

**COLUMBUS METROPOLITAN HOUSING AUTHORITY**  
**FRANKLIN COUNTY**  
**REGULAR AND SINGLE AUDIT REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**



OHIO AUDITOR OF STATE  
KEITH FABER



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Board of Commissioners  
Columbus Metropolitan Housing Authority  
880 East 11th Ave  
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We have reviewed the *Independent Auditor's Report* of Columbus Metropolitan Housing Authority, Franklin County, prepared by Plante & Moran, PLLC, for the audit period January 1, 2022 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Columbus Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

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

Keith Faber  
Auditor of State  
Columbus, Ohio

August 23, 2023

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# Columbus Metropolitan Housing Authority

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**Financial Report  
with Supplementary Information  
December 31, 2022**

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## Independent Auditor's Report

To the Board of Commissioners  
Columbus Metropolitan Housing Authority

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Columbus Metropolitan Housing Authority (the "Authority") as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority as of December 31, 2022 and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Elim Manor Elderly Housing, LLC; Franklin Station, LLC; Poindexter Place, LLC; Sawyer Manor and Trevitt Heights, LLC; CMHA RAD East, LLC; Columbus Scholar House III, LLC; RAD Rosewind, LLC; and RAD Post Oak, LLC, which represent 94, 100, and 100 percent of the assets, net position, and revenue, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Elim Manor Elderly Housing, LLC; Franklin Station, LLC; Poindexter Place, LLC; Sawyer Manor and Trevitt Heights, LLC; CMHA RAD East, LLC; Columbus Scholar House III, LLC; RAD Rosewind, LLC; and RAD Post Oak, LLC is based solely on the report of the other auditors. The financial statements of the discretely presented component units, with the exception of Elim Manor Elderly Housing, LLC, were not audited under *Government Auditing Standards*.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the discretely presented component units, with the exception of Elim Manor Elderly Housing, LLC, were not audited under *Government Auditing Standards*.

#### **Emphasis of Matters**

As described in Note 3 to the financial statements, the 2021 financial statements have been restated to correct a misstatement in previously issued financial statements; adopt the new accounting guidance contained in Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*; and reflect a change in reporting entity. Our opinion is not modified with respect to these matters.

#### **Responsibilities of Management for the Financial Statements**

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

To the Board of Commissioners  
Columbus Metropolitan Housing Authority

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as noted in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Commissioners  
Columbus Metropolitan Housing Authority

***Other Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The financial data schedules, as identified in the table of contents, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

***Additional Information***

Management is responsible for the accompanying grant close out schedules, which are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Our opinions on the financial statements do not cover such information, and we do not express an opinion or any form of assurance thereon.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

June 23, 2023

# Columbus Metropolitan Housing Authority

## Management's Discussion and Analysis

As management of Columbus 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 December 31, 2022. This management's discussion and analysis focuses on the operations of the Authority and not its discretely presented component units. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements to obtain a full understanding of our financial position. This management's discussion and analysis is presented in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 34.

### Overview of the Financial Statements

The annual financial report consists of four parts:

- Management's discussion and analysis
- Financial statements
- Supplemental financial data schedules
- Schedule of expenditures of federal awards

Columbus Metropolitan Housing Authority, as a subdivision of the State of Ohio, is a special-purpose government agency engaged only in business-type activities. The Authority's mission is to help people access affordable housing through collaborative partnerships to develop, renovate, and maintain housing; promote neighborhood revitalization; and assist residents in accessing needed social services.

The Authority follows enterprise fund reporting; accordingly, the financial statements are presented under the full accrual basis of accounting. These financial statements are designed to be corporate-like in that all business-type programs are consolidated into one agency-wide total. Separate accounts are maintained for each program to control and manage money for particular purposes. The supplemental information section of the financial statements includes the financial data schedules, which provide net position by program and revenue, expenses, and changes in net position by program.

In accordance with Governmental Accounting Standards Board Statement No. 63 (GASB 63), these statements include a statement of net position, which is similar to a balance sheet. The statement of net position reports all financial and capital resources of the Authority. The statement is presented in the format where assets minus liabilities equal "net position." Assets are presented in order of liquidity and are classified as "current" (convertible to cash within one year), "noncurrent," and "capital assets." Liabilities are classified as "current" (payable within one year) and "noncurrent."

The focus of the statement of net position is designed to represent the net available liquid (noncapital) assets, net of liabilities, for the entire Authority. 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 borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

## Columbus Metropolitan Housing Authority

# Management's Discussion and Analysis

**Unrestricted Net Position** - Unrestricted net position consists of net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

The financial statements also include a statement of activities, which is similar to an income statement. This statement includes operating revenue, operating expenses, and nonoperating revenue and expenses. The focus of the statement of activities is the “change in net position,” which is similar to net income or loss.

A statement of cash flows is included, which discloses net cash provided by, or used for, operating activities, investing activities, and capital and related financing activities. This statement also includes a reconciliation of the change in net position to net cash from operations.

The Authority’s significant programs and services that are consolidated into a single enterprise fund are detailed below. For detailed revenue and balance sheet information on these, see “Supplemental Financial Data Schedules” in the back of this report.

**PHA Owned Low Rental Housing (LRH)** - Under the Public Housing Program, the Authority rents units it owns to low-income households. This program operates under an Annual Contribution Contract with HUD. An operating subsidy is provided by HUD to enable the Authority to provide the housing at a rent that is based upon 30 percent of the tenant’s adjusted gross income. Beginning in 2016, the Agency embarked on a strategy to convert the remaining public housing units to Project Base Voucher (PBV) units under HUD’s Rental Assistance Demonstration (RAD) Program. We anticipate full conversion to be completed by early 2024.

**Capital Grant Program** - This grant provides funding to improve the physical conditions of our low-income rental housing (discussed above) and upgrade management of operations to ensure that the properties continue to be available to service low-income families.

**Housing Choice Vouchers (Section 8)** - Through Annual Contribution Contracts (ACC) with HUD, the Authority receives funding to subsidize the rent of low-income families in the private market and earns an administrative fee to cover the program’s operating costs. This is our largest program, providing vouchers to approximately 13,600 families and individuals. It includes Housing Choice, Mainstream, Shelter Care Plus, Emergency Housing Vouchers, and Veterans Vouchers.

**Assisted Housing Services Corp (AHSC)** - The Authority, through its wholly owned subsidiary, the Assisted Housing Services Corporation, provides performance-based contract administration (PBCA) services for units receiving project-based Section 8 housing assistance throughout the State of Ohio and Washington, D.C.

**Other Business Ventures** - The Authority has other business ventures that are not dependent upon HUD funding. They include wholly owned subsidiaries that were established to own land and housing units and participate in limited partnerships and limited liability corporations.

**Other HUD Programs** - The Authority currently receives funding for or has remaining funding from other Section 8 programs that have multiple-year funding but are not considered major programs, such as the ROSS Grant.

**Partnerships in Low-income Tax Credit Housing (LIHTC)** - The Authority, through one of its Other Business Ventures entities, is a general partner in ten tax credit entities for a total of 1,279 units as of December 31, 2022: Elim Manor Elderly Housing, LLC, Poindexter Place, LLC, Franklin Station, LLC, Sawyer Manor and Trevitt Heights, LLC, CMHA RAD East, LLC, Columbus Scholar House III, LLC, RAD Rosewind, LLC, RAD Post Oak, LLC, CMHA McKinley Manor, LLC, and Harriet’s Hope, LLC.

## **Columbus Metropolitan Housing Authority**

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# **Management's Discussion and Analysis**

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**Transition to HUD Rental Assistance Demonstration** - Based on the efficiencies of the HCV program, the Authority set out on a course to convert the entire public housing program to project-based voucher (PBV) through HUD's Rental Assistance Demonstration program. This transition is anticipated to be completed by early 2024.

### **Major Programs for 2022 Audit**

For the current period ended December 31, 2022, the major programs are Performance Based Contract Administration Program (CFDA 14.327) and Public Housing Capital Fund Program (14.872).

### **Financial Highlights**

During the year ended December 31, 2022:

- Total assets increased by \$39,091,353, or 7.95 percent. This increase is due to an increase in notes receivable in Central Office related to current construction projects and acquisitions. The purchases of CHE Copperleaf Apartments, LLC and Magnolia Trace II also contributed to the increase in total assets.
- Total liabilities increased by \$10,472,793 or 5.48 percent. The increase is primarily due to the Magnolia Trace II bonds payable.
- Total operating revenue increased by \$16,567,061 due primarily to an increase in Section 8 Housing Assistance Subsidy.
- Total operating expenses increased by \$17,074,597 due primarily to increases in Section 8 Housing Assistance payments, contract expense, and depreciation expense.

## Columbus Metropolitan Housing Authority

# Management's Discussion and Analysis

### Condensed Comparative Financial Statements

The statement of net position for the year ended December 31, 2022, compared to the prior year, is as follows:

	<u>2022</u>	<u>2021</u>
<b>Assets and Deferred Outflows</b>		
Current and other assets	\$ 271,946,294	\$ 243,847,848
Capital assets - Net of depreciation	<u>258,730,431</u>	<u>247,737,524</u>
Total assets	530,676,725	491,585,372
<b>Deferred Outflows of Resources</b>		
Excess consideration provided in acquisition	2,103,418	2,187,562
Deferred pension costs	2,491,684	1,696,164
Deferred OPEB costs	<u>219,261</u>	<u>821,431</u>
Total Deferred Outflows of Resources	4,814,363	4,705,157
<b>Total Assets and Deferred Outflows</b>	<b><u>\$535,491,088</u></b>	<b><u>\$496,290,529</u></b>
<b>Liabilities</b>		
Current liabilities	\$ 15,940,484	\$ 13,492,739
Long-term liabilities	<u>185,718,529</u>	<u>177,693,481</u>
Total liabilities	201,659,013	191,186,220
<b>Deferred Inflows of Resources</b>		
Deferred pension cost reductions	5,785,282	3,449,924
Deferred OPEB cost reductions	1,810,885	2,944,853
Deferred inflows from leases	<u>117,445,813</u>	<u>97,203,589</u>
Total Deferred Inflows of Resources	<u>125,041,980</u>	<u>103,598,366</u>
<b>Net Position</b>		
Net investment in capital assets	94,137,681	61,696,135
Restricted	8,701,941	10,963,600
Unrestricted	<u>105,950,473</u>	<u>128,846,208</u>
Total net position	<u>208,790,095</u>	<u>201,505,943</u>
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<b><u>\$535,491,088</u></b>	<b><u>\$496,290,529</u></b>

As described within Note 3, Assets, Liabilities and Net Position as of December 31, 2021 have been restated due to Prior Period Adjustment, Adoption of GASB 87, and a change in reporting entity (Worley Terrace).

## Columbus Metropolitan Housing Authority

# Management's Discussion and Analysis

### Statement of Activities

The statement of activities presents the operating results of the Authority. Condensed information from the statement of activities for the year ended December 31, 2022, compared to the prior year, is as follows:

	<u>2022</u>	<u>2021</u>
<b>Operating Revenue</b>		
Revenue - Tenants	\$ 19,306,864	\$ 16,598,651
Subsidy for Housing Assistance Payments	788,675,738	773,791,077
HUD operating grants	13,922,300	12,876,681
Performance based contract administration fee revenue	20,056,533	19,399,008
Other income	14,807,763	17,536,720
	<u>856,769,198</u>	<u>840,202,137</u>
<b>Operating Expenses</b>		
Administrative and tenant services	40,094,068	37,770,066
Utilities	1,590,377	1,352,303
Maintenance and operations	5,448,602	4,719,760
Protective services	277,559	266,566
Insurance and general	3,910,934	4,413,827
Housing assistance payments	787,999,324	777,809,699
Interest expense	5,258,188	5,295,064
Depreciation	12,741,550	8,618,720
	<u>857,320,602</u>	<u>840,246,005</u>
<b>Operating Loss</b>	(551,404)	(43,868)
<b>Nonoperating Revenue</b>		
Gain (loss) on sale of assets	(975,165)	198,391
Interest income	4,030,330	2,009,940
	<u>3,055,165</u>	<u>2,208,331</u>
<b>Income</b>	2,503,761	2,164,463
Contributions:		
Capital grants	4,780,391	759,213
	<u>4,780,391</u>	<u>759,213</u>
<b>Change in Net Position</b>	<u><u>\$7,284,152</u></u>	<u><u>\$2,923,676</u></u>



## **Columbus Metropolitan Housing Authority**

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# **Management's Discussion and Analysis**

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### **Major Factors Affecting the Statement of Activities**

- Total operating revenue increased by \$16,567,061 largely due to an increase in Section 8 Housing Assistance Subsidy.
- Total operating expenses increased by \$17,074,597 due primarily to increases in Section 8 Housing Assistance payments, contract expense, and depreciation expense.

## Columbus Metropolitan Housing Authority

# Management's Discussion and Analysis

### Capital Assets

As of December 31, 2022, the Authority had \$258.7 million in capital assets as reflected in the schedule:

	<u>2022</u>	<u>2021</u>
Land	\$ 29,412,610	\$ 26,299,712
Construction in progress	<u>3,077,859</u>	<u>2,003,096</u>
Total nondepreciable capital assets	32,490,469	28,302,808
Buildings	396,005,753	378,667,207
Furniture and fixtures	10,036,383	9,989,821
Intangible assets	<u>1,756,646</u>	<u>1,756,646</u>
Total depreciable assets	407,798,782	390,413,674
Accumulated depreciation	<u>(181,558,820)</u>	<u>(170,978,958)</u>
Net capital assets being depreciated	<u>226,239,962</u>	<u>219,434,716</u>
Total capital assets	<u><b>\$258,730,431</b></u>	<u><b>\$247,737,524</b></u>

As described within Note 3, the capital asset balances as of December 31, 2021 have been restated.

### Major Factors Affecting Capital Assets

Land and buildings increased by \$20,451,444, primarily due to the purchases of real property underlying CHE Copperleaf Apartments, LLC and Magnolia Trace II.

Construction in progress increased by \$1,074,763 largely due to the remodeling of the central office building.

## **Columbus Metropolitan Housing Authority**

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# **Management's Discussion and Analysis**

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### **Debt**

As of December 31, 2022, the Authority had outstanding debt obligations totaling \$183,294,444, an increase of \$10.7 million or 6.2 percent. The increase is largely due to the Magnolia Trace II bonds payable (\$12.3 million). See Note 9 to the financial statements for additional information.

### **Economic Factors**

Significant economic factors affecting the Authority in 2022 are as follows:

- Federal funding is at the discretion of the U.S. Department of HUD and was insufficient to cover operating costs and capital improvements for low-rent housing units in 2022.
- Rising interest rates have caused the Authority to evaluate alternative methods of financing the Authority's strategy of acquisition and mixed-income community development.
- The inflationary cycle of 2022 adversely impacted some areas of operating expenses and are likely to continue to do so through 2023.

