's Covered-Employee Payroll	$351,878	$344,920	$351,478	$364,229	$359,851	$361,307	$330,150	$277,952	$372,837	$342,350
Contributions as a Percentage of Covered-Employee Payroll										
Pension	14.00%	14.00%	14.00%	13.71%	12.73%	12.00%	12.00%	12.50%	11.49%	10.00%

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

	2021	2020	2019	2018	2017	2016	2015	2013	2012	2011
Contractually Required Contribution										
Pension	$0	$0	$0	$1,056	$4,585	$7,223	$6,603	$4,169	$9,358	$13,694
Contributions in Relation to the Contractually Required Contribution	$0	$0	$0	$1,056	$4,585	$7,223	$6,603	$4,169	$9,358	$13,694
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Authority's Covered-Employee Payroll	$351,878	$344,920	$351,478	$364,229	$359,851	$361,307	$330,150	$277,952	$372,837	$342,350
Contributions as a Percentage of Covered-Employee Payroll										
Pension	0.00%	0.00%	0.00%	0.29%	1.27%	2.00%	2.00%	1.50%	2.51%	4.00%

Ohio Public Employees' Retirement System

Net Pension Liability

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

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/asset

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/asset 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/asset 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/asset 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/asset 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.

JACKSON METROPOLITAN HOUSING AUTHORITY
JACKSON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor / Pass Through Grantor Program Title	Pass-Through Number	Assistance Listing Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Direct Funding:			
Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	N/A	14.871	$ 863,247
COVID-19 - Housing Choice Vouchers	N/A	14.HCC	37,290
Mainstream Vouchers	N/A	14.879	488,089
COVID-19 - Mainstream Vouchers	N/A	14.MSC	7,886
Total Housing Voucher Cluster			1,396,512
Public and Indian Housing - Low Rent Public Housing	N/A	14.850	528,326
Public Housing Capital Fund	N/A	14.872	328,010
Family Self-Sufficiency Program	N/A	14.896	47,543
Passed through Jackson County:			
Home Investment Partnerships Program	N/A	14.239	59,810
Total Federal Award Expenditures			$ 2,360,201

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Jackson Metropolitan Housing Authority (the Authority) under programs of the federal government for the fiscal year ended September 30, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Jackson Metropolitan Housing Authority
Cost Certifications
September 30, 2021

Capital Fund Program Number:	**501-18**
1. The Program Costs are as follows:	
Funds Approved	$306,547
Funds Expended	306,547
Excess (Deficiency) of Funds Approved	**$ -**
Funds Disbursed	$306,547
Funds Expended	306,547
Excess (Deficiency) of Funds Disbursed	**$ -**
2. All Costs have been paid and there are no outstanding obligations	Yes
3. The Final Financial Status Report was signed and filed on:	6/1/21
4. The Final Costs on the Certification agree with the Authority's records	Yes

	Project Total	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
111 Cash - Unrestricted	$517,095	$0	$0	$263,294	$57,203	$0	$322,203	$0	$1,159,795	$0	$1,159,795
113 Cash - Other Restricted	$0	$0	$0	$0	$2,301	$6,360	$52,938	$0	$61,599	$0	$61,599
114 Cash - Tenant Security Deposits	$26,310	$0	$0	$5,100	$0	$0	$0	$0	$31,410	$0	$31,410
100 Total Cash	$543,405	$0	$0	$268,394	$59,504	$6,360	$375,141	$0	$1,252,804	$0	$1,252,804
124 Accounts Receivable - Other Government	$0	$0	$0	$0	$0	$0	$182	$0	$182	$0	$182
126 Accounts Receivable - Tenants	$2,034	$0	$0	$0	$0	$0	$0	$0	$2,034	$0	$2,034
126.1 Allowance for Doubtful Accounts - Tenants	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	$2,034	$0	$0	$0	$0	$0	$182	$0	$2,216	$0	$2,216
142 Prepaid Expenses and Other Assets	$6,345	$0	$0	$745	$0	$0	$1,160	$0	$8,250	$0	$8,250
150 Total Current Assets	$551,784	$0	$0	$269,139	$59,504	$6,360	$376,483	$0	$1,263,270	$0	$1,263,270
161 Land	$189,315	$0	$0	$68,561	$0	$0	$0	$0	$257,876	$0	$257,876
162 Buildings	$7,089,449	$0	$0	$630,909	$0	$0	$0	$0	$7,720,358	$0	$7,720,358
163 Furniture, Equipment & Machinery - Dwellings	$28,956	$0	$0	$1,017	$0	$0	$0	$0	$29,973	$0	$29,973
164 Furniture, Equipment & Machinery - Administration	$323,302	$0	$0	$2,562	$0	$0	$11,210	$0	$337,074	$0	$337,074
165 Leasehold Improvements	$5,349,115	$0	$0	$214,920	$7,886	$0	$2,067	$0	$5,573,988	$0	$5,573,988
166 Accumulated Depreciation	-$10,749,631	$0	$0	-$141,050	-$263	$0	-$4,901	$0	-$10,895,845	$0	-$10,895,845
160 Total Capital Assets, Net of Accumulated Depreciation	$2,230,506	$0	$0	$776,919	$7,623	$0	$8,376	$0	$3,023,424	$0	$3,023,424
174 Other Assets	$27,700	$0	$0	$5,649	$0	$0	$7,235	$0	$40,584	$0	$40,584

