OHIO AUDITOR OF STATE
KEITH FABER

SPRINGFIELD METROPOLITAN HOUSING AUTHORITY
CLARK COUNTY
SEPTEMBER 30, 2021

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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Springfield Metropolitan Housing Authority
Clark County
101 W. High Street
Springfield, Ohio 45502

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the Springfield Metropolitan Housing Authority, Clark 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 did not audit the financial statements of Lincoln Park Housing Partnership LP, Lincoln Park Housing Partnership II LP, and Lincoln Park Housing Partnership III LP which represent 51 percent, 31 percent, and 5 percent, respectively, of the assets, net position, and revenues of the Authority. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for Lincoln Park Housing Partnership LP, Lincoln Park Housing Partnership II LP, and Lincoln Park Housing Partnership III LP, is based solely on the report of other auditors. 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. The other auditors audited the financial statements of Lincoln Park Housing Partnership LP, Lincoln Park Housing Partnership II LP, and Lincoln Park Housing Partnership III LP in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards.*

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 the overall financial statement presentation.

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

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the Springfield Metropolitan Housing Authority, as of September 30, 2021, and the change in financial position and cash flows, thereof for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

The Financial Data Schedules present additional analysis and are not a required part of the basic financial statements.

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

The schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures 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 June 24, 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.

Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2022

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As management of the Springfield Metropolitan Housing Authority (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Overview of the Financial Statements
The financial statements provide information about the Authority's overall financial position and results of operations, including those of the blended component units. These statements, which are presented on the accrual basis, consist of the Statement of Net Position, the Statement of Revenues, Expenses and Change in Net Position and the Statement of Cash Flows. The basic financial statements also include a "Notes to the Financial Statements" section that provides additional information that is essential to a full understanding of the data provided in the statements.

The financial statements report information about the Authority as a whole using accounting methods similar to those used by private sector business.

The *Statement of Net Position* presents information on all of the Authority's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as Net Position. Net Position is reported in three broad categories (as applicable):

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 borrowing that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position: This component of Net Position consists of restricted assets which have constraints placed on them by grantors, contributors, laws, regulations, etc.

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

The *Statement of Revenues, Expenses and Change in Net Position* include all of the revenue and expenses of the Authority regardless of when the cash is received or paid.

The *Statement of Cash Flows* discloses net cash provided by or used in operating activities, investing activities and capital and related financing activities.

The Authority administers several programs that are consolidated into a single proprietary type enterprise fund.

Significant programs consist of the following:

Public and Indian Housing – Under the conventional Public Housing Program, the Authority rents units it owns for low-income households. This program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides Operating Subsidies to enable the PHA to provide the housing at a rent that is based upon 30 percent of adjusted gross household income.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, low-income tenant lease housing units directly from private landlords rather than from the Authority. Through Annual Contribution Contract (ACC) with HUD, the Authority receives funding to subsidize the rent of low-income families in the private market. The Authority earns a fixed percentage administrative fee from HUD to cover the program's operating costs.

Capital Fund Program (CFP) – The Capital Fund Program provides funding to improve the physical conditions and upgraded management of operations to ensure that properties continue to be available to service low-income families. CFP funding is based on a formula allocation that takes into consideration the size and age of the Authority's housing stock. This program replaced the Comprehensive Grant Program in fiscal year 2000.

Mainstream Vouchers – The Mainstream Vouchers Program provides subsidies (Housing Assistance Payments) on behalf of persons with disabilities (elderly and non-elderly) to participating owners.

Revitalization of Severely Distressed Public Housing (HOPE VI) – The HOPE VI demolition program supports site acquisition, demolition, and relocation cost for the HOPE VI revitalization program. Under this program, residents of identified neighborhood are relocated to other Public Housing and Housing Choice Voucher units. Vacated public housing units are then demolished in preparation for the development under the HOPE VI revitalization program. This program seeks to rebuild public housing neighborhood through various financing and construction development agreements.

Component Units – Lincoln Park Housing Partnership LP owns and operates 40 units of low-income housing tax credit apartments at Lincoln Park in Springfield, Ohio. Lincoln Park Housing Partnership II LP owns and operates 68 units of low-income housing tax credit apartments at Lincoln Park in Springfield, Ohio. Lincoln Park Housing Partnership III LP owns and operates 24 units of low-income housing tax credit housing at Lincoln Park in Springfield, Ohio. The component units have fiscal year-ends of December 31, 2020.

FINANCIAL HIGHLIGHTS

During the fiscal year ending September 30, 2021:

- Total assets and current assets changed only modestly with total assets decreasing $252,530 (less than 1%) and current assets increasing $276,811 (a little more than 5%).
- Total liabilities decreased $2,275,553 (almost 39%), of which $2,259,386 was the decrease in noncurrent liabilities. The reduction was almost all due to the drop in Net Pension Liability and Net OPEB Liability.
- Total revenues increased by $879,730 (8%). The increase is primarily due to the increase in Capital Grant Revenue.
- Total expenses decreased by $2,200,913 (almost 17%). The decrease was mostly due to the change in pension and OPEB expense which was negative $1,223,170 in fiscal year-end 2021. Pension expense is what is affected by changes in balances reported according to GASB 68 and GASB 75, to include Net Pension Liability and Net OPEB Liability/Asset. The large reduction in those noncurrent liabilities is reflected in this change in pension expense.
- In March 2020, the United States and the State of Ohio declared a state of emergency due to the COVID-19 pandemic. HUD awarded the Authority CARES funding to help the Authority address the Authority's needs related to preparing for, preventing, and responding to the coronavirus. The Authority spent $205,633 of CARES funding in the fiscal year-ended 9/30/2021.

Notes to the Financial Statements

The notes to the basic financial statement provide additional information essential to a full understanding of the data provided in the basic financial statement.

Financial Analysis of the Authority –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:

	2021	2020	Increase / (Decrease)
Current Assets	$ 5,259,486	$ 4,982,675	$ 276,811
Noncurrent Assets	25,343,463	25,872,804	(529,341)
Deferred Outflows of Resources	283,654	659,992	(376,338)
Total Assets and Deferred Outflows of Resources	$ 30,886,603	$ 31,515,471	$ (628,868)
Current Liabilities	$ 1,062,682	$ 1,078,849	$ (16,167)
Noncurrent Liabilities	2,579,069	4,838,455	(2,259,386)
Deferred Inflows of Resources	1,398,584	679,045	719,539
Total Liabilities and Deferred Inflows of Resources	5,040,335	6,596,349	(1,556,014)
Net Position:			
Net Investment in Capital Assets	23,998,937	24,644,040	(645,103)
Restricted Net Position	991,293	1,073,365	(82,072)
Unrestricted Net Position	856,038	(798,283)	1,654,321
Total Net Position	25,846,268	24,919,122	927,146
Total Liabilities, Deferred Inflows and Net Position	$ 30,886,603	$ 31,515,471	$ (628,868)

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

The largest portion of the Authority's Net Position (93 percent) reflects its investments in capital assets. The Authority uses these capital assets (land, buildings and improvements, furniture equipment and machinery) to provide housing services to residents and is not readily available for future spending. The unrestricted net position of the Authority is available for future use to provide program services.

In accordance with GASB 68 and GASB 75, the Housing Authority's statements prepared on an accrual basis of accounting include an annual pension and OPEB expense for their proportionate share of each plan's *change* in net pension / OPEB liability (asset) not accounted for as deferred inflows/outflows and is reporting a net pension / OPEB liability (asset) and deferred inflows/outflows of resources related to pension / OPEB on the actual basis of accounting.

The net pension liability (NPL) is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27", and other post-employment benefit (OPEB) liability is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Authority's actual financial condition by adding deferred inflows related to pension and OPEB and the net pension liability and the net OPEB liability to the reported net position, and subtracting deferred outflows related to pension and OPEB and the net pension and net OPEB assets.

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

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

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service

2. Minus plan assets available to pay these benefits

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

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

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

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

Statement of Revenues, Expenses and Change in Net Position

The Statement of Revenues, Expense and Change in the Net Position present the operating results of the Authority, as well as the non-operating revenues and expenses. Condensed information from the Authority's Statement of Revenues, Expenses and Changes in Net Position follows:

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	2021	2020	Increase / (Decrease)
Revenues			
Total Tenant Revenue	$ 2,108,598	$ 2,241,884	$ (133,286)
Government operating grants	7,964,422	8,197,327	(232,905)
Capital Grant Revenue	1,341,219	217,895	1,123,324
Interest Income	49,723	20,136	29,587
Other Revenue	445,337	352,327	93,010
Total Revenues	**11,909,299**	**11,029,569**	**879,730**
Expenses			
Administrative	883,974	2,445,170	(1,561,196)
Tenant Services	317,804	233,646	84,158
Utilities	1,137,838	1,057,076	80,762
Maintenance	1,386,611	1,755,631	(369,020)
Protective Services	60,462	63,940	(3,478)
General and Insurance	749,882	648,542	101,340
Housing Assistance Payments	4,203,006	4,713,775	(510,769)
Interest and Fiscal Charges	71,689	31,643	40,046
Depreciation	2,170,887	2,233,643	(62,756)
Total Expenses	**10,982,153**	**13,183,066**	**(2,200,913)**
Net Increases (Decreases)	927,146	(2,153,497)	3,080,643
Beginning Net Position	24,919,122	27,072,619	(2,153,497)
Ending Net Position	**$ 25,846,268**	**$ 24,919,122**	**$ 927,146**

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Capital Assets

The following reconciliation summarizes the changes in capital assets:

		2021		2020
Land	$	2,304,636	$	2,304,636
Building and Improvements & Construction in Progress		58,666,979		57,256,829
Right to Use - Leased Assets		199,420		241,355
Furniture, Equipment, and Machinery		2,551,539		2,544,279
Accumulated Depreciation		(38,642,243)		(36,608,246)
Total	$	25,080,331	$	25,738,853
Beginning Balance - September 30, 2020			$	25,738,853
Current year additions				1,512,365
Current year depreciation expense				(2,170,887)
Ending Balance - September 30, 2021			$	25,080,331

Debt Outstanding

The Authority has $1,000,000 debt plus $136,178 of accrued interest payable outstanding at September 30, 2021, which represents amounts borrowed from the City of Springfield under the HOME Investment Partnership Program. The proceeds from the long-term note were used to make HOME loans to two of the component units. The balance of the debt belongs to the component units. Below is the change during the current fiscal year:

		SMHA		Component Unit		Total Combined
Beginning Balance - Debt plus Interest Payable	$	1,124,930	$	7,175,499	$	8,300,429
Current Year Accrued Interest Payable		11,248		47,461		58,709
Ending Balance	$	1,136,178	$	7,222,960	$	8,359,138

Economic Factors and Planned Events

Significant economic factors affecting the Authority are as follows:

- ✓ Federal funding is at the discretion of the U.S. Department of Housing and Urban Development (HUD) and the Authority received a funding proration of 96.74% for low income public housing for calendar year 2021.