# Columbus Metropolitan Housing Authority

## Statement of Net Position

December 31, 2022

	Primary Government (CMHA)	Discretely Presented Component Units
<b>Assets</b>		
Current assets:		
Cash and cash equivalents - Unrestricted (Note 4)	\$ 44,116,634	\$ 12,336,979
Receivables:		
HUD receivables	5,120,979	-
Other receivables	2,877,433	-
Tenant receivables	283,017	632,218
Due from discretely presented component units	1,688,403	-
Accrued interest receivable	5,805,231	-
Leases receivable (Note 15)	1,589,601	-
Tenant security deposits - Restricted (Note 4)	649,251	416,909
Prepaid expenses and other assets	642,995	526,424
Notes receivable (Note 5)	6,660,686	-
Cash and cash equivalents - Restricted short term (Note 4)	9,206,104	7,374,999
Total current assets	78,640,334	21,287,529
Noncurrent assets:		
Equity interest in joint ventures (Note 7)	20,766,866	-
Net OPEB asset (Note 11)	1,752,690	-
Capital assets: (Note 6)		
Assets not subject to depreciation	32,490,469	13,035,732
Assets subject to depreciation - Net	226,239,962	135,501,622
Other noncurrent assets	513,471	1,592,972
Notes receivable - Net of allowance (Note 5)	151,571,239	-
Cash and cash equivalents - Restricted long term (Note 4)	18,701,694	23,161,974
Total noncurrent assets	452,036,391	173,292,300
Total assets	530,676,725	194,579,829
<b>Deferred Outflows of Resources</b>		
Excess consideration provided in acquisition	2,103,418	-
Deferred pension costs (Note 10)	2,491,684	-
Deferred OPEB costs (Note 11)	219,261	-
Total deferred outflows of resources	4,814,363	-
<b>Liabilities</b>		
Current liabilities:		
Accounts payable:		
Accounts payable	8,263,511	2,264,302
Due to CMHA	-	1,688,403
Due to other governmental units	-	180
Security deposits liability	726,384	380,766
Accrued liabilities and other	2,822,506	4,677,429
Unearned revenue	1,022,727	300,017
Accrued compensated absences	435,249	-
Notes payable (Note 9)	2,670,107	3,506,934
Total current liabilities	15,940,484	12,818,031
Noncurrent liabilities:		
Accrued compensated absences	39,720	-
Net pension liability (Note 10)	4,627,442	-
Notes payable - Net of current portion (Note 9)	180,624,337	129,227,838
Other noncurrent liabilities	427,030	7,652,878
Total noncurrent liabilities	185,718,529	136,880,716
Total liabilities	201,659,013	149,698,747

# Columbus Metropolitan Housing Authority

## Statement of Net Position (Continued)

December 31, 2022

	Primary Government (CMHA)	Discretely Presented Component Units
<b>Deferred Inflows of Resources</b>		
Deferred pension cost reductions (Note 10)	\$ 5,785,282	\$ -
Deferred OPEB cost reductions (Note 11)	1,810,885	-
Deferred inflows from leases (Note 15)	117,445,813	-
Total deferred inflows of resources	<u>125,041,980</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	94,137,681	38,964,556
Restricted	8,701,941	7,411,142
Unrestricted	105,950,473	(1,494,616)
Total net position	<u>\$ 208,790,095</u>	<u>\$ 44,881,082</u>

# Columbus Metropolitan Housing Authority

## Statement of Revenue, Expenses, and Changes in Net Position

Year Ended December 31, 2022

	Primary Government (CMHA)	Discretely Presented Component Units
<b>Operating Revenue</b>		
Revenue - Tenants	\$ 19,306,864	\$ 9,322,717
HUD operating grants	13,922,300	-
Subsidy for housing assistance payments	788,675,738	-
Performance-based contract administration fee revenue	20,056,533	-
Other revenue	14,807,763	307,858
Total operating revenue	856,769,198	9,630,575
<b>Operating Expenses</b>		
Housing assistance payments	787,999,324	-
Interest expense	5,258,188	2,338,272
Administrative	39,999,462	3,297,341
Tenant services	94,606	99,555
Utilities	1,590,377	1,468,670
Maintenance and operations	5,448,602	2,489,213
Protective services	277,559	67,663
Insurance expense	1,151,068	499,153
General expenses	2,759,866	401,503
Depreciation (Note 6)	12,741,550	4,225,157
Total operating expenses	857,320,602	14,886,527
<b>Operating Loss</b>	(551,404)	(5,255,952)
<b>Nonoperating (Expense) Revenue</b>		
Net loss on sale of assets (Note 6)	(975,165)	-
Interest income	4,030,330	291,497
Amortization of deferred costs	-	(114,501)
Total nonoperating revenue	3,055,165	176,996
<b>Income (Loss)</b>	2,503,761	(5,078,956)
<b>Contributions</b>		
Capital grants	4,780,391	-
Member contributions	-	12,824,495
Total contributions	4,780,391	12,824,495
<b>Change in Net Position</b>	7,284,152	7,745,539
<b>Net Position - Beginning of year (as restated) (Note 3)</b>	201,505,943	37,135,543
<b>Net Position - End of year</b>	<b>\$ 208,790,095</b>	<b>\$ 44,881,082</b>

# Columbus Metropolitan Housing Authority

## Statement of Cash Flows

Year Ended December 31, 2022

	Primary Government (CMHA)
<b>Cash Flows from Operating Activities</b>	
Cash from tenants	\$ 19,140,066
HUD subsidies and grants	802,968,026
Other receipts	34,222,884
Cash payments for administrative expenses	(38,105,966)
Cash payments for other operating expenses	(11,501,002)
Housing assistance payments	<u>(787,999,324)</u>
Net cash and cash equivalents from operating activities	18,724,684
<b>Cash Flows from Capital and Related Financing Activities</b>	
HUD capital grants	4,780,391
Capital asset acquisitions	(20,389,308)
Payments on capital debt	(2,898,533)
Proceeds from capital debt	12,604,619
Interest paid on capital debt	<u>(5,018,997)</u>
Net cash and cash equivalents from capital and related financing activities	(10,921,828)
<b>Cash Flows from Investing Activities</b>	
Interest income	2,883,496
Advances on notes receivable	(27,632,188)
Receipt of payments on notes receivables	9,989,916
Distributions received from investments in joint ventures	197,930
Capital contributions made to investments in joint ventures	<u>(1,100,700)</u>
Net cash and cash equivalents used in investing activities	<u>(15,661,546)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	(7,858,690)
<b>Cash and Cash Equivalents - Beginning of year</b>	<u>80,532,373</u>
<b>Cash and Cash Equivalents - End of year</b>	<b><u>\$ 72,673,683</u></b>
<b>Classification of Cash and Cash Equivalents</b>	
Cash and cash equivalents - Unrestricted	\$ 44,116,634
Restricted cash - Current	9,206,104
Restricted cash - Tenant security deposits	649,251
Restricted cash - Long term	<u>18,701,694</u>
Total cash and cash equivalents	<b><u>\$ 72,673,683</u></b>

# Columbus Metropolitan Housing Authority

## Statement of Cash Flows (Continued)

Year Ended December 31, 2022

	Primary Government (CMHA)
<b>Reconciliation of Operating Loss to Net Cash from Operating Activities</b>	
Operating loss	\$ (551,404)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation	12,741,550
Developer fee income financed through loans and notes receivable	(4,177,703)
Interest paid on capital debt	5,018,997
Change in lease receivable	(211,042)
Changes in assets and liabilities:	
Accounts receivable tenants	(166,798)
Grants receivable	369,988
Other accounts receivable	(405,802)
Prepaid expenses and other assets	60,365
Accounts payable and other	1,884,766
Unearned revenue	7,113,640
Security deposit liability	8,632
Net pension and OPEB liabilities and deferrals related to pension and OPEB	(2,960,505)
Total adjustments	<u>19,276,088</u>
Net cash and cash equivalents from operating activities	<u><b>\$ 18,724,684</b></u>
<b>Significant Noncash Transactions</b>	
Noncash advances on note receivable	\$ 15,047,703
Noncash fixed asset additions	9,310,298
Assumption of debt	1,844,912
Forgiveness of debt	(850,763)
Noncash lease receivable and deferred inflow activity	13,515,416



# Columbus Metropolitan Housing Authority

## Combining Statement of Net Position for Discretely Presented Component Units

December 31, 2022

	Elim Manor Elderly Housing, LLC	Franklin Station, LLC	Poindexter Place, LLC	Sawyer Manor and Trevitt Heights, LLC	CMHA RAD East, LLC	Columbus Scholar House III, LLC	RAD Rosewind, LLC	RAD Post Oak, LLC	CMHA McKinley Manor, LLC	Harriet's Hope, LLC	Total
<b>Assets</b>											
Cash and cash equivalents	\$ 77,850	\$ 221,832	\$ 328,337	\$ 291,868	\$ 1,111,775	\$ 83,978	\$ 18,424	\$ 5,857,773	\$ 1,766,693	\$ 2,578,449	\$ 12,336,979
Receivables - Tenant and other	32,496	(1,039)	15,176	187,251	50,063	18,607	104,361	225,303	-	-	632,218
Tenant security deposits -											
Restricted	16,039	73,842	27,974	128,632	60,710	16,491	73,259	19,962	-	-	416,909
Prepaid expenses and other assets	16,589	48,378	12,479	106,425	147,489	5,787	141,638	47,639	-	-	526,424
Cash and cash equivalents -											
Restricted short term (Note 4)	509,947	922,639	650,866	1,961,039	1,444,920	72,290	1,291,919	521,379	-	-	7,374,999
Capital assets: (Note 6)											
Assets not subject to depreciation	-	750,000	-	-	-	-	-	6,625,475	2,870,879	2,789,378	13,035,732
Assets subject to depreciation -											
Net	3,363,762	12,431,338	11,872,290	27,128,656	25,992,883	6,899,953	35,477,473	10,785,455	877,436	672,376	135,501,622
Other noncurrent assets	205,980	53,638	125,654	168,745	351,869	87,892	599,194	-	-	-	1,592,972
Cash and cash equivalents -											
Restricted long term (Note 4)	-	-	-	-	-	-	-	23,161,974	-	-	23,161,974
<b>Total assets</b>	<b>4,222,663</b>	<b>14,500,628</b>	<b>13,032,776</b>	<b>29,972,616</b>	<b>29,159,709</b>	<b>7,184,998</b>	<b>37,706,268</b>	<b>47,244,960</b>	<b>5,515,008</b>	<b>6,040,203</b>	<b>194,579,829</b>
<b>Liabilities</b>											
Accounts payable:											
Accounts payable	24,888	46,312	52,508	73,699	40,676	27,161	525,290	776,770	562,935	134,063	2,264,302
Due to CMHA	-	-	16,984	56,981	234,553	179,796	58,700	142,922	561,775	436,692	1,688,403
Due to other governmental units	-	120	-	-	-	60	-	-	-	-	180
Security deposits liability	14,999	74,322	21,361	118,004	56,181	13,736	70,001	12,162	-	-	380,766
Accrued liabilities and other	4,435	41,900	21,311	1,315,507	1,962,399	71,959	513,205	746,713	-	-	4,677,429
Unearned revenue	18,868	10,307	5,565	60,437	38,376	2,880	154,206	9,378	-	-	300,017
Noncurrent liabilities:											
Due within one year - Notes payable (Note 9)	50,061	2,337,772	101,875	245,527	240,525	205,326	325,848	-	-	-	3,506,934
Due in more than one year:											
Notes payable - Net of current portion (Note 9)	2,242,711	2,515,236	1,327,679	20,325,709	19,958,927	3,482,630	26,642,826	43,617,955	3,997,692	5,116,473	129,227,838
Other noncurrent liabilities	53,630	355,524	-	-	1,338,700	264,348	3,962,288	1,070,389	357,999	250,000	7,652,878
<b>Total liabilities</b>	<b>2,409,592</b>	<b>5,381,493</b>	<b>1,547,283</b>	<b>22,195,864</b>	<b>23,870,337</b>	<b>4,247,896</b>	<b>32,252,364</b>	<b>46,376,289</b>	<b>5,480,401</b>	<b>5,937,228</b>	<b>149,698,747</b>
<b>Net Position</b>											
Net investment in capital assets	1,070,990	8,328,330	10,442,736	6,557,420	5,793,431	3,211,997	8,508,799	(3,045,051)	(249,377)	(1,654,719)	38,964,556
Restricted	510,987	922,159	657,479	1,971,667	1,449,449	75,045	1,295,177	529,179	-	-	7,411,142
Unrestricted	231,094	(131,354)	385,278	(752,335)	(1,953,508)	(349,940)	(4,350,072)	3,384,543	283,984	1,757,694	(1,494,616)
<b>Total net position</b>	<b>\$ 1,813,071</b>	<b>\$ 9,119,135</b>	<b>\$ 11,485,493</b>	<b>\$ 7,776,752</b>	<b>\$ 5,289,372</b>	<b>\$ 2,937,102</b>	<b>\$ 5,453,904</b>	<b>\$ 868,671</b>	<b>\$ 34,607</b>	<b>\$ 102,975</b>	<b>\$ 44,881,082</b>

See notes to financial statements.

# Columbus Metropolitan Housing Authority

## Combining Statement of Activities for Discretely Presented Component Units

Year Ended December 31, 2022

	Elim Manor Elderly Housing, LLC	Franklin Station, LLC	Poindexter Place, LLC	Sawyer Manor and Trevitt Heights, LLC	CMHA RAD East, LLC	Columbus Scholar House III, LLC	RAD Rosewind, LLC	RAD Post Oak, LLC	CMHA McKinley Manor, LLC	Harriet's Hope, LLC	Total
<b>Operating Revenue</b>											
Revenue - Tenants	\$ 492,477	\$ 1,076,093	\$ 1,023,765	\$ 1,898,857	\$ 2,140,924	\$ 239,719	\$ 2,110,259	\$ 340,623	\$ -	\$ -	\$ 9,322,717
Other revenue	4,869	28,298	10,527	30,782	74,112	3,098	136,047	20,125	-	-	307,858
Total operating revenue	497,346	1,104,391	1,034,292	1,929,639	2,215,036	242,817	2,246,306	360,748	-	-	9,630,575
<b>Operating Expenses</b>											
Interest expense	53,643	135,991	16,735	543,158	519,746	62,147	422,025	584,827	-	-	2,338,272
Administrative	157,785	273,577	348,707	592,171	853,648	91,240	850,821	129,392	-	-	3,297,341
Tenant services	1,100	15,000	5,334	43,283	224	13,680	14,866	6,068	-	-	99,555
Utilities	44,291	149,142	115,960	368,543	375,173	40,102	279,581	95,878	-	-	1,468,670
Maintenance and operations	84,865	183,163	235,342	453,894	437,437	42,179	410,744	641,589	-	-	2,489,213
Protective services	3,203	37,136	7,123	-	-	20,201	-	-	-	-	67,663
Insurance expense	35,364	38,710	23,547	148,603	94,785	28,444	129,700	-	-	-	499,153
General expenses	1,019	13,521	-	30,870	86,052	18,920	226,229	24,892	-	-	401,503
Depreciation	227,608	414,336	620,873	694,263	873,169	312,338	991,483	84,545	3,917	2,625	4,225,157
Total operating expenses	608,878	1,260,576	1,373,621	2,874,785	3,240,234	629,251	3,325,449	1,567,191	3,917	2,625	14,886,527
<b>Operating Loss</b>	(111,532)	(156,185)	(339,329)	(945,146)	(1,025,198)	(386,434)	(1,079,143)	(1,206,443)	(3,917)	(2,625)	(5,255,952)
<b>Nonoperating Revenue (Expense)</b>											
Interest income	321	2,435	28	1,483	1,172	70	56,268	229,720	-	-	291,497
Amortization of deferred costs	(10,508)	(13,587)	(10,373)	(20,075)	(31,552)	(7,247)	(62,405)	41,246	-	-	(114,501)
Total nonoperating (expense) revenue	(10,187)	(11,152)	(10,345)	(18,592)	(30,380)	(7,177)	(6,137)	270,966	-	-	176,996
<b>Loss</b>	(121,719)	(167,337)	(349,674)	(963,738)	(1,055,578)	(393,611)	(1,085,280)	(935,477)	(3,917)	(2,625)	(5,078,956)
<b>Contributions</b>	-	-	247,282	1,007,685	696,462	3,548,061	5,376,733	1,804,148	38,524	105,600	12,824,495
<b>Change in Net Position</b>	(121,719)	(167,337)	(102,392)	43,947	(359,116)	3,154,450	4,291,453	868,671	34,607	102,975	7,745,539
<b>Net Position (Deficit) - Beginning of year, as restated</b>	1,934,790	9,286,472	11,587,885	7,732,805	5,648,488	(217,348)	1,162,451	-	-	-	37,135,543
<b>Net Position - End of year</b>	<u>\$ 1,813,071</u>	<u>\$ 9,119,135</u>	<u>\$ 11,485,493</u>	<u>\$ 7,776,752</u>	<u>\$ 5,289,372</u>	<u>\$ 2,937,102</u>	<u>\$ 5,453,904</u>	<u>\$ 868,671</u>	<u>\$ 34,607</u>	<u>\$ 102,975</u>	<u>\$ 44,881,082</u>

December 31, 2022

### Note 1 - Nature of Business

#### ***Organization and Reporting Entity***

Columbus Metropolitan Housing Authority (the "Authority") is organized under the laws of the State of Ohio for the purpose of acquiring, developing, leasing, operating, and administering low-rent housing programs and other housing-related programs. The Authority owns and provides subsidy and operating support for housing units located throughout Franklin County, Ohio. The Authority's assets, liabilities, net position, and changes in net position are included in its primary government fund and include all asset management programs (AMPs), Central Office Cost Center (COCC), business activities, and programs of the Authority.

The U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering the Low-Rent Housing Program under the United States Housing Act of 1937, as amended. HUD is authorized to contract with local housing authorities in financing the acquisition, construction, and/or leasing of housing units to make housing assistance payments and to make annual contributions (subsidies) to the local housing authorities for the purpose of maintaining the low-rent character of the local housing program. Through multiple annual contributions contracts (ACC), HUD has conveyed certain federally built housing units to the Authority for low-rent operations, making the Authority responsible for the administration of Section 8 and low-income federal programs.

The Authority also has the authority to engage in other business activities not necessarily related to, but supportive of, the low-income housing mission. These activities cover a full range of housing and commercial development activities, as well as contracted services to certain housing authorities on behalf of HUD. These services are primarily the payment processing and administrative services of an assisted housing program.