	Project Total	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
180 Total Non-Current Assets	$2,258,206	$0	$0	$782,568	$7,623	$0	$15,611	$0	$3,064,008	$0	$3,064,008
200 Deferred Outflow of Resources	$46,940	$0	$0	$1,375	$0	$0	$7,287	$0	$55,602	$0	$55,602
290 Total Assets and Deferred Outflow of Resources	$2,856,930	$0	$0	$1,053,082	$67,127	$6,360	$399,381	$0	$4,382,880	$0	$4,382,880
312 Accounts Payable <= 90 Days	$42,095	$0	$0	$339	$0	$0	$0	$0	$42,434	$0	$42,434
321 Accrued Wage/Payroll Taxes Payable	$17,771	$0	$0	$637	$0	$0	$1,283	$0	$19,691	$0	$19,691
322 Accrued Compensated Absences - Current Portion	$17,542	$0	$0	$2,237	$0	$0	$3,395	$0	$23,174	$0	$23,174
333 Accounts Payable - Other Government	$30,874	$0	$0	$0	$0	$0	$0	$0	$30,874	$0	$30,874
341 Tenant Security Deposits	$26,310	$0	$0	$5,100	$0	$0	$0	$0	$31,410	$0	$31,410
342 Unearned Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$0	$0	$0	$56,200	$0	$0	$0	$0	$56,200	$0	$56,200
346 Accrued Liabilities - Other	$28,163	$0	$0	$932	$0	$0	$2,031	$0	$31,126	$0	$31,126
310 Total Current Liabilities	$162,755	$0	$0	$65,445	$0	$0	$6,709	$0	$234,909	$0	$234,909
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$0	$0	$0	$543,405	$0	$0	$0	$0	$543,405	$0	$543,405
353 Non-current Liabilities - Other	$0	$0	$0	$0	$0	$6,360	$29,105	$0	$35,465	$0	$35,465
354 Accrued Compensated Absences - Non Current	$2,261	$0	$0	$288	$0	$0	$437	$0	$2,986	$0	$2,986
357 Accrued Pension and OPEB Liabilities	$289,588	$0	$0	$19,474	$0	$0	$53,138	$0	$362,200	$0	$362,200
350 Total Non-Current Liabilities	$291,849	$0	$0	$563,167	$0	$6,360	$82,680	$0	$944,056	$0	$944,056

Jackson Metropolitan Housing Authority

Financial Data Schedule

For the Fiscal Year Ended September 30, 2021

	Project Total	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
300 Total Liabilities	$454,604	$0	$0	$628,612	$0	$6,360	$89,389	$0	$1,178,965	$0	$1,178,965
400 Deferred Inflow of Resources	$216,416	$0	$0	$37,710	$0	$0	$51,480	$0	$305,606	$0	$305,606
508.4 Net Investment in Capital Assets	$2,230,506	$0	$0	$177,314	$7,623	$0	$8,376	$0	$2,423,819	$0	$2,423,819
511.4 Restricted Net Position	$0	$0	$0	$0	$2,301	$0	$23,833	$0	$26,134	$0	$26,134
512.4 Unrestricted Net Position	-$44,596	$0	$0	$209,446	$57,203	$0	$226,303	$0	$448,356	$0	$448,356
513 Total Equity - Net Assets / Position	$2,185,910	$0	$0	$386,760	$67,127	$0	$258,512	$0	$2,898,309	$0	$2,898,309
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$2,856,930	$0	$0	$1,053,082	$67,127	$6,360	$399,381	$0	$4,382,880	$0	$4,382,880
70300 Net Tenant Rental Revenue	$351,929	$0	$0	$66,998	$0	$0	$0	$0	$418,927	$0	$418,927
70500 Total Tenant Revenue	$351,929	$0	$0	$66,998	$0	$0	$0	$0	$418,927	$0	$418,927
70600 HUD PHA Operating Grants	$638,472	$7,886	$47,543	$0	$488,089	$0	$863,247	$37,290	$2,082,527	$0	$2,082,527
70610 Capital Grants	$217,864	$0	$0	$0	$0	$0	$0	$0	$217,864	$0	$217,864
70800 Other Government Grants	$0	$0	$0	$0	$0	$59,810	$0	$0	$59,810	$0	$59,810
71100 Investment Income - Unrestricted	$1,010	$0	$0	$266	$0	$0	$304	$0	$1,580	$0	$1,580
71400 Fraud Recovery	$0	$0	$0	$0	$0	$0	$1,200	$0	$1,200	$0	$1,200
71500 Other Revenue	$27,056	$0	$0	$76,287	$0	$0	$14,524	$0	$117,867	$0	$117,867
70000 Total Revenue	$1,236,331	$7,886	$47,543	$143,551	$488,089	$59,810	$879,275	$37,290	$2,899,775	$0	$2,899,775
91100 Administrative Salaries	$100,728	$0		$16,370	$1,034	$18,221	$1,914	$31,024	$169,291	$0	$169,291
91200 Auditing Fees	$5,117	$0	$0	$155	$739	$0	$1,368	$0	$7,379	$0	$7,379