- ✓ The Authority is facing dropping lease up rates for its programs. Releasing time frame was affected by time needed to ready units for re-renting due to level of damage to units, the impact of COVID-19 on potential renters and Authority staffing level.
- ✓ Globally, in March of 2020, a pandemic of a respiratory disease (COVID-19) caused by a novel coronavirus (SARS-COV-2), spread dramatically all over the world, causing death and disease, continues to impact all of us through all of 2021. HUD provided Housing Authorities CARES Act funding to help PHAs in this period to prepare for, prevent, and respond to the virus. In the fiscal period ended September 30, 2021, the Authority expended $205,633 of the CARES funding. The Authority has CARES funding of $346,379 yet to be expended as of September 30, 2021. All remaining CARES funds must be expended by the Authority by December 31, 2021.

Contact Information

Questions concerning any of the information provided in this report, or requests for additional information should be addressed to: Michelle Lee-Hall, Executive Director, Springfield Metropolitan Housing Authority, 101 West High Street, Springfield, Ohio 45502, or call (937) 325-7331, extension 202.

Springfield Metropolitan Housing Authority
Statement of Net Position
September 30, 2021

ASSETS	
Current assets	
Cash and cash equivalents	$ 3,334,065
Restricted cash and cash equivalents	1,347,847
Receivables, net of allowance	430,079
Inventory, net of allowance	56,970
Prepaid expenses and other assets	90,525
Total current assets	**5,259,486**
Noncurrent assets	
Capital assets, not depreciated	3,541,946
Capital assets, being depreciated, net of depreciation	21,538,385
Net pension asset	18,789
Net OPEB Asset	167,522
Other assets	76,821
Total noncurrent assets	**25,343,463**
TOTAL ASSETS	***30,602,949***
DEFERRED OUTFLOWS OF RESOURCES	
Pension	183,973
OPEB	99,681
TOTAL DEFERRED OUTFLOWS OF RESOURCES	***283,654***
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	***$ 30,886,603***

See accompanying notes to the financial statements.

Continued

Springfield Metropolitan Housing Authority
Statement of Net Position
September 30, 2021

LIABILITIES		
Current liabilities		
Accounts payable	$	258,637
Accrued liabilities		227,008
Tenant security deposits		75,225
Unearned Revenue		300,825
Other Current Liability		128,043
Lease Payable		72,944
Total current liabilities		***1,062,682***
Noncurrent liabilities		
Notes and loans payable		1,000,000
Accrued compensated absences non-current		84,497
Lease Payable		8,450
Net pension liability payable		1,464,938
Noncurrent liabilities - other		21,184
Total noncurrent liabilities		***2,579,069***
TOTAL LIABILITIES		***3,641,751***
DEFERRED INFLOWS OF RESOURCES		
Pension		782,338
OPEB		616,246
TOTAL DEFERRED INFLOWS OF RESOURCES		***1,398,584***
NET POSITION		
Net investment in capital assets		23,998,937
Restricted net position		991,293
Unrestricted net position		856,038
Total net position		**25,846,268**
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	***$***	***30,886,603***

See accompanying notes to the financial statements.

Springfield Metropolitan Housing Authority
Statement of Revenues, Expenses and Change in Net Position
For the Fiscal Year Ended September 30, 2021

OPERATING REVENUES		
Tenant revenue	$	2,108,598
Government operating grants		7,964,422
Other revenue		445,337
Total operating revenues		**10,518,357**
OPERATING EXPENSES		
Administrative		883,974
Tenant services		317,804
Utilities		1,137,838
Maintenance		1,386,611
Protective services		60,462
General and Insurance		749,882
Housing assistance payment		4,203,006
Depreciation		2,170,887
Total operating expenses		***10,910,464***
Operating Loss		**(392,107)**
NONOPERATING REVENUES (EXPENSES)		
Capital grant revenue		1,341,219
Interest income		49,723
Interest and Fiscal Charges		(71,689)
Total nonoperating revenues (expenses)		1,319,253
Change in net position		927,146
Beginning net position		24,919,122
Total net position - ending	$	25,846,268

See accompanying notes to the financial statements.

Springfield Metropolitan Housing Authority
Statement of Cash Flows
For the Fiscal Year Ended September 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES		
Operating grants received	$	7,865,290
Tenant revenue received		2,067,051
Other revenue received		400,041
General and administrative expenses paid		(5,779,956)
Housing assistance payments		(4,229,912)
Net cash provided by operating activities		**322,514**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned		49,316
Net cash provided by investing activities		**49,316**
CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES		
Capital Grant Funds Received		1,341,219
Interest and fiscal charges		(60,441)
Property and equipment acquisitions		(1,512,365)
Proceeds from Leasing Activities		90,000
Principal Paid on Lease Liability		(103,419)
Net cash used by capital and related activities		**(245,006)**
Net increase in cash		126,824
Cash and cash equivalents - Beginning of year		4,555,088
Cash and cash equivalents - End of year	**$**	**4,681,912**
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Loss	$	(392,107)
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities		
- Depreciation		2,170,887
- (Increases) Decreases in Accounts Receivable		(167,226)
- (Increases) Decreases in Prepaid Assets		22,792
- (Increases) Decreases in Inventory		20,831
- (Increases) Decreases in Pension and OPEB Asset		(155,158)
- (Increases) Decreases in Deferred Outflows		376,338
- Increases (Decreases) in Accounts Payable		(51,156)
- Increases (Decreases) in Accrued Liabilities		(10,486)
- Increases (Decreases) in Other Current Liabilities		6,346
- Increases (Decreases) in Tenant Security Deposits		(11,297)
- Increases (Decreases) in Unearned Revenue		(7,452)
- Increases (Decreases) in Pension and OPEB Liability		(2,163,889)
- Increases (Decreases) in Accrued Compensated Absences		(8,542)
- Increases (Decreases) in Deferred Inflows		719,539
- Increases (Decreases) in Noncurrent Liabilities - Other		(26,906)
Net cash provided by operating activities	**$**	**322,514**

See accompanying notes to the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Springfield 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 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 GASB Statement 14, the Financial Reporting Entity, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34" and GASB 90, "Majority Equity Interests", 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 is fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. 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 or, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Blended component units are separate legal entities that meet the component unit criteria above and whose governing body is the same or substantially the same as the Board of Commissioners of the Authority or the component unit provides services entirely to the Authority. These component units are blended into those of the Authority by appropriate activity type to compose the primary government presentation.

These financial statements present the Authority and its blended component units, entities for which the Authority is considered to be financially accountable and which serve as the Authority's instruments to enhance its purpose to build and maintain affordable housing to low- and moderate-income families. All inter-entity balances and transactions are eliminated in the blending of financial statements.

Basis of Presentation
All activities of the Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operation that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and services to the general public on continuing basis be financed or recovered primarily though user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management a control, accountability, or other purposes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are rents collected from tenants and subsidies provided by federal agencies. The Authority also recognized as operating revenue and expenses the portion of interest on bonds and notes related to housing developments of the Authority and its partnerships. Operating expenses include the cost of services, administrative expenses, depreciation on capital assets and amortization of bond discounts. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statement of net assets. Net position (i.e., total assets and deferred outflows net of total liabilities and deferred inflows) are segregated into net investment in capital assets, restricted and unrestricted components.

Fund Accounting
The Authority maintains its accounting its accounting records in accordance with the principles of fund accounting. Fund accounting is designed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in self-balancing groups of accounts and accounting entities that are separate from the activities reported in other funds.

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

Proprietary Fund Type
Proprietary funds are used to account for the Authority's ongoing activities which are similar to 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 and 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.

A summary of each of the Authority's programs is provided below:

Public Housing – The Public Housing Program includes 789 units of which the Authority owns, operates and maintains 657 units. The remaining 132 units are part of the Authority's Blended Component Units. The properties were acquired through bonds and notes guaranteed by HUD and through grants, subject to the terms of an Annual Contributions Contract with HUD. Revenues consist primarily of rents and other fees collected from tenants, an Operating Subsidy from HUD, and Capital funds provided by HUD which are used to maintain and improve the Public Housing stocks and properties. Substantially all additions to land, structures and equipment of Public Housing are accomplished through these modernization grant funds.

Housing Choice Vouchers – Section 8 of the Housing and Community Development Act of 1974, provide subsidies (Housing Assistance Payments) on behalf of lower-income families 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. For existing housing, and in some cases for new construction and substantial rehabilitation, HUD contracts with the Authority to enter into contracts with owners to make assistance payments for the difference between the approved contract rent and the actual rent paid by lower-income families.

Project-based Vouchers – Project-based vouchers are a component of a public housing agencies (PHAs) housing choice voucher program. The Authority has 34 PBV units under the tenant-based housing choice voucher program, the PHA issues an eligible family a voucher and the family selects a unit of its choice. If the family moves out of the unit, the contract with the owner ends and the family can move with continued assistance to another unit. Under the project-based voucher program, a PHA enters into an assistance contract with the owner for specified units and for a specified term. The PHA refers families from its waiting list to the project owner to fill vacancies. Because the assistance is tied to the unit, a family who moves from the project-based unit does not have any right to continued housing assistance. However, they may be eligible for a tenant-based voucher when one becomes available.

Mainstream Vouchers – Mainstream vouchers program provides subsidies (Housing Assistance Payments) on behalf of 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.