The nucleus of the financial reporting entity, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended, is the primary government. A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criteria of financial accountability is the appointment of a voting majority plus the ability of the primary government to impose its will upon the potential component unit. These criteria were considered in determining the reporting entity. In accordance with GASB Statement No. 14, as amended (which defines a primary government and those organizations that should be reported as component units), the Authority has included Elim Manor Elderly Housing, LLC; Franklin Station, LLC; Poindexter Place, LLC; Sawyer Manor and Trevitt Heights, LLC; CMHA RAD East, LLC; Columbus Scholar House III, LLC; RAD Rosewind, LLC; RAD Post Oak, LLC; CMHA McKinley Manor, LLC; and Harriet's Hope, LLC as discretely presented component units and Gender Road Limited Partnership; Homes at Second Avenue, LLC; Four Pointe MHA, LLC; SR-MHA, LLC; Arden Park MHA, LLC; CMHA Country Ridge, LLC; Tussing Place MHA, LLC; Gables West MHA, LLC; Canals Edge MHA, LLC; 162 North Ohio Avenue, LLC; Jenkins Terrace, LLC; and Worley Terrace, LLC as blended component units in the accompanying financial statements. In addition, the Authority has certain special limited partnerships that do not meet the definition of a blended or discrete component unit, and they are disclosed in the following sections.

#### ***Blended Component Units***

Some component units, despite being legally separate, are so integrated with the primary government that they are, in substance, part of the primary government. The Authority includes the following component units, which are controlled by the Authority and for which the Authority is financially accountable, as blended components in accordance with GASB 14, as amended:

- Gender Road Limited Partnership was formed in May 1997 for the purpose of acquiring, constructing, owning, and operating an apartment complex for low- and moderate-income residents of Columbus, Ohio. The Authority is the sole partner of Gender Road Limited Partnership and is responsible for the operations of Gender Road Limited Partnership. As such, the Authority has the ability to impose its will on Gender Road Limited Partnership.

December 31, 2022

### Note 1 - Nature of Business (Continued)

- Homes at Second Avenue, LLC (New Village Homes), a limited liability company under the laws of the State of Ohio, was formed in May 2001 for the purpose of acquiring, developing, leasing, operating, and administering 100 units of multifamily rental housing. The Authority is the sole member of the board of New Village Homes and is responsible for the operations of New Village Homes. As such, the Authority has the ability to impose its will on New Village Homes.
- Four Pointe MHA, LLC (Four Pointe), a limited liability company under the laws of the State of Ohio, was formed in May 2016 for the purpose of leasing and operating 204 units of multifamily rental housing. The Authority is the sole member of the board of Four Pointe and is responsible for the operations of Four Pointe. As such, the Authority has the ability to impose its will on Four Pointe.
- SR-MHA, LLC (Scioto Ridge), a limited liability company under the laws of the State of Ohio, was formed in February 2018 for the purpose of leasing and operating 152 units of multifamily rental housing. The Authority is the sole member of the board of Scioto Ridge and is responsible for the operations of Scioto Ridge. As such, the Authority has the ability to impose its will on Scioto Ridge.
- Arden Park MHA, LLC (Arden Park), a limited liability company under the laws of the State of Ohio, was formed in March 2019 for the purpose of leasing and operating 180 units of multifamily rental housing. The Authority is the sole member of the board of Arden Park and is responsible for the operations of Arden Park. As such, the Authority has the ability to impose its will on Arden Park.
- CMHA Country Ridge, LLC (Country Ridge), a limited liability company under the laws of the State of Ohio, was formed in April 2019 for the purpose of leasing and operating 96 units of multifamily rental housing. The Authority is the sole member of the board of Country Ridge and is responsible for the operations of Country Ridge. As such, the Authority has the ability to impose its will on Country Ridge.
- Tussing Place MHA, LLC (Tussing Place), a limited liability company under the laws of the State of Ohio, was formed in January 2020 for the purpose of leasing and operating 96 units of multifamily rental housing. The Authority is the sole member of the board of Tussing Place and is responsible for the operations of Tussing Place. As such, the Authority has the ability to impose its will on Tussing Place.
- Gables West MHA, LLC (Gables West), a limited liability company under the laws of the State of Ohio, was formed in June 2020 for the purpose of leasing and operating 184 units of multifamily rental housing. The Authority is the sole member of the board of Gables West and is responsible for the operations of Gables West. As such, the Authority has the ability to impose its will on Gables West.
- Canals Edge MHA, LLC (Canals Edge), a limited liability company under the laws of the State of Ohio, was formed in May 2020 for the purpose of leasing and operating 88 units of multifamily rental housing. The Authority is the sole member of the board of Canals Edge and is responsible for the operations of Canals Edge. As such, the Authority has the ability to impose its will on Canals Edge.

December 31, 2022

### Note 1 - Nature of Business (Continued)

- 162 North Ohio Avenue, LLC (The Harris), a limited liability company under the laws of the State of Ohio, was formed in October 2017 for the purpose of leasing and operating 10 units of multifamily rental housing. The Authority is the sole member of the board of The Harris and is responsible for the operations of The Harris. As such, the Authority has the ability to impose its will on The Harris.
- Jenkins Terrace, LLC (Jenkins), a limited liability company under the laws of the State of Ohio, was formed in January 2004 for the purpose of acquiring, developing, leasing, operating, and administering an apartment complex of 100 single-bedroom elderly public housing units in Columbus, Ohio. In December 2021, the investor member sold its interest in Jenkins to the Authority, effectively making the Authority the sole member. The Authority is the sole member of the board of Jenkins and is responsible for the operations of Jenkins. As such, the Authority has the ability to impose its will on Jenkins.
- Worley Terrace, LLC (Worley), a limited liability company under the laws of the State of Ohio, was formed in February 2006 for the purpose of acquiring, developing, leasing, operating, and administering an apartment complex of 100 single-bedroom elderly public housing units in Columbus, Ohio. In December 2022, one of the investor members sold its interest in Worley to the Authority, making the Authority a majority equity holder. This resulted in a change in reporting entity for the year ended December 31, 2022 (see Note 3). The Authority controls of the board of Worley and is responsible for the operations of Worley. As such, the Authority has the ability to impose its will on Worley.

#### ***Discretely Presented Component Units***

The following component units meet the criteria for discrete component unit presentation and are presented separately from the primary government in the basic financial statements to clearly distinguish the component unit balances and transactions from the primary government. These entities follow all applicable Financial Accounting Standards Board (FASB) standards, and their financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Since they do not follow governmental accounting for presentation purposes, certain transactions may be reflected differently in these financial statements than in the separately issued discrete component unit financial statements in order for them to conform to the presentation of the primary government. The separately issued financial statements for the discretely presented component units may be obtained by contacting the Authority directly.

- Elim Manor Elderly Housing, LLC was formed in December 2010 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 63 qualified low-income units in Columbus, Ohio.
- Franklin Station, LLC was formed in September 2011 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 100 qualified low-income units in Columbus, Ohio.
- Poindexter Place, LLC was formed in August 2013 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 104 qualified low-income units in Columbus, Ohio.
- Sawyer Manor and Trevitt Heights, LLC was formed in January 2016 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 253 qualified low-income units in Columbus, Ohio.

December 31, 2022

### Note 1 - Nature of Business (Continued)

- CMHA RAD East, LLC was formed in April 2017 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 255 qualified low-income units in Columbus, Ohio.
- Columbus Scholar House III, LLC was formed in August 2019 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 30 qualified low-income units in Columbus, Ohio.
- RAD Rosewind, LLC was formed in July 2020 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 230 qualified low-income units in Columbus, Ohio.
- RAD Post Oak, LLC was formed in January 2020 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 150 qualified low-income units and a day care facility in Columbus, Ohio.
- CMHA McKinley Manor, LLC was formed in December 2020 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 44 qualified low-income units in Columbus, Ohio.
- Harriet's Hope, LLC was formed in January 2021 for the purpose of constructing, financing, leasing, operating, and administering an apartment complex of 52 qualified low-income units in Columbus, Ohio.

#### ***Entities Excluded from This Reporting Entity***

- Waggoner Senior Housing Limited Partnership (related party) - In October 2002, the Authority established a wholly owned subsidiary, Waggoner Road, LLC, which is fully consolidated in the accompanying financial statements. Waggoner Road, LLC entered into Waggoner Senior Housing Limited Partnership. The general partner is Waggoner Senior Housing, Inc., a wholly owned subsidiary of National Church Residences, which has a 0.01 percent interest in the owner entity. The Authority is the special limited partner and has a 0.01 percent interest in the owner entity. The limited partner is NHT Fifth Third X Tax Credit Fund LLC, which has a 99.98 percent interest in the owner entity. The Authority and National Church Residences entered into development agreements to collaborate for co-development of the project. The Authority accounts for Waggoner Road, LLC as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.
- Avondale Woods Senior Housing Limited Partnership (related party) - In June 2011, the Authority entered into the Avondale Woods Senior Housing Limited Partnership. The general partner is National Church Residences of Avondale Woods Senior Housing Inc., a wholly owned subsidiary of National Church Residences, which has a 0.01 percent interest in the owner entity. The Authority is the special limited partner and has a 0.01 percent interest in the owner entity. The limited partner is NHT Avondale, LLC, which has a 99.98 percent interest in the owner entity. National Church Residences is the developer of the project. The Authority accounts for Avondale Woods Senior Housing Inc. as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.

December 31, 2022

### Note 1 - Nature of Business (Continued)

- Van Buren Village, Inc. (related party) - In June 2014, the Authority, on its own behalf and acting through Metropolitan Housing Partners, Inc., an Ohio nonprofit corporation (MHP), established a wholly owned subsidiary, Van Buren Village Inc., an Ohio for-profit corporation (VBVI), for the purpose of leasing, operating, and administering 100 units of multifamily, permanent supportive services for low-income housing tax credit. VBVI is a general partner of Van Buren Village PSH, LP., an Ohio for-profit limited partnership (VBV PSH). The managing general partner of VBV PSH is VOAGO Van Buren Village, Inc., an Ohio corporation that has a 0.08 percent interest in such partnership entity. The Authority, through its affiliate, VBVI, is the project general partner and has a 0.02 percent interest in such partnership entity. The limited partners of VBV PSH are OEF 5/3 Fund IV LLC and OEF Huntington Fund IV LLC, which collectively hold a 99.98 percent limited partnership interest in such partnership entity. The Authority accounts for VBVI as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.
- Poindexter IIA, LLC (related party) - Poindexter IIA, LLC (PIIA) was formed on December 16, 2014 for the purpose of acquiring, constructing, owning, financing, leasing, and operating the project property as a qualified low-income housing project. MHP Poindexter IIA, Inc., a wholly owned subsidiary of the Authority, is the administrative member, with a 0.0051 percent interest in the owner entity. Poindexter IIA MBS Member, Inc. is the managing member, with a 0.0049 percent interest in the owner entity. Ohio Equity Fund for Housing Limited Partnership XXV is the investor member, with a 99.99 percent owner interest. The Authority accounts for PIIA as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.
- Columbus Scholar House I, LLC (related party) - Columbus Scholar House I, LLC was formed on August 8, 2015 for the purpose of acquiring, constructing, owning, financing, leasing, and operating the project property as a qualified low-income housing project. MHP Scholar House, Inc., a wholly owned subsidiary of the Authority, is the administrative member, with a 0.051 percent interest in the owner entity. Columbus Scholar House, Inc. is the managing member, with a 0.049 percent interest in the owner entity. Ohio Equity Fund for Housing Limited Partnership XXV is the investor member, with a 99.9 percent owner interest. The Authority accounts for Columbus Scholar House I, LLC as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.
- Poindexter IIB, LLC (related party) - Poindexter IIB, LLC (PIIB) was formed on August 10, 2016 for the purpose of acquiring, constructing, owning, financing, leasing, and operating the project property as a qualified low-income housing project. MHP Poindexter IIB, Inc., a wholly owned subsidiary of the Authority, is the administrative member, with a 0.0051 percent interest in the owner entity. Poindexter IIB MBS Member, Inc. is the managing member, with a 0.0049 percent interest in the owner entity. Ohio Equity Fund for Housing Limited Partnership XXV is the investor member, with a 99.99 percent owner interest. The Authority accounts for PIIB as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.
- Poindexter III, LLC (related party) - Poindexter III, LLC (PIII) was formed on September 28, 2018 for the purpose of acquiring, constructing, owning, financing, leasing, and operating the project property as a qualified low-income housing project. MHP Poindexter III, Inc., a wholly owned subsidiary of the Authority, is the administrative member, with a 0.0051 percent interest in the owner entity. Poindexter III MBS Member, Inc. is the managing member, with a 0.0049 percent interest in the owner entity. Ohio Equity Fund for Housing Limited Partnership XXVII is the investor member, with a 99.99 percent owner interest. The Authority accounts for PIII as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.

December 31, 2022

### Note 1 - Nature of Business (Continued)

- Riverside Sunshine, LLC (related party) - Riverside Sunshine, LLC (River & Rich) was formed on May 31, 2017 for the purpose of constructing, financing, leasing, and operating an integrated mixed-use facility that includes multifamily apartments, office, commercial, and restaurant uses. The Authority contributed the land as a leasehold interest in River & Rich in exchange for a 22.5 percent ownership interest. CWKSS Franklinton Developer, LLC is the developer, with a 77.5 percent ownership interest. The Authority accounts for River & Rich as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.
- EF Garage, LLC (related party) - EF Garage, LLC (EF Garage) was formed on May 31, 2017 for the purpose of constructing, financing, leasing, and operating a parking garage in connection with the River & Rich project. The Authority contributed the land as a leasehold interest in EF Garage in exchange for a 22.5 percent ownership interest. CWKSS Franklinton Developer, LLC is the developer, with a 77.5 percent ownership interest. The Authority accounts for EF Garage as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.
- Crosswinds Village, LLC (related party) - Crosswinds Village, LLC (Crosswinds) was formed on February 15, 2019 for the purpose of acquiring, constructing, owning, financing, leasing, and operating the project property as a qualified low-income housing project. MHP Crosswinds Village, Inc., a wholly owned subsidiary of the Authority, is the administrative member, with a 0.0051 percent interest in the owner entity. PIRHL Crosswinds GP LLC is the managing member, with a 0.0049 percent interest in the owner entity. Key Community Development Corporation is the investor member, with a 99.99 percent owner interest. The Authority accounts for Crosswinds as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column. The Authority owns the underlying real property of Crosswinds and has entered into a 75-year ground lease with Crosswinds. The lease agreement called for an initial payment of \$26,400,000, of which \$19,000,000 was received in cash at the closing of Crosswinds in December 2020, and the balance will be repaid through a subordinated promissory note. The unearned portion of the lease agreement at December 31, 2022 totaled \$25,666,667 and is included in deferred inflows from leases on the statement of net position.
- Winchester Village Apartments, LLC (related party) - Winchester Village Apartments, LLC (Winchester Village) was formed on September 10, 2020 for the purpose of constructing, financing, leasing, and operating an apartment complex of 72 multifamily rental units in Columbus, Ohio. MHP Winchester Village, Inc., a wholly owned subsidiary of the Authority, is a co-member, with a 50.00 percent interest in the owner entity. PIRHL Winchester Village GP LLC is the second co-member, with a 50.00 percent interest in the owner entity. The Authority accounts for Winchester Village as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column. The Authority owns the underlying real property of Winchester Village Apartments, LLC and has entered into a 75-year ground lease with Winchester Village Apartments, LLC. The lease agreement called for an initial payment of \$12,875,000, of which \$9,667,762 was received in cash at the closing of Winchester Village Apartments, LLC in September 2020, and the balance will be repaid through a subordinated promissory note. The unearned portion of the lease agreement at December 31, 2022 totaled \$12,474,445 and is included in deferred inflows from leases on the statement of net position.



December 31, 2022

### Note 1 - Nature of Business (Continued)

- Winchester Lakes Apartments, LLC (related party) - Winchester Lakes Apartments, LLC (Winchester Lakes) was formed on September 1, 2020 for the purpose of constructing, financing, leasing, and operating an apartment complex of 150 multifamily rental units in Columbus, Ohio. MHP Winchester Apartments, Inc., a wholly owned subsidiary of the Authority, is the administrative member, with a 0.005 percent interest in the owner entity. PIRHL Winchester GP, LLC is the managing member, with a 0.005 percent interest in the owner entity. PNC Bank, National Association and Columbia Housing SLP Corporation, jointly, are the investor members, with a 99.99 percent owner interest. The Authority accounts for Winchester Lakes as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column. The Authority owns the underlying real property of Winchester Lakes Apartments, LLC. The lease agreement called for an initial payment of \$17,000,000, of which \$12,027,000 was received in cash at the closing of Winchester Lakes Apartments, LLC in September 2021, and the balance will be repaid through a subordinated promissory note. The unearned portion of the lease agreement at December 31, 2022 totaled \$16,716,667 and is included in deferred inflows from leases on the statement of net position.
- 1551 West Broad, LLC (related party) - 1551 West Broad, LLC (Carol Stewart) was formed on November 21, 2018 for the purpose of constructing, financing, leasing, and operating the project property as a qualified low-income housing project. In April 2021, the operating agreement was amended to admit MHP Carol Stewart Village, Inc., a wholly owned subsidiary of the Authority, as an administrative member with a 24.00 percent interest in the owner entity. Ohio Community Development Finance Fund is the managing member, with a 51.00 percent interest in the owner entity. Star House is the project member, with a 25.00 percent owner interest. The Authority accounts for Carol Stewart as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.
- Sinclair Family Apartments, LLC (related party) - Sinclair Family Apartments LLC (Sinclair) was formed in November 2021 for the purpose of constructing, financing, leasing, and operating the project property as a qualified low-income housing project. MHP Sinclair Family Apartments, Inc., a wholly owned subsidiary of the Authority, is the administrative member, with a 0.0045 percent interest in the owner entity. NRP Sinclair Family Apartments LLC is the managing member, with a 0.0055 percent interest in the owner entity. The Huntington Community Development Corporation is the investor member, with a 99.99 percent owner interest. The Authority accounts for Sinclair Family Apartments LLC as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column. The Authority owns the underlying real property (land) of Sinclair. The lease agreement called for total revenue to be earned of \$1,375,000, which is the value of the land conveyed to the Authority at closing on April 2, 2021, over the term of the lease, which is 75 years. The unearned portion of the lease agreement at December 31, 2022 totaled \$1,353,611 and is included in deferred inflows from leases on the statement of net position.