	Project Total	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
91400 Advertising and Marketing	$897	$0	$0	$256	$121	$0	$224	$0	$1,498	$0	$1,498
91500 Employee Benefit contributions - Administrative	-$186,276	$0		-$20,361	$2,458	$0	-$45,084	$4,199	-$245,064	$0	-$245,064
91600 Office Expenses	$6,035	$0	$0	$2,288	$1,102	$0	$2,039	$0	$11,464	$0	$11,464
91700 Legal Expense	$2,948	$0	$0	$2,713	$0	$0	$0	$0	$5,661	$0	$5,661
91800 Travel	$800	$0	$0	$222	$142	$0	$264	$0	$1,428	$0	$1,428
91900 Other	$57,535	$0	$0	$12,697	$11,623	$0	$21,430	$0	$103,285	$0	$103,285
91000 Total Operating - Administrative	-$12,216	$0	$0	$14,340	$17,219	$18,221	-$17,845	$35,223	$54,942	$0	$54,942
92100 Tenant Services - Salaries	$0	$0	$32,500	$0	$0	$0	$0	$0	$32,500	$0	$32,500
92300 Employee Benefit Contributions - Tenant Services	$0	$0	$15,043	$0	$0	$0	$0	$0	$15,043	$0	$15,043
92400 Tenant Services - Other	$150	$0	$0	$0	$0	$0	$0	$0	$150	$0	$150
92500 Total Tenant Services	$150	$0	$47,543	$0	$0	$0	$0	$0	$47,693	$0	$47,693
93100 Water	$38,477	$0	$0	$69	$50	$0	$93	$0	$38,689	$0	$38,689
93200 Electricity	$83,907	$0	$0	$191	$148	$0	$275	$0	$84,521	$0	$84,521
93300 Gas	$33,427	$0	$0	$186	$135	$0	$251	$0	$33,999	$0	$33,999
93600 Sewer	$53,406	$0	$0	$91	$123	$0	$67	$0	$53,687	$0	$53,687
93000 Total Utilities	$209,217	$0	$0	$537	$456	$0	$686	$0	$210,896	$0	$210,896
94100 Ordinary Maintenance and Operations - Labor	$130,644	$0	$0	$15,440	$0	$0	$0	$0	$146,084	$0	$146,084
94200 Ordinary Maintenance and Operations - Materials and Other	$100,068	$0	$0	$6,882	$0	$0	$0	$0	$106,950	$0	$106,950
94300 Ordinary Maintenance and Operations Contracts	$128,521	$0	$0	$15,368	$0	$0	$0	$0	$143,889	$0	$143,889