Revitalization of Severely Distressed Public Housing (HOPE VI) – The HOPE VI demolition program supports site acquisition, demolition, and relocation costs for the HOPE VI revitalization program. Under this program, residents of identified neighborhoods are relocated to other Public Housing and Section 8 Voucher units. Vacated public housing units are then demolished in preparation for the development under the HOPE VI revitalization program. This program seeks to rebuild housing neighborhoods through mixed financing, including construction and construction development agreements.

Central Office Cost Center – The operating fund rule provides for a public housing authority to establish a central office cost center to account for non-project and non-federal program specific costs. The Authority's central office cost center is a cluster of activities that indirectly or directly support a project or program, but are not under direct control of a project or program manager. The costs for these activities are supported by management fees approved by HUD.

Component Units – These projects at Lincoln Park were formed as a limited partnership under the laws of the State of Ohio, developed and constructed to operate an affordable housing project with mixed financing partnership. Each project has been allocated to low-income housing tax credits pursuant to Section 42, which regulates the use of the project as to occupant eligibility and unit gross rent, among other requirements. Each project must meet the provisions of these regulations during each of the 15 consecutive years through 2022 in order to continue to qualify to receive the tax credits.

Business Activities – These non-HUD resources were developed from a variety of activities. The Authority owned 32 units (Woodford Apartments) managed under lease agreements with Interfaith Hospitality Network (IHN).

Community & Social Services – These are grants funded under ROSS towards family self-sufficiency for residents as well as Project Choice for drug and alcohol prevention programs to youth and children residing in the Housing Authority projects.

Measurement Focus/Basis of Accounting
The propriety funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred. Pursuant to GASB Statement No. 20 *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting,* the Authority follows GASB guidance as applicable to proprietary funds.

Capital Assets

Capital assets over the Authority's capitalization threshold of $5,000 are recorded at cost and depreciated using the straight-line conventional method over an estimated useful life of the assets. The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend the asset life, are not capitalized. The following are the useful lives used for depreciation purposes:

Buildings – residential	27.5	Buildings – non- residential	40
Building improvements	15	Furniture – dwelling	7
Furniture – non-dwelling	7	Equipment – dwelling	5
Equipment – non-dwelling	7	Autos and trucks	5
Computer hardware	3	Computer software	3
Leasehold improvements	15	Land Improvements	15

Intangible right-to-use leased assets are depreciated over the period of the useful life of the asset or the term of the lease, whichever is shorter.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

Compensated Absences

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

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

The compensated absences are expensed when earned with the amount reported as a liability.

Budgetary Accounting

The Authority is not required to follow the budgetary requirements of the Ohio Revised Code; however, the Authority annually prepares its budget as prescribed by the Department of Housing and Urban Development (HUD). This budget is approved by the Board of the Authority and submitted to HUD.

Estimates

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

Pension / Other Postemployment Benefits (OPEB)

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

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

Net Position
Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources, and liabilities.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings that have been used for the acquisition, construction or improvement of those assets.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Receivables – net of allowance
Bad debts are provided on the allowance method based on management evaluation of the collectability of outstanding receivable balances at the end of the year. The allowances for uncollectible tenant receivables were $86,632 and for Housing Choice Voucher Program fraud recovery was $76,458. Total accounts receivable net of allowance was $430,079 at September 30, 2021.

Inventory
Inventory consists of supplies and maintenance parts carried at cost and are expensed as they are consumed. The allowance for obsolete inventory was $13,733 at September 30, 2021.

Accounting and Reporting for Nonexchange Transactions
Nonexchange transactions occur when the Authority receives (or gives) value without directly giving equal value in return. GASB 33 identifies four classes of nonexchange transactions as follows:

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

Public Housing Authority (PHA) grants and subsidies will be defined as government-mandated or voluntary nonexchange transactions.

GASB 33 establishes two distinct standards depending upon the kind of stipulation imposed by the provider.

- Time requirements specify (a) the period when resources are required to be used or when use may begin (for example, operating or capital grants for a specified period) or (b) that the resources are required to be maintained intact in perpetuity or unit a specified date or event has occurred (for example, permanent endowments, term endowments, and similar agreements). Time requirement affect the timing or recognition or nonexchange transactions.

- Purpose restrictions specify the purpose for which resources are required to be used. (i.e., capital grants used for the purchase of capital assets). Purpose restrictions do not affect when a nonexchange transaction is recognized. However, PHAs that receive resources with purpose restrictions should report resulting net position as restricted.

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

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

The PHA receives government-mandated or voluntary nonexchange transactions, which do not specify time requirements. Upon award, the entire subsidy should be recognized as a receivable and revenue in the period when applicable eligibility requirements have been met.

2. CASH AND CASH EQUIVALENTS:

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

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

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

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

1. United States Treasury bills notes, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of the settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

5. Time certificates of deposit or savings or deposit accounts including but not limited to, passbook accounts;

6. No-load money market mutual funds consisting exclusively of obligations described in items 1 and 2 above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

7. The State Treasurer's investment pool (STAR Ohio); and

8. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 and 270 days, respectively, from the purchase date in an amount not to exceed 40 percent of the interim monies available for investment at any one time; if training requirements are met.

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 designated of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts.

Protection of Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or the Ohio Pooled Collateral System (OPCS).

Deposits – As of September 30, 2021, the carrying amount of the Authority's deposits totaled $3,963,537 and its bank balances were $4,006,147. Based on the criteria described in GASB Statement No. 40, "Deposit and Investment Risk Disclosure," as of September 30, 2021, $3,629,193 was exposed to custodial credit risk as discussed below, as $376,954 was covered by the Federal Depository Insurance Corporation. In addition to the Authority's total deposits of $3,963,537, the financial statements include $718,375 of cash balance for its component units.

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. All money market 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 as the Federal Reserve Banks or at member banks of the federal 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.

Interest rate risk is the risk of fair value losses arising from rising interest rates. The Ohio Revised Code generally limits investment to those having maturities within five years or less. The Authority has no limits on the amount the Authority may invest with one issuer.

Blended Component Units – At December 31, 2020, each component unit maintains cash accounts at a single financial institution, respectively, where balances at times may exceed the $250,000 insured limit. The component units also have escrows and reserves held by the mortgage lender, and the balances may exceed $250,000. The total carrying value of cash for the component units was $718,375.

Restricted Cash – Restricted cash consists of:

Security Deposits	$	75,991
Unspent CARES Funding provided by HUD		230,454
Family Self-Sufficiency Escrows		41,795
Component Unit Reserve Accounts		698,493
Unspent HAP Funding Advanced to the Authority		292,800
Unspent Ross Grant Funding		8,314
	$	1,347,847

3. NOTES RECEIVABLE

HOPE VI Loan – Lincoln Park Phase 1A
The Authority executed a HOPE VI Loan Agreement in the amount of $583,529 with Lincoln Park Housing Partnership LP for the development of 40 rental units (Phase IA) on March 22, 2007. The term of the loan promissory note began March 22, 2007 and continues until fifty (50 years from the first day of the month following the Substantial Completion Date as defined in the loan agreement. Each advance under the note bears interest during its term at the rate of 2% per annum, compounded annually. The loan is secured by an Open-End Leasehold Mortgage and Security Agreement between Lincoln Park Housing Partnership LP (mortgagor) and the Authority (mortgagee). As a condition to providing funding for the loan, the Authority received the required Completion and Development Deficiency Guarantee from Penrose, Penrose GP LLC, of Lincoln Park Housing Partnership LP. Accrued interest receivable on this loan was $190,222 at September 30, 2021.

The Authority executed an additional promissory note with the partnership in December 2008. The total loan amount the Authority agreed to lend LPHLP is $250,000 with the interest of 1% per annum, compounded annually. No payments are to be made during the term of the loan. The balance of principal and interest are due on March 22, 2047. Accrued interest receivable on this loan was $34,045 at September 30, 2021.

HOPE VI Loan – Lincoln Park Phase lB
The Authority executed a HOPE VI Loan Agreement in the amount of $950,000 with Lincoln Park Housing Partnership II LP for the development of 68 units (Phase lB) on March 22, 2007. The term of the loan promissory note began on March 22, 2007 and continues until fifty (50) years from the first day of the month following the Substantial Completion Date as defined in the loan agreement. Each advance under the note bears interest during its term at the rate of 1% per annum, compounded annually. The loan is secured by an Open-End Leasehold Mortgage and Security Agreement between Lincoln Park Housing Partnership II LP (mortgagor) and The Authority (mortgagee). As a condition to providing funding for the loan, the Authority received the required Completion and Development Deficiency Guarantee from Pennrose Properties, LLC and Penrose Development LLC, each of whom is an affiliate of the general partner, Pennrose GP LLC, of Lincoln Park Housing Partnership II LP. Accrued interest receivable on this loan was $144,693 at September 30, 2021.

The Authority executed an additional promissory note with the partnership in December 2008. The total loan amount the Authority agreed to lend LPHPIILP is $750,000 with interest at 1% per annum, compounded annually. No payments are to be made during the term of the loan. The balance of principal and interest are due on March 22, 2047. Accrued interest payable on this loan was $102,134 at September 30, 2021.

HOPE VI Loan – Lincoln Park Phase IIA
The Authority executed a non-recourse construction and permanent loan, on March 4, 2009, with Lincoln Park Housing Partnership III LP, from Hope VI grant funds in the amount of $4,251,152 for the development of 24 rental units (Phase II). Proceeds from the initial disbursement of the permanent loan were used to repay the predevelopment loan in full.

The Authority's permanent loan of $4,251,152 bears interest at 0.25% per year with a 50-year term beginning upon the completion of construction, and requiring debt service due out of cash flow pursuant to a Regulatory and Operating Agreement. Proceeds of the loan are provided for Bond Loan repayment and are secured by leasehold mortgage on the Development having second priority during construction until bonds are repaid and thereafter being a first priority leasehold mortgage. The balance due from the partnership at September 30, 2021 was $4,144,713. Accrued interest receivable on this loan was $109,652 at September 30, 2021.

These loan balances to the component units are eliminated from the consolidated financial statements.