December 31, 2022

### Note 1 - Nature of Business (Continued)

- CHE Copperleaf Apartments, LLC (related party) - CHE Copperleaf Apartments, LLC (Copperleaf) was formed in September 2022 for the purpose of constructing, financing, leasing, and operating the project property as a qualified low-income housing project. Metropolitan Housing Partners, Inc., a wholly owned subsidiary of the Authority, is a member, with a 0.30 percent interest in the owner entity. Columbus Housing Enterprise is the managing member with a 0.70 percent interest in the owner entity. The Authority accounts for Copperleaf as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column. The Authority owns the underlying real property of Copperleaf. The lease agreement called for an initial payment of \$8,100,000, which is the value of the land and building conveyed to the Authority at closing on December 13, 2022, over the term of the lease, which is 75 years. The unearned portion of the lease agreement at December 31, 2022 totaled \$8,091,000 and is included in deferred inflows from leases on the statement of net position.
- CHB QOZ Fund, LLC (related party) - CHB QOZ Fund, LLC (Connect Housing Block) was formed in August 2020 for the purpose of being a qualified opportunity fund by investing in or acquiring qualified opportunity zone property. The Authority is a Class A member with a 4.04 percent interest in Connect Housing Block. The Authority accounts for Connect Housing Block as an investment recorded within equity interest in joint ventures in the accompanying statement of net position within the primary government column.

### Note 2 - Significant Accounting Policies

#### ***Basis of Accounting and Presentation***

The basic financial statements of the Authority have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board. The Authority follows the business-type activities reporting requirements of GASB Statement No. 34, which provides a comprehensive one-line look at the Authority's financial activities. The Authority reports all of its operations as a single business activity in a single enterprise fund. The enterprise fund is a proprietary fund, which distinguishes operating revenue and expenses from nonoperating items. The operating revenue of the Authority consists primarily of rental charges to tenants, operating grants from HUD, and other operating revenue that offsets operating expenses. Operating expenses include the costs of administration, tenant services, utilities, maintenance, protective services, general operations, depreciation, and housing assistance payments.

As a proprietary fund, revenue is recorded when earned, and expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The Authority's financial activities operate in a manner similar to private business enterprises and are financed through fees and charges assessed primarily to the user of the services.

The Authority considers all grants from HUD as operating revenue, as HUD is the primary revenue source, with the exception of capital grants, which have been recognized within contributions on the statement of revenue, expenses, and changes in net position. The Authority has the following programs:

- Low-rent Public Housing - This program is used to account for the components of the low-rent housing programs subsidized by HUD. The Authority owns and operates apartments and single-family housing units. Funding is provided by tenant rent payments and HUD subsidies.
- Capital Grant - Substantially all additions to land, structures, and equipment are accomplished through capital grant programs. Capital grant programs replace or materially upgrade deteriorated portions of the Authority's housing units. Funding is provided through grants. The Authority enters into significant construction contract obligations in relation to this modernization and development activity on an ongoing basis.

December 31, 2022

### Note 2 - Significant Accounting Policies (Continued)

- Housing Choice Vouchers (Section 8) - Under the Section 8 Housing Program, low-income tenants lease housing units directly from private landlords, rather than from the Authority. HUD contracts with the Authority, which, in turn, contracts with private landlords and makes assistance payments for the difference between the approved contract rent and the actual rent paid by the low-income tenants.
- Other Business Ventures - This program provides resources for housing-related activities. Most of the program is used to account for wholly owned subsidiaries of the Authority whose goals are to provide a full spectrum of housing to Franklin County, Ohio individuals and families. The remainder of the program provides resources for housing-related activities that would otherwise cause undue financial hardship to low-rent housing program clients.

#### ***Cash and Cash Equivalents***

Cash and cash equivalents consist of cash on hand and all highly liquid investments with an original maturity of three months or less when purchased.

#### ***Restricted Cash***

The Authority's restricted cash balances consist of tenant security deposits and funded reserves, as required by the Authority's debt agreements, and funds designated for housing assistance payments and future public housing development. In accordance with GASB Statement No. 62, cash that is restricted as to withdrawal or use in the acquisition or construction of noncurrent assets or that is segregated for the liquidation of long-term debts has been presented as noncurrent. There is \$18,701,694 of such restricted cash included as noncurrent on the statement of net position as of December 31, 2022.

#### ***Tenant Receivable***

Tenant accounts receivable are stated at net rent amounts. Tenants in possession of a unit generally do not have outstanding amounts, unless court action is underway. Once a tenant is evicted or voluntarily vacates a unit, collection of outstanding balances is difficult and sporadically realized. Therefore, when a tenant vacates a unit, any balance owed to the Authority is set up as uncollectible in the month during which the move-out occurred.

#### ***HUD Receivable***

The Authority receives grants from HUD to be used for specific programs. The excess of reimbursable expenditures over cash receipts is included in HUD receivable, and any excess of cash receipts over reimbursable expenditures is included in unearned revenue.

#### ***Notes Receivable***

Notes receivable are stated net of allowance. Collectibility is evaluated annually based on payments received and cash flow of each individual entity. If amounts are deemed to be uncollectible, the Authority establishes an allowance for doubtful accounts.

#### ***Capital Assets***

Capital assets are recorded at historical cost. Donated capital assets are recorded at the acquisition value on the date donated. The Authority capitalizes all building, site improvements, dwelling and nondwelling equipment, and office equipment that has a cost or fair value on the date of acquisition greater than \$5,000 and a useful life greater than one year. The Authority also has capitalized costs incurred for the development of internal software. These costs have been capitalized within capital assets as an intangible asset and are being amortized over the life of the asset. Amortization expense is recorded within depreciation expense on the statement of revenue, expenses, and changes in net position.

**Note 2 - Significant Accounting Policies (Continued)**

Depreciation and amortization are calculated using the straight-line method and the half-year convention over the estimated useful lives as follows:

	Depreciable Life - Years
Buildings	30
Building and site improvements	15
Equipment and vehicles	3-7
Intangible assets	7

When depreciable property is disposed of or sold, the cost and related accumulated depreciation are removed from the accounts, with any gain or loss recognized in the statement of revenue, expenses, and changes in net position.

If an indicator of impairment is identified, and the decline in service utility was unexpected and significant, an impairment loss is calculated in consideration of whether the capital asset will continue to be used by the Authority. An impairment loss is generally measured by identifying the historical cost of the service utility of the capital asset that cannot be used due to the impairment event or circumstance. Impaired capital assets that will no longer be used by the Authority are reported at the lower of carrying value or fair value or written off entirely. During the year ended December 31, 2022, no impairments were recorded.

***Construction in Progress***

Construction in progress consists of capital projects in progress funded primarily by capital contributions and grant income.

***Deferred Outflows and 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) until then. For the Authority, deferred outflows of resources are reported for pensions and other postemployment benefits, as explained further in Notes 10 and 11, respectively. In addition, deferred outflows of resources include excess consideration provided in the acquisition of 100 percent equity in Jenkins Terrace, LLC.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow until that time. For the Authority, deferred inflows of resources are reported for pensions, other postemployment benefits, and leases, as explained further in Notes 10, 11, and 15.

***Unearned Revenue***

Unearned revenue consists of unearned Housing Choice Voucher (HCV) administrative fees received under the American Rescue Plan Act, and prepaid tenant rent payments. Amounts under the prepaid lease agreements are recognized in the period during which the associated use of premises occurs. During the year ended December 31, 2021, the Authority received a supplemental allocation of HCV administrative fees via the Emergency Housing Voucher program under the CARES Act. These fees are to be used toward eligible expenses, as defined by HUD. Revenue is recognized in the period in which the underlying expenditures are incurred, with any unspent fees being deferred.

**Note 2 - Significant Accounting Policies (Continued)**

***Compensated Absences***

The Authority allows employees to accumulate earned sick leave and vacation (annual) pay. Compensated absences are accrued as they are earned by employees, using the vesting method, if the following two conditions are met:

- The employees' rights to receive compensation are attributable to services rendered.
- It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment. The current portion of accrued compensation absences is included in accrued expenses.

***Pensions and Other Postemployment Benefits***

For the purpose of measuring the net pension and other postemployment benefits (OPEB) liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the pension and OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension and OPEB 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 and OPEB systems report investments at fair value.

***Leases***

The Authority is a lessor for noncancelable ground leases. The Authority recognizes a lease receivable and a deferred inflow of resources in the government-wide financial statements.

At the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Authority determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The Authority generally uses its estimated incremental borrowing rate as the discount rate for leases, as these leases do not provide an interest rate and the lessor's incremental borrowing rate is not easily determinable.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Note 2 - Significant Accounting Policies (Continued)**

***Net Position***

Net position is composed of three categories: (1) net investment in capital assets, (2) restricted for required reserves, and (3) unrestricted. The Authority's positive value of unrestricted net position in the primary government may be used to meet ongoing obligations. When an expense is incurred for a purpose for which both restricted and unrestricted net assets are available, the Authority's policy is to first apply restricted resources. Each component of net assets is reported separately on the statement of net position.

- *Net Investment in Capital Assets* - This category consists of all capital assets, net of accumulated depreciation and reduced by any outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted for Required Reserves* - This category equals the restricted cash of the Authority and consists of net assets restricted in their use by (1) external groups, such as grantors, creditors, or laws and regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- *Unrestricted* - This category includes all the remaining net assets that do not meet the definition of the other two categories.

***Revenue Recognition***

The Authority routinely receives funds from HUD and other grantors. Funds are recognized as revenue during the period in which they relate to recognized expenses. Receivables are recorded based upon amounts expensed for a program for which no funds have been received. Tenant rental revenue is recognized during the period of corresponding occupancy. Other receipts are recognized when the related expenses are incurred.

***Other Operating Revenue***

Other operating revenue is derived from transactions intended to further the Authority's primary housing operations and is reported as incurred. Total other operating revenue primarily consists of developer fee revenue, which is recognized in accordance with the terms of the underlying agreement, other miscellaneous tenant charges, and nondwelling revenue, which is earned as incurred.

***Nonoperating Revenue and Expenses***

Nonoperating revenue and expenses are derived from transactions other than those associated with the Authority's primary housing operations and are reported as incurred, including investment activity.

***Capital Grants***

The Authority records grants received for capital outlay as contributions of capital grants.

***Use of Estimates***

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

**Note 2 - Significant Accounting Policies (Continued)**

***Upcoming Accounting Pronouncements***

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments; deferred inflows of resources; and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets and, when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2023.

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2023.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2024.

***Subsequent Events***

Events that occur after the date of the statement of net position but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of the subsequent events that provide evidence about conditions that existed at the date of the statement of net position are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the date of the statement of net position, require disclosure in the accompanying notes. Management evaluated the activity of the Authority through June 23, 2023, which is the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require disclosure in the notes to the financial statements.

December 31, 2022

**Note 3 - Adoption of New Accounting Pronouncement, Prior Period Adjustment, and Change in Reporting Entity**

During the year ended December 31, 2022, the Authority adopted GASB Statement No. 87, *Leases*. In assessing the impact of the adoption, the Authority identified a misstatement in how it had previously accounted for three ground leases entered into in previous years with discretely presented component units in which it is the lessor. The Authority accounted for these transactions in previous periods as a sale of capital assets to the discretely presented component units, in which they derecognized the underlying capital assets and recognized a gain on the sale in the period in which the transactions occurred. Under GAAP, these transactions should have been treated as operating leases whereby the underlying capital assets would continue to be reported by the Authority and depreciated over their respective useful lives. The resulting unearned revenue from prepaid rent should have been recognized as a liability and amortized on a straight-line basis over the respective lease terms. The beginning statement of net position has been restated to correct this misstatement. The impact to the change in net position for the year ended December 31, 2021 was a decrease of \$1,299,713.

To implement GASB Statement No. 87, for leases in which the Authority is a lessor, the Authority now presents a receivable for the present value of payments expected to be received and deferred inflows of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 15.

Worley Terrace, LLC was previously stated as a discretely presented component unit but is now considered a blended component unit of the Authority due to the acquisition of a majority equity ownership interest in Worley Terrace, LLC and the Authority's operational responsibility for Worley Terrace, LLC. The financial statements have been updated to reflect the blended status of Worley Terrace, LLC for the fiscal year ended December 31, 2022. In addition, beginning net position has been updated to reflect the change in the reporting entity.

The effect of the prior period adjustment, adoption of the new standard, and change in reporting entity to the statement of net position at January 1, 2022 is as follows:

	Balance at January 1, 2022, as Previously Reported	Prior Period Adjustment	Adoption of GASB 87	Change in Reporting Entity - Worley Terrace, LLC	Eliminations - Worley Terrace, LLC	Balance at January 1, 2022, as Restated
<b>Assets:</b>						
Current assets	\$ 65,633,350	\$ -	\$ 1,378,559	\$ 583,854	\$ (72,349)	\$ 67,523,414
Capital assets - Net	222,228,936	17,225,078	-	8,283,510	-	247,737,524
Other noncurrent assets	184,607,091	-	-	21,856	(8,304,513)	176,324,434
Deferred outflows of resources	4,705,157	-	-	-	-	4,705,157
<b>Total assets and deferred outflows of resources</b>	<b>\$ 477,174,534</b>	<b>\$ 17,225,078</b>	<b>\$ 1,378,559</b>	<b>\$ 8,889,220</b>	<b>\$ (8,376,862)</b>	<b>\$ 496,290,529</b>
<b>Liabilities:</b>						
Current liabilities	\$ 13,438,253	\$ -	\$ -	\$ 126,835	\$ (72,349)	\$ 13,492,739
Noncurrent liabilities	235,725,713	37,792,798	(95,825,030)	-	-	177,693,481
Deferred inflows of resources	6,394,777	-	97,203,589	-	-	103,598,366
Net position	221,615,791	(20,567,720)	-	8,762,385	(8,304,513)	201,505,943
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 477,174,534</b>	<b>\$ 17,225,078</b>	<b>\$ 1,378,559</b>	<b>\$ 8,889,220</b>	<b>\$ (8,376,862)</b>	<b>\$ 496,290,529</b>

The Authority does not hold any leases in which it is a lessee that required an adjustment as a result of the adoption of GASB 87.



December 31, 2022

### Note 4 - Deposits and Investments

The State of Ohio statutes classify moneys held by the Authority into the two following categories:

- *Active Deposits* - These are public deposits necessary to meet current demands for the Authority. Such moneys must be maintained either as cash in the Authority's commercial checking accounts or withdrawal-on-demand accounts, including negotiable order-of-withdrawal accounts, or in money market deposit accounts.
- *Interim Deposits* - These are deposits of interim moneys. Interim moneys are those that are not needed for immediate use but that will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit (CDs) maturing no more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Protection of the Authority's deposits is provided by the Federal Deposit Insurance Corporation and by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution. The general depository agreement required by HUD has additional collateral requirements.

Interim deposits are to be deposited or invested in the following securities:

- U.S. Treasury notes, bills, bonds, or other obligations or securities issued by the U.S. Treasury or any other obligation guaranteed as to principal or interest by the United States of America
- Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association; all federal agency securities shall be direct issuances of the federal government agencies or instrumentalities.
- 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 2 percent and be marked to market daily and that the term of the agreement must not exceed 30 days
- Bonds and other obligations of the State of Ohio
- No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions
- The State of Ohio treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio), and STARPLUS

Cash equivalents include short-term, highly liquid investments that are both readily convertible to known amounts of cash and are so near maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less qualify under this definition.

#### **Primary Government**

The Authority's cash and cash equivalents held with financial institutions, consisting of both active and interim deposits, totaled \$72,673,683 as of December 31, 2022. Of this balance, \$2,741,469 is covered by federal depository insurance, and the remaining \$69,932,214 is uncollateralized, as defined by the GASB.