Jackson Metropolitan Housing Authority

Financial Data Schedule

For the Fiscal Year Ended September 30, 2021

	Project Total	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
94500 Employee Benefit Contributions - Ordinary Maintenance	$33,272	$0	$0	$3,871	$0	$0	$0	$0	$37,143	$0	$37,143
94000 Total Maintenance	$392,505	$0	$0	$41,561	$0	$0	$0	$0	$434,066	$0	$434,066
96110 Property Insurance	$19,143	$0	$0	$2,704	$180	$0	$334	$0	$22,361	$0	$22,361
96120 Liability Insurance	$6,133	$0	$0	$124	$1,103	$0	$2,042	$0	$9,402	$0	$9,402
96130 Workmen's Compensation	$2,493	$0	$0	$450	$290	$0	$537	$0	$3,770	$0	$3,770
96100 Total insurance Premiums	$27,769	$0	$0	$3,278	$1,573	$0	$2,913	$0	$35,533	$0	$35,533
96200 Other General Expenses	$0	$0	$0	$1,900	$0	$0	$0	$0	$1,900	$0	$1,900
96210 Compensated Absences	$37,962	$0	$0	$5,449	$0	$0	$3,967	$0	$47,378	$0	$47,378
96300 Payments in Lieu of Taxes	$14,371	$0	$0	$0	$0	$0	$0	$0	$14,371	$0	$14,371
96400 Bad debt - Tenant Rents	$13,666	$0	$0	$0	$0	$0	$0	$0	$13,666	$0	$13,666
96000 Total Other General Expenses	$65,999	$0	$0	$7,349	$0	$0	$3,967	$0	$77,315	$0	$77,315
96900 Total Operating Expenses	$683,424	$0	$47,543	$67,065	$19,248	$18,221	-$10,279	$35,223	$860,445	$0	$860,445
97000 Excess of Operating Revenue over Operating Expenses	$552,907	$7,886	$0	$76,486	$468,841	$41,589	$889,554	$2,067	$2,039,330	$0	$2,039,330
97300 Housing Assistance Payments	$0	$0	$0	$0	$427,592	$41,589	$747,555	$0	$1,216,736	$0	$1,216,736
97350 HAP Portability-In	$0	$0	$0	$0	$0	$0	$1,589	$0	$1,589	$0	$1,589
97400 Depreciation Expense	$346,639	$0	$0	$30,653	$263	$0	$2,157	$0	$379,712	$0	$379,712
90000 Total Expenses	$1,030,063	$0	$47,543	$97,718	$447,103	$59,810	$741,022	$35,223	$2,458,482	$0	$2,458,482

Jackson Metropolitan Housing Authority

Financial Data Schedule

For the Fiscal Year Ended September 30, 2021

	Project Total	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
10010 Operating Transfer In	$109,964	$0	$0	$0	$0	$0	$0	$0	$109,964	-$109,964	$0
10020 Operating transfer Out	-$109,964	$0	$0	$0	$0	$0	$0	$0	-$109,964	$109,964	$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$206,268	$7,886	$0	$45,833	$40,986	$0	$138,253	$2,067	$441,293	$0	$441,293
11020 Required Annual Debt Principal Payments	$0	$0	$0	$56,200	$0	$0	$0	$0	$56,200	$0	$56,200
11030 Beginning Equity	$1,979,642	$0	$0	$340,927	$18,255	$0	$118,192	$0	$2,457,016	$0	$2,457,016
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$0	-$7,886	$0	$0	$7,886	$0	$2,067	-$2,067	$0	$0	$0
11170 Administrative Fee Equity	$0	$0	$0	$0	$0	$0	$234,679	$0	$234,679	$0	$234,679
11180 Housing Assistance Payments Equity	$0	$0	$0	$0	$0	$0	$23,833	$0	$23,833	$0	$23,833
11190 Unit Months Available	1,980	0	0	120	1,320	0	2,496	0	5,916	0	5,916
11210 Number of Unit Months Leased	1,894	0	0	120	1,175	0	2,175	0	5,364	0	5,364
11650 Leasehold Improvements Purchases	$217,864	$0	$0	$0	$0	$0	$0	$0	$217,864	$0	$217,864

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

Jackson Metropolitan Housing Authority
Jackson County
249 W. 13th Street
Wellston, Ohio 45692

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Jackson Metropolitan Housing Authority, Jackson County, (the Authority) as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated March 11, 2022, wherein we noted the Authority considered the financial impact of COVID-19 as disclosed in Note 11.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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

Wilson, Shannon & Snow, Inc.

Newark, Ohio
March 11, 2022

WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

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

Jackson Metropolitan Housing Authority
Jackson County
249 W. 13th Street
Wellston, Ohio 45692

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

We have audited the Jackson Metropolitan Housing Authority's (the Authority) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Jackson Metropolitan Housing Authority's major federal program for the fiscal year ended September 30, 2021. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Authority's major federal program.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the Jackson Metropolitan Housing Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the fiscal year ended September 30, 2021.

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

Report on Internal Control Over Compliance

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

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

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

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

Wilson, Shannon & Snow, Inc.

Newark, Ohio
March 11, 2022

JACKSON METROPOLITAN HOUSING AUTHROITY
JACKSONCOUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
SEPTEMBER 30, 2021

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

OHIO AUDITOR OF STATE
KEITH FABER

JACKSON METROPOLITAN HOUSING AUTHORITY

JACKSON 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 4/19/2022

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