4. CAPITAL ASSETS

The following is a summary of changes in the Authority's capital assets for the fiscal year ended September 30, 2021:

	Balance 09/30/2020	Additions	Deletions	Balance 09/30/2021
Capital Assets Not Being Depreciated				
Land	$ 2,304,636	$ 0	$ 0	$ 2,304,636
Construction-in-Progress	0	1,237,310	0	1,237,310
Total Capital Assets Not Being Depreciated	2,304,636	1,237,310	0	3,541,946
Capital Assets Being Depreciated				
Intangible Right-to-use Lease - Buildings	120,000	90,000	(120,000)	$ 90,000
Intangible Right-to-use Lease - Equipment	121,355	0	(11,935)	109,420
Buildings and Improvements	57,256,829	172,840	0	57,429,669
Furniture, Equipment, and Machinery	2,544,279	12,215	(4,955)	2,551,539
Subtotal Capital Assets Being Depreciated	60,042,463	275,055	(136,890)	60,180,628
Accumulated Depreciation				
Intangible Right-to-use Lease - Buildings	(105,000)	(60,000)	120,000	(45,000)
Intangible Right-to-use Lease - Equipment	(41,542)	(31,682)	11,935	(61,289)
Buildings and Improvements	(33,986,810)	(1,956,784)	0	(35,943,594)
Furniture and Equipment	(2,474,894)	(122,421)	4,955	(2,592,360)
Total Accumulated Depreciation	(36,608,246)	(2,170,887)	136,890	(38,642,243)
Depreciable Assets, Net	23,434,217	(1,895,832)	0	21,538,385
Total Capital Assets, Net	$ 25,738,853	$ (658,522)	$ 0	$ 25,080,331

The depreciation expense for the fiscal year ended September 30, 2021 was $2,170,887.

5. LONG-TERM LIABILITIES

The Authority borrowed $1,000,000 from the City of Springfield under the HOME Investment Partnership program with interest at 1% per annum, compounded annually. No payments are to be made during the term of the loan. The balance of principal and interest are due on March 22, 2047. Funds from this loan were used to make HOME loans to the Blended Components Units, as described in Note 3.

Long-term debt is as follows for the Blended Component Units as of December 31, 2020:

	LPHPLP	LPHPIILP	LPHPIIILP	Total Component Units
First Mortgage Notes (A)	$ 583,529	$ 950,000	$ 4,144,713	$ 5,678,242
Second Mortgage Notes (A)	250,000	750,000	0	1,000,000
	833,529	1,700,000	4,144,713	6,678,242
Total Long-Term Debt	$ 833,529	$ 1,700,000	$ 4,144,713	$ 6,678,242

(A) Amounts due to the Authority (See Note 3). Balance is eliminated from the consolidated financial statements. Repayment is based on cash flow generated by the projects.

The above mortgages and bonds are collateralized by all land, buildings, and equipment of the partnerships.

The Regulatory agreement with the Springfield Metropolitan Housing Authority provides that 100% of the units will be rented to tenants at or below 60% of the area median gross income (“AMGI”).

The Authority has the following Capital Lease commitments:

- The Authority entered into a two-year lease for office space calling for monthly payments of $5,000.00 beginning January 1, 2019. The office space is being amortized over the life of the lease. The annual interest rate charged on the lease was 3.75%. This lease expired December 31, 2020.

- The Authority entered into an 18-month lease for office space calling for monthly payments of $5,000.00 beginning January 1, 2021. The office space is being amortized over the life of the lease. The annual interest rate charged on the lease was 1.93%.

- The Authority entered into a five-year lease for a postage meter calling for monthly payments of $223.01 beginning December 2, 2016. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease is 3.75%.

- The Authority entered into a one-year lease for phone equipment calling for monthly payments of $974.61 beginning January 29, 2020. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease was 3.75%. This lease expired January 28, 2021.

- The Authority entered into a three-year lease for phone equipment calling for monthly payments of $1,167.77 beginning June 1, 2020. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease is 2.53%.

- The Authority entered into a two-year lease for copier equipment calling for monthly payments of $1,675.00 beginning March 31, 2020. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease is 2.59%.

- The Authority entered into a five-year lease for copier equipment calling for monthly payments of $65.00 beginning May 22, 2019. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease is 3.75%.

- The Authority entered into a five-year lease for copier equipment calling for monthly payments of $65.00 beginning May 8, 2019. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease is 3.75%.

- The Authority entered into a two-year lease for remote deposit scanning equipment calling for monthly payments of $250.00 beginning May 13, 2020. The equipment is being amortized over the life of the lease. The annual interest rate charged on the lease is 2.60%.

Lease commitments for the fiscal years ending September 30 are as follows:

	Principal	Interest	Total
2022	$ 72,944	$ 818	$ 73,762
2023	7,728	162	7,890
2024	722	10	732
Total	$ 81,394	$ 990	$ 82,384

Changes in long-term liabilities are as follows for the periods ended September 30, 2021 and December 31, 2020 respectively:

	Balance 09/30/2020	Additions	Deletions	Balance 9/30/2021	Due Within One Year
Loan Payable	$ 1,000,000	$ 0	$ 0	$ 1,000,000	$ 0
FSS Escrow Payable	68,701	16,240	(43,146)	41,795	20,611
Compensated Absence	121,205	0	(8,542)	112,663	28,166
Net Pension Liability	2,161,377	0	(696,439)	1,464,938	0
Net OPEB Liability	1,467,450	0	(1,467,450)	0	0
Lease Liability	94,813	90,000	(103,419)	81,394	72,944
Total Long-Term Liabilities	$ 4,913,546	$ 106,240	$ (2,318,996)	$ 2,700,790	$ 121,721

Component Units

Description	Balance 12/31/2019	Additions	Retired	Balance 12/31/2020	Due Within One Year
Long-Term	$ 6,678,242	$ 0	$ 0	$ 6,678,242	$ 0

6. DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

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

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

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature.

Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

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

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

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. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	State and Local
2021 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
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 portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2020-2021 for the Traditional and Combined plans. The portion of the employer's contribution allocated to health care was 4% for the Member-Directed plan for 2020-2021. The Authority's contractually required contributions used to fund pension benefits was $186,499 for fiscal year ending September 30, 2021.

Pension Liability/(Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.010935%	0.014940%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	0.009893%	0.006509%	
Change in Proportionate Share	-0.001042%	-0.008431%	
Proportionate Share of the Net Pension Liability/(Asset)	$ 1,464,938	$ (18,789)	$ 1,446,149
Pension Expense	$ (43,028)	$ 4,137	$ (38,891)

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Changes of assumptions	$ 0	$ 1,173	$ 1,173
Changes in proportion and differences between Authority contributions and proportionate share of contributions	29,018	11,680	40,698
Authority contributions subsequent to the measurement date	142,102	0	142,102
Total Deferred Outflows of Resources	$ 171,120	$ 12,853	$ 183,973
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$ 570,992	$ 2,793	$ 573,785
Differences between expected and actual experience	61,278	3,544	64,822
Changes in proportion and differences between Authority contributions and proportionate share of contributions	143,731	0	143,731
Total Deferred Inflows of Resources	$ 776,001	$ 6,337	$ 782,338

$142,102 reported as deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal 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:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Year Ending September 30:			
2022	$ (307,358)	$ 211	$ (307,147)
2023	(128,995)	703	(128,292)
2024	(232,757)	56	(232,701)
2025	(77,873)	859	(77,014)
2026	0	1,257	1,257
Thereafter	0	3,430	3,430
Total	$ (746,983)	$ 6,516	$ (740,467)

Actuarial Assumptions - OPERS

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

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

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

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

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

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

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, 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 11.7 percent for 2020.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return:

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

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

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

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Traditional Pension Plan	$ 2,794,377	$ 1,464,938	$ 359,512
Combined Plan	$ (13,083)	$ (18,789)	$ (23,042)

Changes between the Measurement Date and Report Date During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

7. DEFINED BENEFIT OPEB PLANS

Net OPEB Asset

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

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

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

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

The proportionate share of each plan's funded benefits is presented as a long-term *net OPEB asset*. Any liability for the contractually-required OPEB contribution outstanding at the end of the fiscal year is included in *accrued liabilities*.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the Traditional plan and Combined plan.

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contributions to health care for members in the Traditional Pension Plan and Combined Plan.

The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020-2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority’s contractually required contribution allocated to health care was $0 for fiscal year 2021.

OPEB Liability/(Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB asset was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the Net OPEB Liability:	
Prior Measurement Date	0.010624%
Proportion of the Net OPEB Asset:	
Current Measurement Date	0.009403%
Change in Proportionate Share	-0.001221%
Proportionate Share of the Net OPEB Asset	$ 167,522
OPEB Expense	$ (1,042,177)

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

	OPERS
Deferred Outflows of Resources	
Changes of assumptions	$ 82,354
Changes in proportion and differences between Authority contributions and proportionate share of contributions	17,327
Total Deferred Outflows of Resources	$ 99,681
Deferred Inflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	$ 89,227
Differences between expected and actual experience	151,188
Changes of assumptions	271,436
Changes in proportion and differences between Authority contributions and proportionate share of contributions	104,395
Total Deferred Inflows of Resources	$ 616,246

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

	OPERS
Year Ending September 30:	
2022	$ (270,783)
2023	(196,494)
2024	(38,773)
2025	(10,515)
Total	$ (516,565)

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 health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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

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

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

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

During 2020, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested for the Health Care portfolio was 10.5 percent for 2020.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return:

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

Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, and the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the Authority's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB asset	$ 41,655	$ 167,522	$ 270,994

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB asset	$ 171,605	$ 167,522	$ 162,954

8. RISK MANAGEMENT

The Authority is exposed to risk of loss related to torts; theft or damage to and destruction of real and personal property; errors and omissions; and catastrophes. The Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents, vehicles and other liability insurance. Vehicle policies include liability coverage for bodily injury and property damage. There was no significant reduction in coverage and no settlements exceeded insurance coverage during the past three years.

9. CONTINGENT LIABILITIES

The Authority is party to various legal proceedings from the normal courses of business. No provision has been made in the financial statements for the effect, if any, of such contingencies. Although the outcome of these proceeding is not presently determinable, in the opinion of the Authority, the ultimate disposition of these matters will not materially affect the financial position of the Authority.