**Note 4 - Deposits and Investments (Continued)**

At December 31, 2022, the Authority had \$22,681,418 held in STAR Ohio. STAR Ohio is a highly liquid investment pool with participation restricted to subdivisions of the State of Ohio. Due to the highly liquid nature of the fund, STAR Ohio resembles a money market fund and, therefore, has been treated as a cash equivalent by the Authority in the financial statements. The Authority's investment in the pool is not subject to custodial credit risk categorization because it is not evidenced by securities that exist in physical or book entry form.

STAR Ohio is not registered with the Securities and Exchange Commission as an investment company but has adopted GASB Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*. Investments in STAR Ohio are valued on the basis of the amortized cost valuation technique. For the year ended December 31, 2022, there were no limitations on any participant withdrawals due to redemption notice periods, liquidity feed, or redemption gates. No federalized funds are held in STAR Ohio at December 31, 2022.

**Discretely Presented Component Units**

All of the discretely presented component units' cash is held in bank deposits, checking accounts, savings accounts, and money market accounts. Regardless of the nature of funds on deposit, protection is provided by the Federal Deposit Insurance Corporation and by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

The restricted cash balances consist of tenant security deposits and funded reserves as follows:

	Tax/Insurance Escrow	Operating Reserves	Replacement Reserves	Bond Reserves - Noncurrent	Other Reserves	Total Restricted Cash
Elim Manor Elderly Housing, LLC	\$ 23,736	\$ 298,914	\$ 187,297	\$ -	\$ -	\$ 509,947
Franklin Station, LLC	-	630,777	291,862	-	-	922,639
Poindexter Place, LLC	-	411,647	239,219	-	-	650,866
Sawyer Manor and Trevitt Heights, LLC	-	1,085,267	875,772	-	-	1,961,039
CMHA RAD East, LLC	-	763,784	681,136	-	-	1,444,920
Columbus Scholar House III, LLC	-	48,052	24,238	-	-	72,290
RAD Rosewind, LLC	-	99,665	1,192,250	-	4	1,291,919
RAD Post Oak, LLC	-	146,106	375,273	23,161,974	-	23,683,353
<b>Total</b>	<b>\$ 23,736</b>	<b>\$ 3,484,212</b>	<b>\$ 3,867,047</b>	<b>\$ 23,161,974</b>	<b>\$ 4</b>	<b>\$ 30,536,973</b>

December 31, 2022

**Note 5 - Notes Receivable**

At December 31, 2022, the Authority's notes receivable consisted of the following:

	Balance at December 31, 2021	Additions	Reductions	Allowance at December 31, 2022	Net Balance at December 31, 2022
Waggoner Senior Housing Note	\$ 261,990	\$ -	\$ -	\$ (261,990)	\$ -
Waggoner Construction Loan	1,753,830	-	-	(1,753,830)	-
Franklin Station Development Note	519,928	-	(164,404)	-	355,524
Franklin Station Bridge Loans	4,915,514	3,197	(65,700)	-	4,853,011
Poindexter Place Promissory Note	825,570	-	(65,429)	-	760,141
Poindexter Place Development Note	218,889	-	(218,889)	-	-
Elim Manor Development Note	192,260	-	(138,630)	-	53,630
Poindexter IIA Choice Promissory Note	7,184,402	-	-	-	7,184,402
Poindexter IIA City Funds Promissory Note	6,000,000	-	-	-	6,000,000
Poindexter IIB Choice Neighborhoods Initiative Funds	3,596,774	-	-	-	3,596,774
Poindexter IIB Replacement Housing Factor Funds	3,147,547	-	-	-	3,147,547
Sawyer Manor and Trevitt Heights Replacement Housing Factor Funds	4,667,062	-	-	-	4,667,062
Sawyer Manor and Trevitt Heights Seller Note	13,670,000	-	-	-	13,670,000
Elim Manor Surplus Cash	50,000	-	-	-	50,000
Poindexter IIA Ohio Housing Development Assistance Program Funds	1,000,000	-	-	-	1,000,000
Scholar House Development Note	131,865	-	-	-	131,865
CMHA RAD East Replacement Housing Factor Funds	4,468,970	-	-	-	4,468,970
CMHA RAD East Seller Note	10,950,000	-	-	-	10,950,000
CMHA RAD East Promissory Note	1,953,835	-	-	-	1,953,835
Poindexter III Choice Neighborhoods Initiative Funds	7,379,128	-	-	-	7,379,128
Scholar House HOME Loan	300,000	-	-	-	300,000
Sawyer Manor and Trevitt Heights Ohio Housing Development Program Funds	943,343	-	-	-	943,343
Sawyer Manor and Trevitt Heights Development Note	802,345	-	(802,345)	-	-
Poindexter III Ohio Housing Development Program Financial Adjustment Factor Program	665,330	-	-	-	665,330
CMHA RAD East Ohio Housing Development Program Funds 1	960,564	-	(170,324)	-	790,240
CMHA RAD East Ohio Housing Development Program Funds 2	500,000	-	-	-	500,000
CMHA RAD East Development Note	1,724,671	-	(385,971)	-	1,338,700
Kenmore Note	488,400	-	(59,200)	-	429,200
RAD Rosewind Seller Note	14,800,000	-	-	-	14,800,000
RAD Rosewind Development Note	7,803,804	-	(3,841,516)	-	3,962,288
Winchester Village Seller Note	3,207,238	-	(293,347)	-	2,913,891
Columbus Scholar House III Promissory Note	4,366,532	-	(2,978,258)	-	1,388,274
Columbus Scholar House III Development Note	632,750	-	(368,402)	-	264,348
Crosswinds Village Seller Note	7,400,000	-	-	-	7,400,000
RAD Rosewind Ohio Housing Development Program Funds	1,800,000	200,000	-	-	2,000,000
Sinclair Construction Loan	2,864,729	14,227,022	-	-	17,091,751
McKinley Manor Promissory Note	437,500	-	(437,500)	-	-
Winchester Lakes Seller Note	4,973,000	-	-	-	4,973,000
RAD Rosewind Promissory Note	-	5,980,837	-	-	5,980,837
Crosswinds Developer Fee	-	2,624,315	-	-	2,624,315
Sinclair City of Columbus Promissory Note	-	1,957,500	-	-	1,957,500
McKinley Manor Development Note	-	357,999	-	-	357,999
RAD Post Oak Capital Grant	-	5,263,631	-	-	5,263,631
RAD Post Oak Seller Note	-	10,870,000	-	-	10,870,000
RAD Post Oak Development Note	-	1,070,389	-	-	1,070,389
Harriet's Hope Development Note	-	125,000	-	-	125,000
<b>Total</b>	<b>\$ 127,557,770</b>	<b>\$ 42,679,890</b>	<b>\$ (9,989,915)</b>	<b>\$ (2,015,820)</b>	<b>\$ 158,231,925</b>

Less current portion \$6,660,686

Total long-term portion \$151,571,239

**Note 5 - Notes Receivable (Continued)**

***Waggoner Senior Housing Note***

In October 2002, the Authority entered into a promissory note with Waggoner Senior Housing Limited Partnership for the development of low-income housing in the amount of \$261,990. The note agreement has an annual interest rate of 4.9 percent and provides that payments be deferred until cash flows are sufficient to make payments. This note is collateralized by an open-end mortgage granting the Authority a security interest in certain real property of Waggoner Senior Housing Limited Partnership. The entire balance of principal and all unpaid interest shall be due and payable 40 years from the date of the Waggoner note. The Authority received no payments during the year ended December 31, 2022.

***Waggoner Construction Loan***

In December 2002, the Authority entered into a promissory note with Waggoner Senior Housing Limited Partnership for the development of low-income housing. In 2006, the construction of the 75-unit housing project was completed, and the loan in the amount of \$1,753,830 was issued to Waggoner Senior Housing Limited Partnership. The loan has an annual interest rate of 0.5 percent and provides that payments be deferred until cash flows are sufficient to make payments. This loan is collateralized by an open-end mortgage, granting the Authority a security interest in certain real property of Waggoner Senior Housing Limited Partnership. The entire balance of principal and all unpaid interest shall be due and payable 40 years from the date of the Waggoner construction loan. The Authority received no payments during the year ended December 31, 2022.

***Franklin Station Development Note***

In February 2012, the Authority entered into a development agreement with Franklin Station, LLC, which provides that a development fee of \$4,810,374 be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made by available cash flow. The outstanding balance is due in June 2026. Payments totaling \$164,404 were made on the notes during the year ended December 31, 2022.

***Franklin Station Bridge Loans***

In February 2012, the Authority entered into two bridge loans with Franklin Station, LLC totaling \$6,300,000. The first bridge loan is for \$3,300,000 and accrues interest at 0.25 percent. The maturity date is contingent upon the investor member of Franklin Station, LLC making required equity contributions. The outstanding receivable on this loan is due on demand. The second bridge loan is for \$3,000,000 and accrues interest at 5 percent. The loan requires monthly payments of principal and interest, with a balloon payment due in January 2030. Payments totaling \$65,700 were made on the notes during the year ended December 31, 2022.

***Poindexter Place Promissory Note***

In 2015, the Authority entered into a promissory note with Poindexter Place, LLC in the amount of \$825,570. Interest is assessed at 0.25 percent. The first monthly payment shall be due three months after the end of the first fiscal year that occurs after the project is placed in service and will continue for 30 years from the initial disbursement of funds. Annual repayments shall be due on the anniversary of the first payment and are limited to 75 percent of annual cash flow of the project for the preceding calendar year. Payments totaling \$65,429 were made on the notes during the year ended December 31, 2022.

**Note 5 - Notes Receivable (Continued)**

***Poindexter Place Development Note***

In August 2014, the Authority entered into a development agreement with Poindexter Place, LLC, which provides that a development fee of \$1,000,000, all of which was earned by the Authority during the year ended December 31, 2015, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made in conjunction with capital contributions, as stated in the agreement. During the year ended December 31, 2022, the Authority received a payment totaling \$218,889, which paid off the outstanding balance.

***Elim Manor Development Note***

In May 2014, the Authority entered into a development fee note agreement, which provides that a development fee of \$580,492 be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. There is no interest on the note. The note is payable by available cash flow. The Authority received payments totaling \$138,630 during the year ended December 31, 2022.

***Poindexter IIA Choice Promissory Note***

In December 2015, the Authority entered into a promissory note with Poindexter IIA, LLC in the amount of \$7,184,402. Interest is assessed at 0.25 percent. The note is payable by available cash flow, with any outstanding principal and interest due upon maturity in December 2052. There were no payments made on this note during the year ended December 31, 2022.

***Poindexter IIA City Funds Promissory Note***

In December 2015, the Authority entered into a promissory note with Poindexter IIA, LLC in the amount of \$6,000,000. Interest is assessed at 0.25 percent. The note is payable by available cash flow, with any outstanding principal and interest due upon maturity in December 2052. There were no payments made on this note during the year ended December 31, 2022.

***Poindexter IIB Choice Neighborhoods Initiative Funds***

In August 2016, the Authority entered into a loan agreement with Poindexter IIB, LLC to provide funds for operations up to a total amount of \$3,596,774, all of which has been drawn as of December 31, 2022. Interest is assessed at 0.25 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in July 2063. There were no payments made on this note during the year ended December 31, 2022.

***Poindexter IIB Replacement Housing Factor Funds***

In August 2016, the Authority entered into a loan agreement with Poindexter IIB, LLC to provide funds for operations up to a total amount of \$3,400,000, of which \$3,147,547 has been drawn as of December 31, 2022. Interest is assessed at 0.25 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in July 2063. The Authority issued no additional advances during the year ended December 31, 2022. There were no payments made on this note during the year ended December 31, 2022.

***Sawyer Manor and Trevitt Heights Replacement Housing Factor Funds***

In June 2017, the Authority entered into a loan agreement with Sawyer Manor and Trevitt Heights, LLC to provide funds for operations up to a total amount of \$4,667,062. Interest is assessed at 2.75 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in June 2067. There were no payments made on this note during the year ended December 31, 2022.

**Note 5 - Notes Receivable (Continued)**

***Sawyer Manor and Trevitt Heights Seller Note***

In June 2017, the Authority entered into a seller note agreement with Sawyer Manor and Trevitt Heights, LLC in the amount of \$13,670,000. Interest is assessed at 2.75 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in June 2067. This note is collateralized by leasehold interest in the real property. There were no payments made on this note during the year ended December 31, 2022.

***Elim Manor Surplus Cash***

In 2017, the Authority entered into a non-interest-bearing loan agreement with Elim Manor Elderly Housing, LLC to provide funds for operations up to a total amount of \$50,000. The loan is payable by available cash flow with no scheduled maturity date. There were no payments made on this note during the year ended December 31, 2022.

***Poindexter IIA Ohio Housing Development Assistance Program Funds***

In December 2015, the Authority entered into a loan agreement with the Ohio Housing Finance Agency (OHFA) to provide funds for construction up to a total amount of \$1,000,000. Interest is assessed at 2 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in December 2060. There were no payments made on this note during the year ended December 31, 2022.

***Scholar House Development Note***

In August 2015, the Authority entered into a development agreement with Scholar House I, LLC, which provides that a development fee of \$200,000 be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made by available cash flow. There were no payments made on this note during the year ended December 31, 2022.

***CMHA RAD East Replacement Housing Factor Funds***

In November 2018, the Authority entered into a loan agreement with CMHA RAD East, LLC to provide funds for operations up to a total amount of \$4,468,970, all of which has been drawn as of December 31, 2022. Interest is assessed at 3.05 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in November 2063. There were no payments made on this note during the year ended December 31, 2022.

***CMHA RAD East Seller Note***

In November 2018, the Authority entered into a seller note agreement with CMHA RAD East, LLC in exchange for the real property transferred in conjunction with the RAD conversion in the amount of \$10,950,000. Interest is assessed at 3.05 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in November 2063. This note is collateralized by leasehold interest in the real property. There were no payments made on this note during the year ended December 31, 2022.

***CMHA RAD East Promissory Note***

In November 2018, the Authority entered into a loan agreement with CMHA RAD East, LLC in the amount of \$1,953,835. Interest is assessed at 0.25 percent. The first monthly payment shall be due three months after the end of the first fiscal year that occurs after the project is placed in service and will continue for 45 years from the initial disbursement of funds. Annual repayments shall be due on the anniversary of the first payment and are limited to 75 percent of annual cash flow of the project for the preceding calendar year. No payments have yet been received on the loan. There were no payments made on this note during the year ended December 31, 2022.

**Note 5 - Notes Receivable (Continued)**

***Poindexter III Choice Neighborhoods Initiative Funds***

In September 2018, the Authority entered into a loan agreement with Poindexter III, LLC to provide funds for operations up to a total amount of \$7,379,128, all of which has been drawn as of December 31, 2022. Interest is assessed at 2.56 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in February 2064. There were no payments made on this note during the year ended December 31, 2022.

***Scholar House HOME Loan***

In August 2015, the Authority entered into a loan agreement with the City of Columbus, Ohio to provide HOME funds in the amount of \$300,000. Interest is assessed at 2 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in February 2051. There were no payments made on this note during the year ended December 31, 2022.

***Sawyer Manor and Trevitt Heights Ohio Housing Development Program Funds***

In November 2017, the Authority entered into a loan agreement with Sawyer Manor and Trevitt Heights, LLC to provide funds for construction up to a total amount of \$1,000,000, all of which has been drawn as of December 31, 2022. Interest is assessed at 0.50 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in November 2062. There were no payments made on this note during the year ended December 31, 2022.

***Sawyer Manor and Trevitt Heights Development Note***

In June 2017, the Authority entered into a development agreement with Sawyer Manor and Trevitt Heights, LLC, which provides that a development fee of \$4,810,374, all of which has been earned as of December 31, 2022, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made from the proceeds of certain capital contributions, with any unpaid portion being deferred and payable from available cash flow. The Authority received payments of \$802,345 on this note during the year ended December 31, 2022, which paid off the outstanding balance.

***Poindexter III Ohio Housing Development Program Financial Adjustment Factor Program***

In September 2018, the Authority entered into a loan agreement with Poindexter III, LLC to provide funds for construction up to a total amount of \$1,000,000, of which \$665,330 has been drawn as of December 31, 2022. Interest is assessed at 0.50 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in October 2048. The Authority received no payments on this note during the year ended December 31, 2022.

***CMHA RAD East Ohio Housing Development Program Funds 1***

In April 2019, the Authority entered into a loan agreement with CMHA RAD East, LLC to provide funds for construction up to a total amount of \$1,000,000, all of which has been earned as of December 31, 2022. Interest is assessed at 0.50 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in June 2066. The Authority received payments of \$170,324 on this note during the year ended December 31, 2022.

***CMHA RAD East Ohio Housing Development Program Funds 2***

In April 2019, the Authority entered into a loan agreement with CMHA RAD East, LLC to provide funds for construction up to a total amount of \$500,000, all of which has been drawn as of December 31, 2022. Interest is assessed at 0.00 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in April 2049. The Authority received no payments on this note during the year ended December 31, 2022.