Under the terms of Federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenses under the terms of the grants. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. Except for liability described in the following paragraph, the amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time, although the Authority expects such other amounts, if any, to be immaterial.

10. CONCENTRATIONS

The Authority receives the majority of its revenue from the U.S. Department of Housing and Urban Development and is subject to mandated changes by HUD and changes in Congressional acts.

11. BLENDED COMPONENT UNITS

The Authority's financial statements included three entities as blended component units reported with the Public Housing Program, Lincoln Park Housing Partnership LP (LPHPLP), Lincoln Park Housing Partnership II LP (LPHPIILP), and Lincoln Park Housing Partnership III LP (LPHPIIILP), Description of the three blended components are as follows:

Lincoln Park Housing Partnership LP (LPHPLP)
Lincoln Park Housing Partnership, LP (the "Partnership") was formed August 17, 2006 under the laws of the State of Ohio. The original Limited Partnership Agreement was entered into by Pennrose GP, LLC as the General Partner. On March 22, 2007, the original limited partner withdrew as partner and SMHA Lincoln Park, LLC and Ohio Equity Fund for Housing Limited Partnership XVI (Fund XVI) were admitted as Limited Partners, with Springfield Metropolitan Housing Authority (SMHA) as the Special Limited Partner. The Limited Partnership Agreement was amended and restated on October 1, 2016 to recognize the withdrawal of Pennrose GP, LLC as General Partner and designating SMHA Lincoln Park, LLC as the new General Partner, and removing the Special Limited Partner.

The Partnership was formed to develop, construct, and operate an affordable housing project with 40 rental units for families, known as Lincoln Park 1A in Springfield, Ohio. The Partnership leases to families who meet certain low and moderate income requirements. The Partnership began leasing units on May 14, 2008.

The Limited Partnership Agreement provides that the Partnership shall continue in existence until December 31, 2081, or such later date as is agreed to by all the Partners, unless it is earlier dissolved and terminated by operation of law or pursuant to the provisions of the Limited Partnership Agreement.

Lincoln Park Housing Partnership II LP (LPHPIILP)
Lincoln Park Housing Partnership II, LP (the "Partnership") was formed August 17, 2006 under the laws of the State of Ohio. The original Limited Partnership Agreement was entered into by Pennrose GP, LLC as the former General Partner. The Partners entered into the Limited Partnership Agreement on December 21, 2006, which was amended and restated on March 22, 2007, and was amended further by amendments dated May 11, 2009 and October 1, 2016. The Partnership currently consists of SMHA Lincoln Park, LLC as the General Partner and Ohio Equity Fund for Housing Limited Partnership XVI (Fund XVI) as the Limited Partner.

The Partnership was formed to develop, construct, and operate an affordable housing project with 68 rental units for families, knows as Lincoln Park 1B in Springfield, Ohio. The Partnership leases to families who meet certain low and moderate income requirements. The Partnership began leasing units on June 30, 2008.

The Limited Partnership Agreement provides that the Partnership shall continue in existence until December 31, 2081, or such later date as is agreed to by all the Partners, unless it is earlier dissolved and terminated by operation of law or pursuant to the provisions of the Limited Partnership Agreement.

Lincoln Park Housing Partnership III LP (LPHPIIILP)
Lincoln Park Housing Partnership III, LP (the "Partnership") was formed September 9, 2008 under the laws of the State of Ohio. The original Limited Partnership Agreement was entered into by Pennrose GP, LLC, as the General Partner. On December 22, 2008, the original limited partner withdrew as partner and SMHA Lincoln Park, LLC and Ohio Equity Fund for Housing Limited Partnership XVII (Fund VIII) were admitted as partners, with Springfield Metropolitan Housing Authority (SMHA) as the Special Limited Partner. Fund VIII assigned its interest to Ohio Equity Fund for Housing Limited Partnership XVII (Fund VII) on March 31, 2009. The Limited Partnership Agreement was amended and restated on October 1, 2016 to recognize the withdrawal of Pennrose GP, LLC as General Partner and designating SMHA Lincoln Park, LLC, as the new General Partner, and removing the Special Limited Partner.

The Partnership was formed to develop, construct, and operate an affordable housing project with 24 rental units for families, known as Lincoln Park 2A in Springfield, Ohio. The Partnership leases to families who meet certain low and moderate income requirements. The Partnership began leasing units on November 13, 2009.

The Limited Partnership Agreement provides that the Partnership shall continue in existence until December 31, 2084, or such later date as is agreed to by all Partners, unless it is earlier dissolved and terminated by operation of law or pursuant to the provisions of the Limited Partnership Agreement.

Additional Partnership Provisions
At the time Limited Partnership Agreements were executed, the Authority and partnerships entered into Right of Refusal and Option Agreements. During the term of the partnerships, the partnerships agree to give notice promptly to the Authority if the partnerships commence discussions with any third-party regarding sale of the property. The Authority has the continuing right of refusal to purchase the property of the partnerships in the event the partnership proposes to sell substantially all of the partnership interests after the expiration of the compliance period (15 years). In addition, the partnerships grant the Authority the option to purchase the property following the close of the compliance period. This agreement provides the terms of the option price and sale of the property under the rights of refusal and options granted.

Separate financial statements have been issued for the component units and may be requested in writing from the Authority.

12. SUBSEQUENT EVENTS:

Generally accepted accountings principles define subsequent events as events or transactions that occur after the statement of the financial position date, but before the financial statements as issued or are available to be issued. Management has evaluated subsequent events through the date on which the financial statements were available to be issued.

On March 4, 2022, the Authority purchased a commercial office building located at 2026 W. Main Street, Springfield, Ohio at a purchase price of $537,500. The Authority obtained a loan in the amount of $430,000 to finance the purchase. The loan will mature on April 1, 2037.

On June 9, 2022, the Authority obtained a loan in the amount of $300,000 to help finance alterations to the commercial building above, which will be the Authority's new centralized office building. The loan will mature on July 1, 2037.

13. COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June of 2021 while the national state of emergency continues. The financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the Authority. The pension and other employee benefit plans in which the Authority participates fluctuate with market conditions and, due to market volatility, the amounts of gains or 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.

14. CARES ACT GRANT AWARD

In fiscal year 2020, HUD provided public housing agencies supplemental operating funds pursuant to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public 116-136), in accordance with the Annual Contributions Grant Agreement and associated laws and regulations.

LIPH (Low Income Public Housing) received a CARES Act Grant award in the amount of $381,217 effective March 27, 2020, and grant funds expended in fiscal year-end September 30, 2021 was $173,632. All CARES grant funds must be expended by December 31, 2021 and any remaining amount of the Grant will be returned. The total amount expended through September 30, 2021 is $265,293.

The Housing Choice Vouchers Program received a CARES Act Grant award in the amount of $264,361 effective March 27, 2020. This grant will end on December 30, 2021. The total amount expended in fiscal year-end September 30, 2021 was $23,659. The total amount of the HCV CARES grant expended through September 30, 2021 is $38,273.

The Mainstream Voucher Program received a CARES Act Grant award in the amount of $12,709 effective March 27, 2020. The total amount expended in fiscal year-end September 30, 2021 was $8,342. The total amount of the HCV CARES grant expended through September 30, 2021 is $8,342.

On behalf of Ohio Governor Mike DeWine and the Ohio Bureau of Workers' Compensation, the Authority received a share dividend from pooled investment returns in the amount of $154,055, which was used for the health and safety of employees, staff, and residents served to help ease the financial pressures experienced as a result of the COVID-19 pandemic. This amount was allocated to all programs including the COCC based on payroll allocations to the programs.

In the fiscal year-ended September 30, 2021, the COCC received revenue in the form of fees from HCV CARES and LIPH CARES in the amount of $47,843. The money was used to offset incremental higher operational costs of the COCC due to COVID -19 and COVID-19 costs incurred by the COCC.

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Springfield Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority’s Proportionate Share of the Net Pension Liability/(Asset)
Ohio Public Employees Retirement System
Last Eight Fiscal Years (1)

Traditional Plan	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.009893%	0.010935%	0.010316%	0.009949%	0.010028%	0.009973%	0.006927%	0.006927%
Authority's Proportionate Share of the Net Pension Liability	$ 1,464,938	$ 2,161,377	$ 2,825,341	$ 1,560,805	$ 2,277,188	$ 1,727,449	$ 1,161,124	$ 1,134,898
Authority's Covered Payroll	$ 1,393,381	$ 1,538,553	$ 1,393,299	$ 1,314,731	$ 1,296,263	$ 1,241,215	$ 1,180,320	$ 1,200,819
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.14%	140.48%	202.78%	118.72%	175.67%	139.17%	98.37%	94.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Combined Plan	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Asset	0.006509%	0.014940%	0.015146%	0.015251%	0.015475%	0.015460%	0.015625%	0.015625%
Authority's Proportionate Share of the Net Pension (Asset)	$ (18,789)	$ (31,153)	$ (16,937)	$ (20,762)	$ (8,613)	$ (7,523)	$ (6,016)	$ (1,640)
Authority's Covered Payroll	$ 28,683	$ 66,506	$ 64,777	$ 62,461	$ 60,237	$ 56,249	$ 57,115	$ 58,107
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	65.51%	46.84%	26.15%	33.24%	14.30%	13.37%	10.53%	2.82%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

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

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

See accompanying notes to the required supplementary information

Springfield Metropolitan Housing Authority
Schedule of the Authority's Contributions – Pension
Ohio Public Employees Retirement System
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contributions										
Traditional Plan	$ 186,499	$ 195,542	$ 216,675	$ 186,773	$ 173,446	$ 154,327	$ 145,731	$ 147,017	$ 198,204	$ 166,626
Combined Plan	0	8,345	9,247	8,803	8,205	7,209	6,600	4,187	5,644	4,745
Total Required Contributions	186,499	203,887	225,922	195,576	181,651	161,536	152,331	151,204	203,848	171,371
Contributions in Relation to the Contractually Required Contribution	(186,499)	(203,887)	(225,922)	(195,576)	(181,651)	(161,536)	(152,331)	(151,204)	(203,848)	(171,371)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll										
Traditional Plan	$ 1,332,136	$ 1,396,729	$ 1,547,679	$ 1,356,068	$ 1,361,415	$ 1,286,058	$ 1,214,425	$ 1,225,142	$ 1,524,646	$ 1,666,260
Combined Plan	$ -	$ 59,607	$ 66,050	$ 63,905	$ 64,403	$ 60,075	$ 55,000	$ 34,892	$ 43,415	$ 59,686
Pension Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	14.00%	14.00%	13.77%	12.74%	12.00%	12.00%	12.00%	13.00%	10.00%
Combined Plan	14.00%	14.00%	14.00%	13.78%	12.74%	12.00%	12.00%	12.00%	13.00%	7.95%

See accompanying notes to the required supplementary information

Springfield Metropolitan Housing Authority
Schedule of the Authority's Proportionate Share of the Net OPEB Liability/(Asset)
Ohio Public Employees Retirement System
Last Five Fiscal Years (1)

	2021	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability /Asset	0.009403%	0.010624%	0.010052%	0.009720%	0.009820%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	$ (167,522)	$ 1,467,450	$ 1,310,544	$ 1,055,520	$ 991,853
Authority's Covered Payroll	$ 1,422,064	$ 1,605,059	$ 1,458,076	$ 1,377,194	$ 1,356,499
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-11.78%	91.43%	89.88%	76.64%	73.12%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information

Springfield Metropolitan Housing Authority
Schedule of the Authority's Contributions – OPEB
Ohio Public Employees Retirement System
Last Seven Fiscal Years (1)

	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 0	$ 0	$ 0	$ 3,220	$ 17,964	$ 26,923	$ 25,388
Contributions in Relation to the Contractually Required Contribution	0	0	0	(3,220)	(17,964)	(26,923)	(25,388)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority Covered Payroll	$ 1,332,136	$ 1,456,336	$ 1,613,729	$ 1,419,973	$ 1,425,818	$ 1,346,133 0	$ 1,269,425
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.23%	1.26%	2.00%	2.00%

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

See accompanying notes to the required supplementary information

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

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

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

Net OPEB Liability

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

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035.

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SPRINGFIELD METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
SEPTEMBER 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.CCC Central Office Cost Center CARES Act Funding	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.238 Shelter Plus Care	14.HCC HCV CARES Act Funding	93.959 Block Grants for Prevention and Treatment of Substance Abuse	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	1,616,509	-	-	700	-	-	61,599	-	2,706	5,201	407,714	1,902	9,151	-	23,073	1,205,510	3,334,065	-	3,334,065
112 Cash - Restricted - Modernization and Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
113 Cash - Other Restricted	-	-	-	698,493	-	-	-	-	-	1,745	288,603	8,314	23,636	-	-	-	1,020,791	-	1,020,791
114 Cash - Tenant Security Deposits	56,809	-	-	19,182	-	-	-	-	-	-	-	-	-	-	-	-	75,991	-	75,991
115 Cash - Restricted for Payment of Current Liabilities	-	-	4,366	-	-	-	-	-	-	-	20,611	-	-	226,088	-	-	251,065	-	251,065
100 Total Cash	1,673,318	-	4,366	718,375	-	-	61,599	-	2,706	6,946	716,928	10,216	32,787	226,088	23,073	1,205,510	4,681,912	-	4,681,912
121 Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122 Accounts Receivable - HUD Other Projects	84,397	-	-	-	4,218	-	-	-	3,527	-	-	-	-	-	-	-	92,142	-	92,142
124 Accounts Receivable - Other Government	-	-	-	-	-	-	-	-	-	-	-	-	10,100	-	-	-	10,100	-	10,100
125 Accounts Receivable - Miscellaneous	20,955	-	-	56,991	-	-	60,221	-	-	-	1,343	-	-	-	-	20,703	160,213	-	160,213
126 Accounts Receivable - Tenants	192,536	-	-	25,692	-	-	-	-	-	-	-	-	-	-	-	-	218,228	-	218,228
126.1 Allowance for Doubtful Accounts -Tenants	-86,632	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-86,632	-	-86,632
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
128 Fraud Recovery	-	-	-	-	-	-	-	-	-	-	76,458	-	-	-	-	-	76,458	-	76,458
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-	-	-	-	-	-76,458	-	-	-	-	-	-76,458	-	-76,458
129 Accrued Interest Receivable	-	-	-	-	-	-	-	580,746	-	-	-	-	-	-	-	-	580,746	-544,718	36,028
120 Total Receivables, Net of Allowances for Doubtful Accounts	211,256	-	-	82,683	4,218	-	60,221	580,746	3,527	-	1,343	-	10,100	-	-	20,703	974,797	-544,718	430,079
131 Investments - Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
132 Investments - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
142 Prepaid Expenses and Other Assets	26,877	-	-	56,728	-	-	910	-	-	-	4,469	-	-	-	-	1,541	90,525	-	90,525
143 Inventories	67,183	-	-	2,019	-	-	1,501	-	-	-	-	-	-	-	-	-	70,703	-	70,703
143.1 Allowance for Obsolete Inventories	-13,519	-	-	-	-	-	-214	-	-	-	-	-	-	-	-	-	-13,733	-	-13,733
144 Inter Program Due From	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,209	4,209	-4,209	-
145 Assets Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150 Total Current Assets	1,965,115	-	4,366	859,805	4,218	-	124,017	580,746	6,233	6,946	722,740	10,216	42,887	226,088	23,073	1,231,963	5,808,413	-548,927	5,259,486
161 Land	1,952,171	-	-	-	-	-	-	197,229	-	-	-	-	-	-	-	155,236	2,304,636	-	2,304,636
162 Buildings	30,744,387	-	-	24,325,917	-	-	-	17,500	-	-	45,000	-	-	-	-	45,000	55,177,804	-	55,177,804
163 Furniture, Equipment & Machinery - Dwellings	1,028,584	-	-	552,004	-	-	-	-	-	-	-	-	-	-	-	-	1,580,588	-	1,580,588
164 Furniture, Equipment & Machinery - Administration	531,112	-	-	-	-	-	-	66,941	-	-	65,815	-	-	-	-	416,503	1,080,371	-	1,080,371
165 Leasehold Improvements	-	-	-	-	-	-	-	2,341,865	-	-	-	-	-	-	-	-	2,341,865	-	2,341,865
166 Accumulated Depreciation	-25,676,997	-	-	-10,283,415	-	-	-	-2,187,389	-	-	-78,751	-	-	-	-	-415,691	-38,642,243	-	-38,642,243
167 Construction in Progress	1,237,310	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,237,310	-	1,237,310
168 Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	9,816,567	-	-	14,594,506	-	-	-	436,146	-	-	32,064	-	-	-	-	201,048	25,080,331	-	25,080,331
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-	-	6,678,242	-	-	-	-	-	-	-	-	6,678,242	-6,678,242	-
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
173 Grants Receivable - Non Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
174 Other Assets	88,012	-	-	76,821	-	-	-	-	-	-	30,861	-	-	-	-	67,438	263,132	-	263,132
176 Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180 Total Non-Current Assets	9,904,579	-	-	14,671,327	-	-	-	7,114,388	-	-	62,925	-	-	-	-	268,486	32,021,705	-6,678,242	25,343,463
200 Deferred Outflow of Resources	133,997	-	-	-	-	-	-	-	-	-	46,986	-	-	-	-	102,671	283,654	-	283,654
290 Total Assets and Deferred Outflow of Resources	12,003,691	-	4,366	15,531,132	4,218	-	124,017	7,695,134	6,233	6,946	832,651	10,216	42,887	226,088	23,073	1,603,120	38,113,772	-7,227,169	30,886,603
311 Bank Overdraft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
312 Accounts Payable <= 90 Days	182,240	-	-	39,151	5	-	22,120	-	634	-	504	64	-	-	-	13,919	258,637	-	258,637
313 Accounts Payable >90 Days Past Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	22,164	-	-	-	4	-	-	-	1,678	-	10,171	1,838	-	-	460	26,349	62,664	-	62,664
322 Accrued Compensated Absences - Current Portion	12,737	-	-	-	-	-	-	-	757	-	7,494	-	-	-	-	7,178	28,166	-	28,166
324 Accrued Contingency Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	544,718	-	-	-	136,178	-	-	-	-	-	-	-	-	680,896	-544,718	136,178
331 Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
332 Account Payable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
333 Accounts Payable - Other Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
341 Tenant Security Deposits	56,809	-	-	18,416	-	-	-	-	-	-	-	-	-	-	-	-	75,225	-	75,225
342 Unearned Revenue	36,724	-	4,366	15,398	-	-	-	-	-	-	-	8,314	-	226,088	-	9,935	300,825	-	300,825
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
344 Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
345 Other Current Liabilities	-	-	-	107,432	-	-	-	-	-	-	20,611	-	-	-	-	-	128,043	-	128,043
346 Accrued Liabilities - Other	22,663	-	-	-	-	-	-	-	-	-	26,811	-	-	-	-	23,470	72,944	-	72,944
347 Inter Program - Due To	-	-	-	-	4,209	-	-	-	-	-	-	-	-	-	-	-	4,209	-4,209	-
348 Loan Liability - Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
310 Total Current Liabilities	333,337	-	4,366	725,115	4,218	-	22,120	136,178	3,069	-	65,591	10,216	-	226,088	460	80,851	1,611,609	-548,927	1,062,682