**Note 5 - Notes Receivable (Continued)**

***CMHA RAD East Development Note***

In November 2018, the Authority entered into a development agreement with CMHA RAD East, LLC, which provides that a development fee of \$4,885,131, all of which has been earned as of December 31, 2022, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made from the proceeds of certain capital contributions, with any unpaid portion being deferred and payable from available cash flow. Any unpaid fees are due and payable in 2032. The Authority received payments on this note of \$385,971 during the year ended December 31, 2022.

***Kenmore Note***

In March 2020, the Authority entered into a note payable agreement with Kenmore Youth Housing, LLC in the amount of \$592,000. The note agreement is a result of the sale of Kenmore Square, which occurred in 2020. The agreement has no applicable interest rate and provides that monthly principal payments be made in the amount of \$4,933 for a 10-year period commencing on April 1, 2020. On the maturity date of April 1, 2030, a final balloon payment of all unpaid principal is due. The Authority received payments on this note of \$59,200 during the year ended December 31, 2022.

***RAD Rosewind Seller Note***

In July 2020, the Authority entered into a seller note agreement with RAD Rosewind, LLC in the amount of \$14,800,000. Interest is assessed at 1.15 percent. The loan is payable from available cash flow, with all outstanding principal and interest due on maturity in July 2070. This note is collateralized by leasehold interest in the real property. There were no payments made on this note during the year ended December 31, 2022.

***RAD Rosewind Development Note***

In July 2020, the Authority entered into a development agreement with RAD Rosewind, LLC, which provides that a development fee of \$9,042,885, of which \$7,803,804 has been earned as of December 31, 2022, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made from the proceeds of certain capital contributions, with any unpaid portion being deferred and payable from available cash flow. Outstanding principal is due upon maturity, 13 years after completion of construction. The Authority received payments on this note of \$3,841,516 during the year ended December 31, 2022.

***Winchester Village Seller Note***

In September 2020, the Authority entered into a seller note agreement with Winchester Village Apartments, LLC in the amount of \$3,207,238. Interest is assessed at 1.00 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in September 2070. This note is collateralized by leasehold interest in the real property. The Authority received payments on this note of \$293,347 during the year ended December 31, 2022.

***Columbus Scholar House III Promissory Note***

In August 2019, the Authority entered into a promissory note with Columbus Scholar House III, LLC for the development of low-income housing in the amount of \$5,000,000, of which \$4,366,532 has been drawn as of December 31, 2022. The note agreement has a 0 percent interest rate until the initial payment date. After that payment, the note agreement has an annual interest rate of 0.50 percent. The initial payment was made in 2022. After the initial payment, principal and interest shall be paid annually out of the annual cash flow, as available. This note is collateralized by an open-end mortgage granting the Authority a security interest in certain real property of Columbus Scholar House III, LLC. The entire balance of principal and all unpaid interest shall be due and payable 30 years from the date of the initial payment. The Authority received payments on this note of \$2,978,258 during the year ended December 31, 2022.



December 31, 2022

**Note 5 - Notes Receivable (Continued)*****Columbus Scholar House III Development Note***

In August 2019, the Authority entered into a development agreement with Columbus Scholar House III, LLC, which provides that a development fee of \$775,000, all of which has been earned as of December 31, 2022, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made from the proceeds of certain capital contributions, with any unpaid portion being deferred and payable from available cash flow. Outstanding principal is due in January 2034. The Authority received payments on this note of \$368,402 during the year ended December 31, 2022.

***Crosswinds Village Seller Note***

In December 2020, the Authority entered into a seller note with Crosswinds Village, LLC in the amount of \$7,400,000. The note agreement has an annual interest rate of 1.31 percent, and payments are to be made from available cash flow. This note is collateralized by leasehold interest in the real property. The entire balance of principal and all unpaid interest shall be due and payable on December 1, 2070. The Authority received no payments during the year ended December 31, 2022.

***RAD Rosewind Ohio Housing Development Program Funds***

In July 2020, the Authority entered into a loan agreement with RAD Rosewind, LLC to provide funds for construction up to a total amount of \$2,000,000, of which \$1,800,000 has been drawn as of December 31, 2022. Interest is assessed at 0.00 percent. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in March 2052. The Authority advanced \$200,000, and there were no payments made on this note during the year ended December 31, 2022.

***Sinclair Construction Loan***

In November 2021, the Authority entered into a loan agreement with Sinclair Family Apartments LLC for the development of low-income housing in the amount up to \$27,850,000, of which \$17,091,772 has been drawn as of December 31, 2022. The loan has an annual interest rate of 3.75 percent and provides that payments be deferred until cash flows are sufficient to make payments. This note is collateralized by an open-end mortgage granting the Authority a security interest in certain real property of Sinclair Family Apartments LLC. A portion of the loan is payable 36 months after the construction period has begun, at which time the financing will become permanent at \$20,000,000. The remaining outstanding balance will be due in November 2041. The Authority advanced funds of \$14,227,022 and received no payments during the year ended December 31, 2022.

***McKinley Manor Promissory Note***

In November 2021, the Authority entered into a promissory note with West Broad Street Holdings, LLC in the amount of \$437,500, all of which has been drawn as of December 31, 2022. The note agreement has an annual interest rate of 0.00 percent, and payments are to be made from available cash flow. The entire balance of principal and all unpaid interest shall be due and payable on December 2024. The Authority received payments on this note of \$437,500 during the year ended December 31, 2022, which paid off the outstanding balance.

***Winchester Lakes Seller Note***

In September 2021, the Authority entered into a seller note with Winchester Lakes Apartments, LLC in the amount of \$4,973,000, all of which has been earned as of the year ended December 31, 2022. The note agreement has an annual interest rate of 2.68 percent, and interest-only payments will begin on October 2021 through July 2023. After the last interest-only payment date, on August 2023, monthly installment payments of \$60,538 will be paid on the first of each month until the maturity date of July 2063. This note is collateralized by leasehold interest in the real property. The Authority received no payments on this note during the year ended December 31, 2022.

**Note 5 - Notes Receivable (Continued)**

***RAD Rosewind Promissory Note***

In July 2020, the Authority entered into a loan agreement with RAD Rosewind, LLC in the amount of \$5,980,837, all of which has been drawn as of December 31, 2022. Interest is assessed at 1.15 percent. The first monthly payment shall be due three months after the end of the first fiscal year that occurs after the project is placed in service and will continue for 50 years from the initial disbursement of funds. Annual repayments shall be due on the anniversary of the first payment. There were no payments made on this note during the year ended December 31, 2022.

***Crosswinds Developer Fee***

In December 2020, the Authority entered into a development agreement with Crosswinds Village, LLC, which provides that a development fee of \$6,328,160, of which \$2,624,315 has been earned as of December 31, 2022, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made from the proceeds of certain capital contributions, with any unpaid portion being deferred and payable from available cash flow. Outstanding principal is due upon maturity, 13 years after completion of construction. The Authority earned fees of \$2,624,315 and received no payments on this note during the year ended December 31, 2022.

***Sinclair City of Columbus Promissory Note***

In November 2021, the Authority entered into a loan agreement with Sinclair Family Apartments, LLC in the amount of \$4,350,000, of which \$1,957,500 has been drawn as of December 31, 2022. Interest is assessed at the applicable federal rate. The entire balance of principal and all unpaid interest shall be due and payable on November 2052. There were no payments made on this note during the year ended December 31, 2022.

***McKinley Manor Development Note***

In August 2022, the Authority entered into a development agreement with CMHA McKinley Manor, LLC, which provides that a development fee of \$1,789,994, of which \$357,999 has been earned as of December 31, 2022, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made from the proceeds of certain capital contributions, with any unpaid portion being deferred and payable from available cash flow. Outstanding principal is due in December 2034. The Authority earned fees of \$357,999 and received no payments on this note during the year ended December 31, 2022.

***RAD Post Oak Capital Grant***

In June 2022, the Authority entered into a loan agreement with RAD Post Oak, LLC in the amount of \$5,263,631, all of which has been drawn as of December 31, 2022. Interest is assessed at 5.00 percent. Any payments are to be made out of available cash flow. The entire balance of principal and all unpaid interest shall be due and payable on June 13, 2072. There were no payments made on this note during the year ended December 31, 2022.

***RAD Post Oak Seller Note***

In June 2022, the Authority entered into a seller note with RAD Post Oak, LLC in exchange for the real property transferred in conjunction with the acquisition in the amount of \$10,870,000. The note agreement has an annual interest rate of 2.60 percent, and payments are to be made from available cash flow. This note is collateralized by leasehold interest in the real property. The entire balance of principal and all unpaid interest shall be due and payable on June 13, 2072. The Authority received no payments during the year ended December 31, 2022.

**Note 5 - Notes Receivable (Continued)**

***RAD Post Oak Development Note***

In June 2022, the Authority entered into a development agreement with RAD Post Oak, LLC, which provides that a development fee of \$8,000,000, of which \$1,070,389 has been earned as of December 31, 2022, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made from the proceeds of certain capital contributions, with any unpaid portion being deferred and payable from available cash flow. Outstanding principal is due in April 2024. The Authority earned fees of \$1,070,389 and received no payments on this note during the year ended December 31, 2022.

***Harriet's Hope Development Note***

In September 2022, the Authority entered into a development agreement with Harriet's Hope, LLC, which provides that a development fee of \$1,000,000, of which \$125,000 has been earned as of December 31, 2022, be paid to the Authority for providing certain development services and guarantees for the completion of the development of the project. The agreement has no applicable interest rate and provides that payments be made from the proceeds of certain capital contributions, with any unpaid portion being deferred and payable from available cash flow. Outstanding principal is due upon maturity, 13 years after completion of construction. The Authority earned fees of \$125,000 and received no payments on this note during the year ended December 31, 2022.

**Note 6 - Capital Assets**

***Primary Government***

Capital asset activity of the Authority for the year ended December 31, 2022 was as follows:

	Balance January 1, 2022 (As Restated)	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2022
Capital assets not being depreciated:				
Land	\$ 26,299,712	\$ 3,112,898	\$ -	\$ 29,412,610
Construction in progress	2,003,096	4,892,132	(3,817,369)	3,077,859
Subtotal	28,302,808	8,005,030	(3,817,369)	32,490,469
Capital assets being depreciated:				
Buildings and improvements	329,709,225	19,670,346	(301,445)	349,078,126
Buildings - Nondwelling	9,403,682	-	(2,354,490)	7,049,192
Site improvements	39,554,300	780,100	(455,965)	39,878,435
Furniture and fixtures	9,989,821	69,314	(22,752)	10,036,383
Intangible assets	1,756,646	-	-	1,756,646
Subtotal	390,413,674	20,519,760	(3,134,652)	407,798,782
Accumulated depreciation	170,978,958	12,741,550	(2,161,688)	181,558,820
Net capital assets being depreciated	219,434,716	7,778,210	(972,964)	226,239,962
Net governmental activities capital assets	\$ 247,737,524	\$ 15,783,240	\$ (4,790,333)	\$ 258,730,431

As described within Note 3, the capital asset beginning balances as of January 1, 2022 have been restated.

December 31, 2022

**Note 6 - Capital Assets (Continued)**

As used in this section, the term depreciation (and related forms of the term) includes amortization of intangible assets. Depreciation expense for the year ended December 31, 2022 was \$12,741,550. During the year ended December 31, 2022, the Authority sold capital assets, resulting in a net loss of \$975,165.

The Authority entered into construction contracts totaling \$8,219,000. At December 31, 2022, \$5,013,590 of construction work has been completed on the project. A pending commitment in the amount of \$3,205,410 remains outstanding as of December 31, 2022.

**Discretely Presented Component Units**

Depreciation is calculated using the straight-line method and the half-year convention over the estimated useful lives of each entity as follows:

	Equipment and Vehicles	Building and Site Improvements	Buildings
Elim Manor Elderly Housing, LLC	5 years	15 years	27.5 years
Franklin Station, LLC	5 years	15 years	40 years
Poindexter Place, LLC	5 years	15 years	40 years
Sawyer Manor and Trevitt Heights, LLC	5 years	12-20 years	40 years
CMHA RAD East, LLC	5 years	15 years	40 years
RAD Rosewind, LLC	5 years	15 years	40 years
Columbus Scholar House III, LLC	5 years	15 years	30 years
RAD Post Oak, LLC	5 years	15 years	40 years
CMHA McKinley Manor, LLC	5 years	15 years	40 years
Harriet's Hope, LLC	5 years	15 years	40 years

Presented below are summaries of the Authority's discretely presented component units' capital asset balances and a summary of changes in their respective capital asset balances for the year ended December 31, 2022:

	Elim Manor Elderly Housing, LLC	Franklin Station, LLC	Poindexter Place, LLC	Sawyer Manor and Trevitt Heights, LLC	CMHA RAD East, LLC	Columbus Scholar House III, LLC	RAD Rosewind, LLC	RAD Post Oak, LLC	CMHA McKinley Manor, LLC	Harriet's Hope, LLC	Total
Land	\$ -	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,000
Land - Right-of-use asset	-	-	-	1,265,000	2,370,000	-	900,000	740,000	881,353	675,001	6,831,354
Construction in progress	-	-	-	-	-	-	-	6,625,475	2,870,879	2,789,378	12,285,732
Buildings and improvements	-	15,715,677	15,251,990	14,153,148	16,152,914	6,425,100	-	-	-	-	67,698,829
Building - Right-of-use asset	-	-	-	12,405,000	8,580,000	-	13,900,000	10,130,000	-	-	45,015,000
Site improvements	5,695,091	-	962,623	1,501,529	979,879	866,091	21,849,156	-	-	-	31,854,369
Furniture fixtures	191,623	435,800	320,242	947,420	617,152	205,101	318,973	-	-	-	3,036,311
Accumulated depreciation	(2,522,952)	(3,720,139)	(4,662,565)	(2,167,232)	(2,098,753)	(596,339)	(997,283)	-	-	-	(16,765,263)
Accumulated amortization of right-of-use assets	-	-	-	(976,209)	(608,309)	-	(493,373)	(84,545)	(3,917)	(2,625)	(2,168,978)
<b>Total</b>	<b>\$ 3,363,762</b>	<b>\$ 13,181,338</b>	<b>\$ 11,872,290</b>	<b>\$ 27,128,656</b>	<b>\$ 25,992,883</b>	<b>\$ 6,899,953</b>	<b>\$ 35,477,473</b>	<b>\$ 17,410,930</b>	<b>\$ 3,748,315</b>	<b>\$ 3,461,754</b>	<b>\$ 148,537,354</b>

**December 31, 2022**

**Note 6 - Capital Assets (Continued)**

The Authority acquired one of the investor members' interest in Worley Terrace in December 2022 (see Note 3). As a result, the Authority restated Worley Terrace, it is considered a blended component unit of the Authority, and the capital assets are now reported within the primary government. Beginning balances, net of accumulated depreciation, have been restated and reduced by \$8,283,510 for this change.

	Balance January 1, 2022	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2022
Capital assets not being depreciated:				
Land	\$ 750,000	\$ -	\$ -	\$ 750,000
Construction in progress	3,555,179	12,285,732	(3,555,179)	12,285,732
Subtotal	4,305,179	12,285,732	(3,555,179)	13,035,732
Capital assets being depreciated:				
Land - Right-of-use asset	4,535,000	2,296,354	-	6,831,354
Buildings	67,651,907	46,922	-	67,698,829
Buildings - Right-of-use asset	34,885,000	10,130,000	-	45,015,000
Site improvements	25,082,582	6,798,740	(26,953)	31,854,369
Furniture and fixtures	2,860,834	175,477	-	3,036,311
Subtotal	135,015,323	19,447,493	(26,953)	154,435,863
Accumulated depreciation	13,168,492	3,596,771	-	16,765,263
Accumulated amortization of right-of-use assets	1,540,592	628,386	-	2,168,978
Net capital assets being depreciated	120,306,239	15,222,336	(26,953)	135,501,622
Net capital assets	<u>\$ 124,611,418</u>	<u>\$ 27,508,068</u>	<u>\$ (3,582,132)</u>	<u>\$ 148,537,354</u>

RAD Post Oak, LLC entered into a construction contract totaling \$18,211,000. At December 31, 2022, \$1,638,990 of construction work has been completed on the project. A pending commitment in the amount of \$16,572,010 remains outstanding as of December 31, 2022.

CMHA McKinley Manor, LLC entered into a construction contract totaling \$7,997,013. At December 31, 2022, \$959,642 of construction work has been completed on the project. A pending commitment in the amount of \$7,037,371 remains outstanding as of December 31, 2022.

Harriet's Hope, LLC entered into a construction contract totaling \$10,987,000. At December 31, 2022, \$1,318,440 of construction work has been completed on the project. A pending commitment in the amount of \$9,668,560 remains outstanding as of December 31, 2022.