SPRINGFIELD METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
SEPTEMBER 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.CCC Central Office Cost Center CARES Act Funding	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.238 Shelter Plus Care	14.HCC HCV CARES Act Funding	93.959 Block Grants for Prevention and Treatment of Substance Abuse	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	6,678,242	-	-	-	-	-	-	-	-	-	-	-	-	6,678,242	-5,678,242	1,000,000
352 Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
353 Non-current Liabilities - Other	6,871	-	-	-	-	-	-	-	-	-	22,178	-	-	-	-	585	29,634	-	29,634
354 Accrued Compensated Absences - Non Current	38,208	-	-	-	-	-	-	-	2,273	-	22,482	-	-	-	-	21,534	84,497	-	84,497
355 Loan Liability - Non Current	-	-	-	-	-	-	-	1,000,000	-	-	-	-	-	-	-	-	1,000,000	-1,000,000	-
356 FASB 5 Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
357 Accrued Pension and OPEB Liabilities	692,027	-	-	-	-	-	-	-	-	-	242,658	-	-	-	-	530,253	1,464,938	-	1,464,938
350 Total Non-Current Liabilities	737,106	-	-	6,678,242	-	-	-	1,000,000	2,273	-	287,318	-	-	-	-	552,372	9,257,311	-6,678,242	2,579,069
300 Total Liabilities	1,070,443	-	4,366	7,403,357	4,218	-	22,120	1,136,178	5,342	-	352,909	10,216	-	226,088	460	633,223	10,868,920	-7,227,169	3,641,751
400 Deferred Inflow of Resources	660,682	-	-	-	-	-	-	-	-	-	231,668	-	-	-	-	506,234	1,398,584	-	1,398,584
508.4 Net Investment in Capital Assets	9,787,033	-	-	7,916,264	-	-	-	436,146	-	-	4,259	-	-	-	-	176,993	18,320,695	5,678,242	23,998,937
511.4 Restricted Net Position	-	-	-	698,493	-	-	-	-	-	1,745	267,419	-	23,636	-	-	-	991,293	-	991,293
512.4 Unrestricted Net Position	485,533	-	-	-486,982	-	-	101,897	6,122,810	891	5,201	-23,604	-	19,251	-	22,613	286,670	6,534,280	-5,678,242	856,038
513 Total Equity - Net Assets / Position	10,272,566	-	-	8,127,775	-	-	101,897	6,558,956	891	6,946	248,074	-	42,887	-	22,613	463,663	25,846,268	-	25,846,268
600 Total Liabilities, Deferred Inflow of Resources, and Equity - Net	12,003,691	-	4,366	15,531,132	4,218	-	124,017	7,695,134	6,233	6,946	832,651	10,216	42,887	226,088	23,073	1,603,120	38,113,772	-7,227,169	30,886,603

SPRINGFIELD METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.CCC Central Office Cost Center CARES Act Funding	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.238 Shelter Plus Care	14.HCC HCV CARES Act Funding	93.959 Block Grants for Prevention and Treatment of Substance Abuse	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	1,478,980	-	-	582,136	-	-	-	-	-	-	-	-	-	-	-	-	2,061,116	-	2,061,116
70400 Tenant Revenue - Other	39,746	-	-	7,736	-	-	-	-	-	-	-	-	-	-	-	-	47,482	-	47,482
70500 Total Tenant Revenue	1,518,726	-	-	589,872	-	-	-	-	-	-	-	-	-	-	-	-	2,108,598	-	2,108,598
70600 HUD PHA Operating Grants	2,901,383	173,632	8,342	-	46,321	-	-	-	155,387	-	4,480,405	39,648	-	23,659	-	-	7,828,777	-	7,828,777
70610 Capital Grants	1,341,219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,341,219	-	1,341,219
70710 Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	597,521	597,521	-596,616	905
70720 Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63,816	63,816	-63,816	-
70730 Book Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	140,037	140,037	-140,037	-
70740 Front Line Service Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70750 Other Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70700 Total Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	801,374	801,374	-800,469	905
70800 Other Government Grants	-	-	-	-	-	-	-	-	-	8,348	-	-	122,297	-	5,000	-	135,645	-	135,645
71100 Investment Income - Unrestricted	168	-	-	1,462	-	-	-	-	-	-	92	-	-	-	-	132	1,854	-	1,854
71200 Mortgage Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71310 Cost of Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71400 Fraud Recovery	-	-	-	-	-	-	-	-	-	-	9,646	-	-	-	-	-	9,646	-	9,646
71500 Other Revenue	62,334	-	-	37,142	1,836	47,843	138,742	-	1,744	-	53,470	-	-	-	1,759	89,916	434,786	-	434,786
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
72000 Investment Income - Restricted	-	-	-	-	-	-	-	47,869	-	-	-	-	-	-	-	-	47,869	-	47,869
70000 Total Revenue	5,823,830	173,632	8,342	628,476	48,157	47,843	138,742	47,869	157,131	8,348	4,543,613	39,648	122,297	23,659	6,759	891,422	12,709,768	-800,469	11,909,299
91100 Administrative Salaries	162,339	-	6,612	55,601	-	-	-	-	21,859	-	191,970	-	-	-	-	441,326	879,707	-	879,707
91200 Auditing Fees	6,052	-	-	17,277	-	-	-	-	-	-	6,050	-	-	-	-	6,222	35,601	-	35,601
91300 Management Fee	404,770	20,218	-	30,894	-	-	-	-	-	-	126,140	-	-	14,594	-	-	596,616	-596,616	-
91310 Book-keeping Fee	51,428	7,956	-	-	-	-	-	-	-	-	75,578	-	-	5,075	-	-	140,037	-140,037	-
91400 Advertising and Marketing	2,379	-	-	153	-	-	-	-	-	-	471	-	-	-	-	4,044	7,047	-	7,047
91500 Employee Benefit contributions - Administrative	-79,410	-	1,730	-	-	-	-	-	5,719	-	-218,969	-	-	-	-	-249,704	-540,634	-	-540,634
91600 Office Expenses	149,942	-	-	41,488	-	-	15,032	-	-	-	35,030	-	-	-	-	99,817	341,309	-	341,309
91700 Legal Expense	1,150	-	-	3,314	-	-	-	-	-	-	-	-	-	-	-	-	4,464	-	4,464
91800 Travel	4,104	-	-	748	-	-	-	-	-	-	1,881	-	-	-	3,937	9,078	19,748	-	19,748
91810 Allocated Overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
91900 Other	68,391	-	-	-	-	-	-	-	-	-	14,288	-	-	-	-	39,761	122,440	-	122,440
91000 Total Operating - Administrative	771,145	28,174	8,342	149,475	-	-	15,032	-	27,578	-	232,439	-	-	19,669	3,937	350,544	1,606,335	-736,653	869,682
92000 Asset Management Fee	58,920	-	-	19,188	-	-	-	-	-	-	-	-	-	-	-	-	78,108	-63,816	14,292
92100 Tenant Services - Salaries	-	-	-	-	28,337	25,331	-	-	-	-	-	27,336	-	-	-	-	81,004	-	81,004
92200 Relocation Costs	432	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	432	-	432
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-	10,073	6,084	-	-	-	-	-	8,054	-	-	-	-	24,211	-	24,211
92400 Tenant Services - Other	2,462	174,974	-	-	9,747	16,428	-	-	-	-	-	4,258	-	3,990	298	-	212,157	-	212,157
92500 Total Tenant Services	2,894	174,974	-	-	48,157	47,843	-	-	-	-	-	39,648	-	3,990	298	-	317,804	-	317,804
93100 Water	162,130	-	-	65,582	-	-	8,247	-	-	-	-	-	-	-	-	2,027	237,986	-	237,986
93200 Electricity	279,594	-	-	7,497	-	-	16,148	-	-	-	-	-	-	-	-	1,527	304,766	-	304,766
93300 Gas	142,521	-	-	20,563	-	-	10,857	-	-	-	-	-	-	-	-	3,244	177,185	-	177,185
93400 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93500 Labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93600 Sewer	313,333	-	-	86,916	-	-	17,210	-	-	-	-	-	-	-	-	442	417,901	-	417,901
93700 Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93800 Other Utilities Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93000 Total Utilities	897,578	-	-	180,558	-	-	52,462	-	-	-	-	-	-	-	-	7,240	1,137,838	-	1,137,838
94100 Ordinary Maintenance and Operations - Labor	391,899	-	-	80,634	-	-	7,776	-	-	-	-	-	-	-	-	-	480,309	-	480,309
94200 Ordinary Maintenance and Operations - Materials and Other	141,950	-	-	10,711	-	-	361	-	-	-	1,173	-	-	-	20	5,045	159,260	-	159,260
94300 Ordinary Maintenance and Operations Contracts	678,381	-	-	172,672	-	-	70,840	-	-	-	4,130	-	-	-	-	30,040	956,063	-	956,063
94500 Employee Benefit Contributions - Ordinary Maintenance	-218,067	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-218,067	-	-218,067
94000 Total Maintenance	994,163	-	-	264,017	-	-	78,977	-	-	-	5,303	-	-	-	20	35,085	1,377,565	-	1,377,565
95100 Protective Services - Labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
95200 Protective Services - Other Contract Costs	48,372	-	-	-	-	-	-	-	-	-	6,045	-	-	-	-	6,045	60,462	-	60,462
95300 Protective Services - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
95500 Employee Benefit Contributions - Protective Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
95000 Total Protective Services	48,372	-	-	-	-	-	-	-	-	-	6,045	-	-	-	-	6,045	60,462	-	60,462
96110 Property Insurance	81,585	-	-	37,461	-	-	2,954	-	-	-	2,393	-	-	-	-	4,717	129,110	-	129,110
96120 Liability Insurance	47,129	-	-	-	-	-	2,242	-	-	-	1,793	-	-	-	-	6,170	57,334	-	57,334
96130 Workmen's Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96140 All Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96100 Total insurance Premiums	128,714	-	-	37,461	-	-	5,196	-	-	-	4,186	-	-	-	-	10,887	186,444	-	186,444
96200 Other General Expenses	437,544	-	-	-	-	-	-	-	-	1,384	411	-	20,001	-	-	15,991	475,331	-	475,331
96210 Compensated Absences	2,216	-	-	-	-	-	-	-	1,717	-	-	-	-	-	-	-	3,933	-	3,933
96300 Payments in Lieu of Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SPRINGFIELD METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.CCC Central Office Cost Center CARES Act Funding	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.238 Shelter Plus Care	14.HCC HCV CARES Act Funding	93.959 Block Grants for Prevention and Treatment of Substance Abuse	COCC	Subtotal	ELIM	Total
96400 Bad debt - Tenant Rents	77,517	-	-	6,657	-	-	-	-	-	-	-	-	-	-	-	-	84,174	-	84,174
96500 Bad debt - Mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96800 Severance Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96000 Total Other General Expenses	517,277	-	-	6,657	-	-	-	-	1,717	1,384	411	-	20,001	-	-	15,991	563,438	-	563,438
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	47,460	-	-	-	11,249	-	-	-	-	-	-	-	-	58,709	-	58,709
96720 Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96730 Amortization of Bond Issue Costs	-	-	-	12,980	-	-	-	-	-	-	-	-	-	-	-	-	12,980	-	12,980
96700 Total Interest Expense and Amortization Cost	-	-	-	60,440	-	-	-	11,249	-	-	-	-	-	-	-	-	71,689	-	71,689
96900 Total Operating Expenses	3,419,063	203,148	8,342	717,796	48,157	47,843	151,667	11,249	29,295	1,384	248,384	39,648	20,001	23,659	4,255	425,792	5,399,683	-800,469	4,599,214
97000 Excess of Operating Revenue over Operating Expenses	2,404,767	-29,516	-	-89,320	-	-	-12,925	36,620	127,836	6,964	4,295,229	-	102,296	-	2,504	465,630	7,310,085	-	7,310,085
97100 Extraordinary Maintenance	6,046	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,046	-	6,046
97200 Casualty Losses - Non-capitalized	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000	-	3,000
97300 Housing Assistance Payments	-	-	-	-	-	-	-	-	127,836	7,533	3,973,298	-	94,339	-	-	-	4,203,006	-	4,203,006
97350 HAP Portability-In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97400 Depreciation Expense	857,267	-	-	1,064,859	-	-	-	157,292	-	-	43,257	-	-	-	-	48,212	2,170,887	-	2,170,887
97500 Fraud Losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97600 Capital Outlays - Governmental Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97700 Debt Principal Payment - Governmental Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97800 Dwelling Units Rent Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
90000 Total Expenses	4,285,376	203,148	8,342	1,782,655	48,157	47,843	151,667	168,541	157,131	8,917	4,264,939	39,648	114,340	23,659	4,255	474,004	11,782,622	-800,469	10,982,153
10010 Operating Transfer In	-	29,516	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,516	-29,516	-
10020 Operating transfer Out	-29,516	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-29,516	29,516	-
10030 Operating Transfers from/to Primary Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10040 Operating Transfers from/to Component Unit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10050 Proceeds from Notes, Loans and Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10060 Proceeds from Property Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10070 Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10080 Special Items (Net Gain/Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10091 Inter Project Excess Cash Transfer In	150,729	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150,729	-150,729	-
10092 Inter Project Excess Cash Transfer Out	-150,729	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-150,729	150,729	-
10093 Transfers between Program and Project - In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10094 Transfers between Project and Program - Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10100 Total Other financing Sources (Uses)	-29,516	29,516	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	1,508,938	-	-	-1,154,179	-	-	-12,925	-120,672	-	-569	278,674	-	7,957	-	2,504	417,418	927,146	-	927,146
11020 Required Annual Debt Principal Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11030 Beginning Equity	8,763,628	-	-	9,281,954	-	-	114,822	6,679,628	891	7,515	-30,600	-	34,930	-	20,109	46,245	24,919,122	-	24,919,122
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11050 Changes in Compensated Absence Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11060 Changes in Contingent Liability Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11070 Changes in Unrecognized Pension Transition Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11080 Changes in Special Term/Severance Benefits Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11100 Changes in Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11170 Administrative Fee Equity	-	-	-	-	-	-	-	-	-	-	-19,345	-	-	-	-	-	-19,345	-	-19,345
11180 Housing Assistance Payments Equity	-	-	-	-	-	-	-	-	-	-	267,419	-	-	-	-	-	267,419	-	267,419
11190 Unit Months Available	9,456	-	-	1,584	-	-	-	-	600	84	15,720	-	288	-	-	-	27,732	-	27,732
11210 Number of Unit Months Leased	8,075	-	-	1,298	-	-	-	-	498	29	10,098	-	231	-	-	-	20,229	-	20,229
11270 Excess Cash	1,292,474	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,292,474	-	1,292,474
11610 Land Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11620 Building Purchases	1,341,219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,341,219	-	1,341,219
11630 Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11650 Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11660 Infrastructure Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13510 CFFP Debt Service Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13901 Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Springfield Metropolitan Housing Authority
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2021