December 31, 2022

**Note 7 - Equity Interest in Joint Ventures**

The Authority or subsidiary thereof holds ownership interests in a variety of partnerships and limited liability companies. These joint ventures include partnerships and companies that were formed to acquire, rehabilitate or construct, own, and operate low-income residential rental housing projects, a mixed-use project, and a parking garage. The investments are recorded under the equity method as joint ventures. Some of these joint ventures are also discretely presented component units of the Authority. The investments in the partnership at December 31, 2022 were as follows:

	Ownership Percentage	Investment Balance at December 31, 2022
Elim Manor Elderly Housing, LLC*	0.0490%	\$ 2,283,330
Franklin Station, LLC*	0.1000%	6,879,809
Poindexter Place, LLC*	0.1000%	6,323,952
Sawyer Manor and Trevitt Heights, LLC*	0.1000%	-
CMHA RAD East, LLC*	0.1000%	-
Columbus Scholar House III, LLC*	0.0051%	-
RAD Rosewind, LLC*	0.0100%	22
Winchester Village Apartments, LLC	50.0%	500
Avondale Woods Senior Housing Limited Partnership	0.0100%	2,594,537
Waggoner Senior Housing Limited Partnership	0.0100%	-
Van Buren Village PSH, LP.	0.0200%	-
Scholar House I, LLC	0.0510%	499,094
Poindexter IIA, LLC	0.0051%	1,079,752
Poindexter IIB, LLC	0.0051%	-
Riverside Sunshine, LLC	22.5%	-
Poindexter III, LLC	0.0051%	-
EF Garage, LLC	22.5%	-
Crosswinds Village, LLC	0.0051%	51
Winchester Lakes Apartments, LLC	51.0%	50
Sinclair Family Apartments LLC	0.0045%	45
1551 West Broad, LLC	24.0%	24
RAD Post Oak, LLC*	0.0100%	100
Harriet's Hope, LLC	0.0051%	105,600
CJB QPZ Fund, LLC	4.04%	1,000,000
Total		<u>\$ 20,766,866</u>

\*Denotes discretely presented component unit

The Authority is a general partner, managing member, or special administrative partner in the low-income residential rental housing projects. Unrelated investor limited partners own the remaining percentage interest in each of the partnerships and companies.

**Note 8 - Risk Management**

The Authority maintains comprehensive insurance coverage with private carriers for real property, building contents, directors' and officers' liability insurance, and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

The Authority is a member of Housing Authority Risk Retention Group (HARRG), which is a comprehensive general liability insurance group operated as a joint venture by its public housing authority members. Through HARRG, the Authority carries \$5,000,000 of general liability coverage, with a \$10,000 deductible; \$850,000 of earthquake coverage, with an \$85,000 deductible; \$250,000 of flood coverage, with a \$25,000 deductible; \$84 million of equipment breakdown coverage, with a \$10,000 deductible; and \$25,000 spoilage coverage, with a \$1,000 deductible. The Authority paid \$146,283 in premiums to HARRG for the year ended December 31, 2022.

December 31, 2022

**Note 8 - Risk Management (Continued)**

In addition, the Authority provides medical benefits to most of its employees on a fully insured basis with an independent insurance company. The premium rate is calculated based on claim history and administrative costs. The Authority is part of the statewide plan for workers' compensation insurance coverage.

There were no changes to the above policies during the current fiscal year. Claims experience over the past three years indicates that there were no instances of losses exceeding insurance coverage.

**Note 9 - Long-term Debt**

A summary of the Authority's long-term debt, all of which is direct borrowings, at December 31, 2022 can be summarized as follows:

**Governmental Activities**

	Interest Rate	Principal Maturity	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Four Pointe Perm Loan	3.99%	11/1/2026	\$ 13,320,111	\$ -	\$ (306,813)	\$ 13,013,298	\$ 319,457
Whitney Note Payable	4.12%	6/1/2026	2,248,189	-	(52,395)	2,195,794	54,626
Poindexter IIA - Ohio Housing Development Assistance Program Note Payable	1.00%	12/31/2060	1,000,000	-	-	1,000,000	-
Sawyer-Trevitt - Ohio Housing Development Assistance Program Note Payable	0.50%	11/1/2062	943,343	-	-	943,343	-
Scioto Ridge Mortgage Loan	3.97%	9/1/2029	17,481,398	-	(341,531)	17,139,867	355,534
Poindexter III - Ohio Housing Development Assistance Program Note Payable	0.50%	10/1/2048	665,330	-	-	665,330	-
Arden Park Note Payable	4.59%	5/1/2049	15,997,427	-	(287,714)	15,709,713	301,393
Country Ridge - City Sponsor Loan	3.00%	12/31/2038	1,152,000	-	-	1,152,000	-
Country Ridge - Ohio Housing Development Assistance Program Note Payable	3.00%	8/7/2037	291,461	-	-	291,461	-
CMHA RAD East - Ohio Housing Development Assistance Program Note Payable 1	0.50%	6/1/2066	960,564	-	(170,324)	790,240	-
CMHA RAD East - Ohio Housing Development Assistance Program Note Payable 2	0.00%	4/1/2049	500,000	-	-	500,000	-
Tussing Place Note Payable	3.85%	2/1/2030	8,880,790	-	(172,920)	8,707,870	179,792
Canals Edge Note Payable	2.67%	5/1/2030	9,200,000	-	(117,780)	9,082,220	211,290
Canals Edge AHT Note Payable	5.00%	6/1/2047	1,200,000	-	(14,115)	1,185,885	29,479
New Village Homes Mortgage Payable	2.23%	5/1/2056	8,900,312	-	(173,937)	8,726,375	177,856
Gables West Mortgage Payable	2.18%	5/1/2056	19,143,470	-	(377,655)	18,765,815	385,970
RAD Rosewind - Ohio Housing Development Assistance Program Note Payable	0.00%	3/1/2052	1,800,000	200,000	-	2,000,000	-
Magnolia Trace Bonds Payable	Variable	8/1/2036	37,940,000	-	-	37,940,000	465,000
Sinclair Bonds Payable	Variable	11/1/2041	27,600,000	-	-	27,600,000	-
Carol Stewart Village - Finance Fund Capital Corporation Assistance Program Note Payable	3.00%	3/31/2024	675,000	-	(675,000)	-	-
Magnolia Trace II Bonds Payable	Variable	11/1/2041	-	12,315,000	-	12,315,000	75,000
Scholar House I City Note Payable	0.00%	8/12/2031	-	1,844,912	(850,763)	994,149	114,710
<b>Total principal outstanding</b>			<b>169,899,395</b>	<b>14,359,912</b>	<b>(3,540,947)</b>	<b>180,718,360</b>	<b>2,670,107</b>
Magnolia Trace Bond Premium			2,441,919	-	(187,686)	2,254,233	-
Sinclair Bond Premium			252,895	-	(20,450)	232,445	-
Magnolia Trace II Bond Premium			-	89,619	(213)	89,406	-
<b>Total</b>			<b>\$ 172,594,209</b>	<b>\$ 14,449,531</b>	<b>\$ (3,749,296)</b>	<b>\$ 183,294,444</b>	<b>\$ 2,670,107</b>

December 31, 2022

**Note 9 - Long-term Debt (Continued)*****Four Pointe Perm Loan***

On November 16, 2016, the Authority entered into a mortgage loan for \$14,680,000 bearing interest at a fixed rate of 3.99 percent and secured by the mortgaged property. The loan requires monthly payments of principal and interest of \$70,000 through November 2026. A balloon payment of approximately \$11,726,000 will be due on December 1, 2026. Management believes the Authority was in full compliance with related covenants as of December 31, 2022.

***Whitney Note Payable***

On May 16, 2016, the Authority entered into a mortgage loan for \$2,500,000 bearing interest at a fixed rate of 4.12 percent and secured by the mortgaged property. The loan requires monthly payments of principal and interest of \$12,109 through May 2026. A balloon payment of approximately \$2,006,000 will be due on June 1, 2026. Management believes the Authority was in full compliance with related covenants as of December 31, 2022.

***Poindexter IIA - Ohio Housing Development Assistance Program Note Payable***

During December 2015, the Authority entered into a promissory note payable to the Ohio Housing Finance Agency in the amount of \$1,000,000 to provide construction financing for Poindexter IIA, LLC. The note bears interest on the principal sum at a rate of 1.00 percent per annum. Annual payments are to be made based on available cash flow of the project, as defined by the note agreement. All outstanding principal and interest are due at the maturity date of December 31, 2060.

***Sawyer-Trevitt - Ohio Housing Development Assistance Program Note Payable***

During November 2017, the Authority entered into a construction loan payable to the Ohio Housing Finance Agency in the amount of \$1,000,000, of which \$0 has been drawn to provide construction financing for Sawyer Manor and Trevitt Heights, LLC. The note bears interest on the principal sum at a rate of 0.50 percent per annum. Annual payments are to be made based on available cash flow of the project, as defined by the note agreement. All outstanding principal and interest are due at the maturity date of November 1, 2062.

***Scioto Ridge Mortgage Loan***

During August 2019, the Authority entered into a new mortgage loan for \$18,200,000 bearing interest at a fixed rate of 3.97 percent. The loan requires monthly payments of principal and interest of \$86,575, beginning on October 1, 2019 through September 1, 2029. Management believes the Authority was in full compliance with related covenants as of December 31, 2022.

***Poindexter III - Ohio Housing Development Assistance Program Note Payable***

During May 2019, the Authority entered into a construction loan payable to the Ohio Housing Financing Agency in the amount of \$675,000, of which \$665,330 has been drawn to provide construction financing for Poindexter III, LLC. The note bears interest on the principal sum at a rate of 0.5 percent per annum. Annual payments are to be made based on available cash flow of the project, as defined by the note agreement. All outstanding principal and interest are due at the maturity date of October 1, 2068.

***Arden Park Note Payable***

On March 13, 2019, the Authority entered into a note payable for \$16,699,000 bearing interest at a fixed rate of 4.59 percent per annum. The loan requires monthly payments of principal and interest of \$85,507, beginning on May 1, 2019 through May 1, 2049. Management believes the Authority was in full compliance with related covenants as of December 31, 2022.



**Note 9 - Long-term Debt (Continued)**

***County Ridge - City Sponsor Loan***

On May 15, 2019, the Authority assumed the note payable in the amount of \$1,152,000 bearing interest at a fixed rate of 3.00 percent per annum. Annual payments are to be made based on available cash flow of the project, as defined by the note agreement. All outstanding principal and interest are due at the maturity date of December 31, 2038.

***Country Ridge - Ohio Housing Development Assistance Program Note Payable***

On May 15, 2019, the Authority assumed a construction loan payable to the Ohio Housing Finance Agency in the amount of \$291,461 to provide construction financing for CMHA Country Ridge, LLC. The note bears interest on the principal sum at a rate of 3.00 percent per annum. Annual payments are to be made based on available cash flow of the project, as defined by the note agreement. All outstanding principal and interest are due at the maturity date of August 7, 2037.

***CMHA RAD East - Ohio Housing Development Assistance Program Note Payable 1***

On May 13, 2019, the Authority entered into a construction loan payable to the Ohio Housing Finance Agency in the amount of \$1,000,000, all of which has been drawn to provide construction financing for CMHA RAD East, LLC. The note bears interest on the principal sum at a rate of 0.50 percent per annum. Annual payments are to be made based on available cash flow of the project, as defined by the note agreement. All outstanding principal and interest are due at the maturity date of June 1, 2066.

***CMHA RAD East - Ohio Housing Development Assistance Program Note Payable 2***

On May 13, 2019, the Authority entered into a construction loan payable to the Ohio Housing Finance Agency in the amount of \$500,000, all of which has been drawn to provide construction financing for CMHA RAD East, LLC. The note does not bear interest on the principal. Annual payments are to be made based on available cash flow of the project, as defined by the note agreement. All outstanding principal and interest are due at the maturity date of April 1, 2049.

***Tussing Place Note Payable***

On January 15, 2020, the Authority entered into a note payable for \$9,181,000 bearing interest at a fixed rate of 3.85 percent per annum and secured by the mortgaged property. The loan requires monthly payments of principal and interest of \$42,036 beginning on February 1, 2020 through February 1, 2030. Management believes the Authority was in full compliance with related covenants as of December 31, 2022.

***Canals Edge Note Payable***

On May 11, 2020, the Authority entered into a note payable for \$9,200,000. The note bears interest only for the first 24 months at a fixed rate of 2.67 percent. Beginning on June 1, 2022, the loan requires monthly payments of principal and interest of \$41,444, with interest being charged at a variable rate. Upon maturity on May 1, 2030, a balloon payment for the remaining balance is due. The loan is also secured by the mortgaged property. Management believes the Authority was in full compliance with related covenants as of December 31, 2022.

***Canals Edge AHT Note Payable***

On May 13, 2020, the Authority entered into a note payable due to the Housing Action Fund, LLC in the amount of \$1,200,000 bearing interest at a fixed rate of 5.00 percent per annum. The loan requires monthly payments of interest only beginning on July 1, 2020. Beginning on July 1, 2022, monthly payments of principal and interest of \$7,067 are required through maturity on June 1, 2030.

December 31, 2022

**Note 9 - Long-term Debt (Continued)*****New Village Homes Mortgage Payable***

The Authority entered into a mortgage note payable insured by HUD under Section 223(f) of the National Housing Act to obtain additional funding for future renovations. The mortgage is in the amount of \$9,000,000. The mortgage bears interest at an annual rate of 2.28 percent. Monthly installments of principal and interest in the amount of \$30,887 are required through the maturity of the mortgage in May 2056. The mortgage is collateralized by the rental property of New Village Homes and is guaranteed by HUD.

***Gables West Mortgage Payable***

The Authority entered into a mortgage note payable insured by HUD under Section 223(f) of the National Housing Act to obtain additional funding for future renovations. The mortgage is in the amount of \$19,360,000. The mortgage bears interest at an annual rate of 2.18 percent. Monthly installments of principal and interest in the amount of \$65,935 are required through the maturity of the mortgage in May 2056. The mortgage is collateralized by the rental property of Gables West and is guaranteed by HUD.

***RAD Rosewind - Ohio Housing Development Assistance Program Note Payable***

On July 16, 2020, the Authority entered into a construction loan payable to Ohio Housing Finance Agency in the amount of \$2,000,000, all of which has been drawn to provide construction financing for CMHA RAD Rosewind, LLC. The note does not bear interest on the principal. Annual payments are to be made based on available cash flow of the project, as defined by the note agreement. All outstanding principal and interest are due at the maturity date of March 31, 2052.

***Magnolia Trace Bonds Payable***

On August 25, 2021, the Authority issued Series 2021 Revenue Bonds in the amount of \$37,940,000. The bonds bear interest at a variable rate and gradually mature yearly in August from 2023 through 2031. The bonds were issued at an initial premium of \$2,505,854 that is being amortized over the term of the bonds payable. The outstanding premium balance as of December 31, 2022 was \$2,254,233.

***Sinclair Bonds Payable***

On November 9, 2021, the Authority issued Series 2021A and Series 2021B Revenue Bonds in the amount of \$23,750,000 and \$3,850,000, respectively. The Series 2021A bonds bear interest in a variable rate and gradually mature yearly in November from 2024 through 2041. The Series 2021B bonds bear interest at a rate of 1.25 percent and mature on November 1, 2024. The bonds were issued at an initial premium of \$257,280 and are being amortized over the term of the bonds payable. The outstanding premium balance as of December 31, 2022 was \$232,445.

***Carol Stewart Village - Finance Fund Capital Corporation Assistance Program Note Payable***

On April 1, 2021, the Authority assumed a note payable due to the Finance Fund Capital Corporation in the amount of \$675,000 bearing interest at a fixed rate of 3.00 percent per annum. The principal and interest on the fund will be paid upon maturity on March 31, 2024. The full note amount of \$675,000 was paid off during the year ended December 31, 2022.

***Magnolia Trace II Bonds Payable***

On November 10, 2022, the Authority issued Series 2022 Revenue Bonds in the amount of \$12,315,000. The bonds bear interest at a variable rate and gradually mature yearly in August from 2023 through 2036. The bonds were issued at an initial premium of \$89,619 that is being amortized over the term of the bonds payable. The outstanding premium balance as of December 31, 2022 was \$89,406.

December 31, 2022

**Note 9 - Long-term Debt (Continued)**

**Scholar House I City Note Payable**

On August 12, 2011, the Authority assumed the Scholar House I loan payable to the City of Columbus, Ohio in the amount of \$2,294,191. Interest is computed at 0.00 percent. The principal on the loan will be forgiven monthly until maturity on August 12, 2031, 20 years from the initial assumption of the loan balance.

Future debt service requirements for the above debt are presented below. Principal and accrued interest payable from available cash flow are shown as payable upon maturity.