Federal Grantor/ Program Title	Assistance Listing Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development		
Direct Programs		
Public and Indian Housing:		
Public and Indian Housing	14.850	$ 2,827,025
COVID-19 Public and Indian Housing	14.850	173,632
Total Public and Indian Housing		3,000,657
Public Housing Capital Fund	14.872	1,415,577
Family Self-Sufficiency Progam	14.896	46,321
Resident Opportunity and Supportive Services - Service Coordinators	14.870	39,648
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	4,480,405
COVID-19 Section 8 Housing Choice Vouchers	14.871	23,659
Total Section 8 Housing Choice Vouchers		4,504,064
Mainstream Vouchers	14.879	155,387
COVID-19 Mainstream Vouchers	14.879	8,342
Total Mainstream Vouchers		163,729
Total Housing Voucher Cluster		4,667,793
Passed through City of Springfield		
Shelter Plus Care	14.238	122,297
HOME Investment Partnership Program	14.239	8,348
Total U.S. Department of Housing and Urban Development		9,300,641
U.S. Department of Health and Human Services		
Passed through Mental Health and Recovery Board of Clark, Greene and Madison Counties		
Block Grants for Prevention and Treatment of Substance Abuse	93.959	5,000
Total U.S. Department of Health and Human Services		5,000
Total Expenditures of Federal Awards		$ 9,305,641

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

Springfield Metropolitan Housing Authority
Clark County
Notes to the Schedule of Expenditure of Federal Awards
2 CFR 200.510(b)(6)
For the Fiscal Year Ended September 30, 2021

NOTE A – BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Springfield Metropolitan Housing Authority (the Authority) under programs of the federal government for the fiscal year ended September 30, 2021 and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost rate principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE B – INDIRECT COST RATE

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

NOTE C – SUBRECIPIENTS

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

NOTE D – DISCLOSURE OF OTHER FORMS OF ASSISTANCE

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

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

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
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(800) 282-0370

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

Springfield Metropolitan Housing Authority
Clark County
101 W. High Street
Springfield, Ohio 45502

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 Springfield Metropolitan Housing Authority, Clark 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 June 24, 2022 wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. Our report refers to other auditors who audited the financial statements of Lincoln Park Housing Partnership LP, Lincoln Park Housing Partnership II LP, and Lincoln Park Housing Partnership III LP, as described in our report on the Authority's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported. The financial statements of Lincoln Park Housing Partnership LP, Lincoln Park Housing Partnership II LP, and Lincoln Park Housing Partnership III LP were not audited in accordance with *Government Auditing Standards.*

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing 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 financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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

Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2022

88 East Broad Street
Columbus, Ohio 43215
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(800) 282-0370

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

Springfield Metropolitan Housing Authority
Clark County
101 W. High Street
Springfield, Ohio 45502

To the Board of Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Springfield 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 each of the Springfield Metropolitan Housing Authority's major federal programs for the fiscal year ended September 30, 2021. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies each of the Authority's major federal programs.

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

Opinion on Each Major Federal Program

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

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.

Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2022

SPRINGFIELD METROPOLITAN HOUSING AUTHORITY
CLARK COUNTY

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):**	Public and Indian Housing (AL# 14.850) Public Housing Capital Fund (AL# 14.872)
(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

4. OTHER – FINDING FOR RECOVERY

In addition, we identified the following other issue related to a Finding for Recovery. This issue did not impact our GAGAS or Single Audit Compliance and Controls reports.

FINDING NUMBER 2021-001

Finding for Recovery

State ex. rel. McClure v. Hagerman, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit should serve a proper public purpose. Typically the determination of what constitutes a "proper public purpose" rests with the judgment of the governmental entity, unless such determination is arbitrary or unreasonable. Even if a purchase is reasonable, Ohio Attorney General Opinion 82-006 indicates that it must be memorialized by a duly enacted ordinance or resolution and may have a prospective effect only.

Furthermore, a well-designed system of internal controls should contain procedures to ensure invoices are paid in a timely manner and the amount paid is the most advantageous to the Authority.

During fiscal year 2021, the Authority incurred and paid late fees totaling $966 on 20 transactions. The Executive Director of the Authority, Michelle Lee-Hall, and the former Executive Director, LaMonyka French, both authorized and signed the checks involving the late fees in question. These late fees resulted from payments being made after the due date and could have been avoided had the Authority timely remitted all payments. Late fees do not serve a proper public purpose.

Under Ohio law, public officials are strictly liable for all public money received or collected by them or their subordinates under color of law. Ohio Rev. Code § 9.39; *Cordray v. Internatl. Preparatory School*, 128 Ohio St.3d 50 (2010).

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public money illegally expended is hereby issued against Michelle Lee-Hall and her bonding company, Travelers Casualty and Surety Company of America, jointly and severally, in the amount of $294, and LaMonyka French and her bonding company, Travelers Casualty and Surety Company of America, jointly and severally, in the amount of $672, and in favor of the Springfield Metropolitan Housing Authority's Central Office Cost Center (COCC) and Project Total programs in the amounts of $869 and $97, respectively.

The Authority should implement policies and procedures to verify invoices are timely paid to avoid late fees. Failure to do so could result in future findings for recovery due to monies not being expended for a proper public purpose.

Officials' Response
The Authority processes checks on a weekly basis, when complete supporting documents are received by Finance. The Authority has mailed payments to vendors prior to the due date but the timing of when the vendor receives the payment is beyond the Authority's control, as well as when the invoice is mailed to the Authority by the vendor. In some instances, the Authority has sent payments via Fedex and/or overnight delivery as necessary to ensure payment is received in a timely manner. The Authority has disputed late charges with vendors and was able to recover some late fees by a subsequent billing credit. The Authority has set up an Accounts Payable email address where invoices can be directly e-mailed by vendors and the Authority will be working to set up electronic payments to vendors. Additionally, the Authority will review vendor profiles and procure services from alternative companies with better service.

OHIO AUDITOR OF STATE
KEITH FABER

SPRINGFIELD METROPOLITAN HOUSING AUTHORITY

CLARK 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 6/30/2022

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