Years Ending	Principal	Interest
2023	\$ 2,670,107	\$ 5,799,828
2024	10,622,395	5,711,861
2025	3,128,006	5,542,323
2026	16,843,276	5,404,485
2027	2,898,753	4,794,195
2028-2032	36,113,186	20,085,474
Thereafter	108,442,637	24,827,874
<b>Total</b>	<b>\$ 180,718,360</b>	<b>\$ 72,166,040</b>

**Discretely Presented Component Units**

The amount of outstanding debt of the discretely presented component units as of December 31, 2022 is as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Franklin Station, LLC - CMHA bridge loans	0.25% - 5.00%	1/1/2030	\$ 4,915,512	\$ -	\$ (62,504)	\$ 4,853,008	\$ 2,337,772
Elim Manor Elderly Housing, LLC:							
Mortgage note - Red Mortgage Capital, LLC	3.68%	3/1/2052	2,177,565	-	(48,793)	2,128,772	50,061
Notes payable - Homeport	0.00%	N/A	114,000	-	-	114,000	-
Note payable - CMHA	0.00%	N/A	50,000	-	-	50,000	-
Poindexter Place, LLC:							
OHFA - Bridge loan	2.00%	4/1/2026	519,290	-	(99,877)	419,413	101,875
Note payable - City of Columbus, Ohio	2.00%	12/1/2045	250,000	-	-	250,000	-
Note payable - CMHA	0.25%	12/1/2045	825,570	-	(65,429)	760,141	-
Sawyer Manor and Trevitt Heights, LLC:							
OHFA - Direct loan	2.50%	4/15/2027	1,530,346	-	(239,515)	1,290,831	245,527
Seller note - CMHA	2.75%	6/1/2067	13,670,000	-	-	13,670,000	-
RHF note - CMHA	2.75%	6/1/2067	4,667,062	-	-	4,667,062	-
Note payable - CMHA	0.50%	11/1/2062	943,343	-	-	943,343	-
CMHA RAD East, LLC:							
Note payable - CMHA	3.05%	11/1/2063	4,468,970	-	-	4,468,970	-
Seller note - CMHA	3.05%	11/1/2063	10,950,000	-	-	10,950,000	-
OHFA - Bridge loan	0.00%	4/1/2028	1,771,065	-	(234,658)	1,536,407	240,525
HDAP loan - \$1,000,000	0.50%	6/1/2066	960,564	-	(170,324)	790,240	-
HDAP loan - \$500,000	0.00%	4/1/2049	500,000	-	-	500,000	-
Sponsor loan	0.25%	11/1/2063	1,953,835	-	-	1,953,835	-
Columbus Scholar House III, LLC:							
OHFA bridge loan	2.50%	3/1/2029	1,750,000	-	(200,318)	1,549,682	205,326
Note payable - City of Columbus, Ohio	2.00%	4/1/2052	675,000	75,000	-	750,000	-
Note payable - CMHA	0.50%	4/9/2051	4,366,532	-	(2,978,258)	1,388,274	-
RAD Rosewind, LLC:							
Seller note - CMHA	1.15%	10/1/2093	14,800,000	-	-	14,800,000	-
MultiFamily Housing Revenue Bonds	0.45%	8/1/2023	6,200,000	-	(6,200,000)	-	-
OHFA - Direct loan	2.50%	7/31/2030	1,750,000	-	-	1,750,000	200,318
HDAP loan - \$2,000,000	0.00%	3/1/2052	1,800,000	200,000	-	2,000,000	-
Note payable - OCFC	3.75%	7/15/2022	4,282,057	-	(4,282,057)	-	-
Note payable - OCFC	5.00%	2/1/2037	-	2,500,000	(62,163)	2,437,837	-
Note payable - CMHA	1.15%	7/1/2070	-	5,980,837	-	5,980,837	125,530
Harriet's Hope, LLC:							
Note payable - Park National	3.68%	9/9/2024	-	2,066,473	-	2,066,473	-
Note payable - HAF AHT	0.00%	8/23/2066	-	300,000	-	300,000	-
OHFA HDL - Bridge loan	0.00%	4/15/2032	-	2,750,000	-	2,750,000	-
CMHA McKinley Manor, LLC:							
Mortgage payable - Park National	Variable	8/26/2024	-	1,997,692	-	1,997,692	-
OHFA HDL Loan	0.00%	12/20/2032	-	2,000,000	-	2,000,000	-

December 31, 2022

**Note 9 - Long-term Debt (Continued)**

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
RAD Post Oak, LLC:							
Seller note	2.60%	6/13/2072	\$ -	\$ 10,870,000	\$ -	\$ 10,870,000	\$ -
Mortgage payable - Lument	3.35%	4/1/2064	-	1,821,094	-	1,821,094	-
Note payable - AHT	3.50%	5/1/2064	-	300,000	-	300,000	-
Note payable - HAF AHT	3.50%	6/1/2025	-	1,804,048	-	1,804,048	-
Note payable - Capital Grant	5.00%	6/13/2072	-	5,263,631	-	5,263,631	-
Bond payable	3.35%	7/1/2025	-	23,370,000	-	23,370,000	-
Total principal outstanding			85,890,711	61,298,775	(14,643,896)	132,545,590	3,506,934
RAD Post Oak Bond Premium							
			-	230,428	(41,246)	189,182	-
Total			\$ 85,890,711	\$ 61,529,203	\$ (14,685,142)	\$ 132,734,772	\$ 3,506,934

**Franklin Station, LLC**

The company received two bridge loans from Columbus Metropolitan Housing Authority totaling \$6,300,000 during 2012. The first bridge loan was for \$3,300,000 and accrues interest at 0.25 percent. The maturity date is contingent on the investor member making required equity contributions. Equity contributions were made in 2017. Principal and interest payments were made on this loan during 2017. There have been no payments made on the loan since 2017. The outstanding balance on this loan amounted to \$2,272,071 as of December 31, 2022. The remaining amount is due on demand. The second bridge loan was for \$3,000,000 and accrues interest at 5.00 percent. The loan requires monthly payments of principal and interest of \$16,105 through December 2029. A balloon payment of approximately \$2,329,000 will be due in January 2030.

**Elim Manor Elderly Housing, LLC**

The company has a HUD-insured Section 231 mortgage note payable to Red Mortgage Capital, LLC bearing interest at 3.68 percent. Principal and interest are payable in monthly installments of \$9,957 beginning on April 1, 2012 through March 1, 2052, the maturity date.

**Elim Manor Elderly Housing, LLC**

The company has a non-interest-bearing loan to Homeport payable from surplus cash. Repayment is subject to available surplus cash, and, accordingly, the loans, which consist of advances and a note payable, do not have a scheduled maturity date.

**Elim Manor Elderly Housing, LLC**

Non-interest-bearing loan to Columbus Metropolitan Housing Authority payable from surplus cash. Repayment is subject to available surplus cash, and, accordingly, the loan does not have a scheduled maturity date.

**Poindexter Place, LLC**

The company entered into an equity bridge loan payable to the Ohio Housing Finance Agency originally totaling \$1,000,000 and bearing interest at 2.00 percent per annum. Principal and interest are due and payable in annual installments of \$110,264, commencing in April 2017 through April 2026. The note is collateralized by the investor member's assignment to the company of the future capital contribution installments.

**Note 9 - Long-term Debt (Continued)**

***Poindexter Place, LLC***

The company entered into a note payable to the City of Columbus, Ohio (the "City") originally totaling \$250,000 and bearing interest at 2.00 percent per annum, compounding annually. The City was granted HOME funds, and these funds were then loaned to the company under the City's HOME Investment Partnership Program. Commencing in 2016, the company shall make annual payments of principal and interest in an amount equal to 25 percent of the annual cash flow, as defined by the promissory note. The entire unpaid principal balance and all accrued interest are due and payable 30 years after the project's completion date. The note is collateralized by the real estate and assignment of rents and security.

***Poindexter Place, LLC***

The company entered into a promissory note with Columbus Metropolitan Housing Authority in the original amount of \$825,570, with an interest rate of 0.25 percent per annum and a term of 30 years. Commencing in 2016, the company shall make annual payments of principal and interest in the amount of 75 percent of annual cash flow, as defined by the promissory note. The note is collateralized by the real estate and assignment of rents and security.

***Sawyer Manor and Trevitt Heights, LLC***

The company entered into a note payable with OHFA, originally totaling \$2,000,000 and bearing no interest for the first two years after the financing is received and at the rate of 2.50 percent per annum for the remainder of the term. Principal and interest will be due and payable in annual installments of \$277,924 commencing on April 15, 2020 through April 15, 2027. The note is secured by the investor member's assignment to the company of the investor note receivable for future capital contribution installments.

***Sawyer Manor and Trevitt Heights, LLC***

The company entered into a note payable with Columbus Metropolitan Housing Authority originally totaling \$13,670,000 and bearing interest at 2.75 percent per annum. Principal and interest payments are to commence three months after the end of the first fiscal year that occurs after the project is placed in service. Annual payments shall be due and payable on each anniversary thereafter and shall be made from available cash flow, as defined in the operating agreement. The entire unpaid principal balance and accrued interest are due and payable in June 2067. The note is collateralized by the leasehold interest in the land and improvements.

***Sawyer Manor and Trevitt Heights, LLC***

The company entered into a note payable with Columbus Metropolitan Housing Authority with a maximum lending amount of \$4,667,062 and bearing interest at 2.75 percent per annum. Principal and interest payments are to commence three months after the end of the first fiscal year that occurs after the project is placed in service. Annual payments shall be due and payable on each anniversary thereafter and shall be made from available cash flow, as defined in the operating agreement. The entire unpaid principal balance and accrued interest are due and payable in June 2067. The note is collateralized by the leasehold interest in the land and improvements.

***Sawyer Manor and Trevitt Heights, LLC***

The company entered into a note payable with Columbus Metropolitan Housing Authority with a maximum lending amount of \$1,000,000 and bearing interest at 0.50 percent per annum, compounded semiannually. On April 30, following the issuance of the project's final certificate of occupancy, annual payments shall be due and payable on each anniversary thereafter and shall be made from available cash flow, as defined in the operating agreement. The entire unpaid principal and interest balance shall be due and payable on November 1, 2062.

**Note 9 - Long-term Debt (Continued)**

***CMHA RAD East, LLC***

The company entered into a note payable with Columbus Metropolitan Housing Authority originally totaling \$4,468,970 and bearing interest at 3.05 percent per annum. Principal and interest payments are to commence three months after the end of the first fiscal year that occurs after the project is placed in service. Annual payments shall be due and payable on each anniversary thereafter and shall be made from available cash flow, as defined in the operating agreement. The entire unpaid principal balance and accrued interest are due and payable in November 2063. The note is collateralized by the leasehold interest in the land, buildings, and improvements. No principal and interest were paid during the year ended December 31, 2022.

***CMHA RAD East, LLC***

The company entered into a note payable with Columbus Metropolitan Housing Authority originally totaling \$10,950,000 and bearing interest at 3.05 percent per annum. Principal and interest payments are to commence three months after the end of the first fiscal year that occurs after the project is placed in service. Annual payments shall be due and payable on each anniversary thereafter and shall be made from available cash flow, as defined in the operating agreement. The entire unpaid principal balance and accrued interest are due and payable in November 2063. The note is collateralized by the leasehold interest in the land, buildings, and improvements. No principal and interest were paid during the year ended December 31, 2022.

***CMHA RAD East, LLC***

The company entered into a note payable with OHFA originally totaling \$2,000,000 and bearing no interest for the first two years after the financing is received and at the rate of 2.5 percent per annum for the remainder of the term. Principal and interest will be due and payable in annual installments of \$245,185 commencing on April 15, 2021 and then annual installments of \$278,935 from April 15, 2022 through April 15, 2028. The note is secured by the investor member's assignment to the company of the investor member note receivable for future capital contribution installments.

***CMHA RAD East, LLC***

The company entered into a note payable with Metropolitan Housing Partners, Inc. with a maximum lending amount of \$1,000,000 and bearing interest at the rate of 0.50 percent per annum, compounded semiannually. The funds were from the proceeds of an HDAP loan from OHFA. Payments shall be made in an amount equal to available cash flow, as defined in the promissory note and the operating agreement. The entire unpaid principal balance and all accrued interest will be due and payable in June 2066. The note is collateralized by the real estate and assignment of rents and security.

***CMHA RAD East, LLC***

The company entered into a non-interest-bearing note payable with Metropolitan Housing Partners, Inc. with a maximum lending amount of \$500,000. The funds were from the proceeds of an HDAP loan from OHFA. The entire unpaid principal balance will be due and payable in April 2049. The note is collateralized by the real estate and assignment of rents and security. No principal and interest were paid during the year ended December 31, 2022.

December 31, 2022

**Note 9 - Long-term Debt (Continued)*****CMHA RAD East, LLC***

The company entered into a note payable with Columbus Metropolitan Housing Authority originally totaling \$1,953,835 and bearing interest at the rate of 0.25 percent per annum. Principal and interest payments are to commence three months after the end of the first fiscal year that occurs after the project is placed in service. Annual payments shall be due and payable on each anniversary thereafter and shall be made from available cash flow, as defined in the operating agreement. The entire unpaid principal balance and accrued interest are due and payable in November 2063. The note is collateralized by the leasehold interest in the land and improvements. As of December 31, 2022, accrued and unpaid interest totaled \$15,471.

***Columbus Scholar House III, LLC***

The company entered into a bond payable with the Ohio Housing Finance Agency in the amount of \$1,750,000. The bonds bear interest at 2.50 percent per annum and are to be paid via eight annual payments of principal and interest in the amount of \$244,068 commencing on March 13, 2022. The principal balance is to be paid on or before March 1, 2029. There was a payment in the amount of \$200,318 made during the year ended December 31, 2022.

***Columbus Scholar House III, LLC***

The company entered into a note payable to the City of Columbus, Ohio originally totaling \$750,000, of which \$505,162 has been drawn as of December 31, 2020, and bearing interest at 2.00 percent per annum, compounding annually. The City was granted HOME funds, and these funds were then loaned to the company under the City's HOME Investment Partnership Program. Commencing in 2022, the company shall make annual payments of principal and interest in an amount equal to 25 percent of the annual cash flow, as defined by the promissory note. The entire unpaid principal balance and all accrued interest are due and payable 30 years after the project's completion date. The note is collateralized by the real estate and assignment of rents and security.

***Columbus Scholar House III, LLC***

The company entered into a note payable with CMHA, an affiliate of the managing member, for the development of low-income housing in the amount of \$5,000,000. The note agreement has a 0.00 percent interest rate until the initial payment date. After that payment, the note agreement has an annual interest rate of 0.50 percent. The initial payment of \$3,750,000 is due in 2021. After the initial payment, principal and interest shall be paid annually out of the annual cash flow, as available. This note is collateralized by an open-end mortgage granting the Authority a security interest in certain real property of Columbus Scholar House III, LLC. The entire balance of principal and all unpaid interest shall be due and payable 30 years from the date of the initial payment.

***RAD Rosewind, LLC***

The company entered into a note payable with Columbus Metropolitan Housing Authority in the amount of \$14,800,000. Interest is assessed at 1.51 percent per annum. The loan is payable by available cash flow, with any outstanding principal and interest due upon maturity in July 2070.

***RAD Rosewind, LLC***

The MultiFamily Housing Revenue Bonds Series 2020A were issued by the Ohio Housing Finance Agency and are held by the Huntington National Bank, originally totaling \$6,200,000 and bearing interest at 0.45 percent per annum. During the term of the bonds, interest-only payments are to be made each August 1 and February 1, commencing on February 1, 2021. The principal amount of the bonds outstanding together with accrued interest thereon were paid in full during the year ended December 31, 2022. The bonds are collateralized by the real estate and the bond reserves.

**Note 9 - Long-term Debt (Continued)**

***RAD Rosewind, LLC***

The company entered into a note payable with OHFA, originally totaling \$1,750,000 and bearing no interest for the first two years after the financing is received and at the rate of 2.50 percent per annum for the remainder of the term. Principal and interest will be due and payable in annual installments of \$244,068 commencing on July 31, 2023 through July 31, 2030. The note is secured by the investor member's assignment to the company of the investor member note receivable for future capital contribution installments.

***RAD Rosewind, LLC***

The company entered into a non-interest-bearing note payable with Metropolitan Housing Partners, Inc., an affiliate of the Authority, with a maximum lending amount of \$2,000,000, all of which has been borrowed. The funds were from the proceeds of an HDAP loan from OHFA. The note does not require annual payments, and the entire unpaid principal balance will be due and payable on March 1, 2052. The note is collateralized by the real estate and assignment of rents and security.

***RAD Rosewind, LLC***

The company entered into a predevelopment note payable with Ohio Capital Finance Corporation (OCFC) in the original amount of \$4,282,057 and bearing interest at a rate of 3.75 percent per annum. Interest-only payments are to be made on each February 15, May 15, August 15, and November 15, commencing on May 15, 2021. The entire unpaid principal balance and all accrued interest was paid during the year ended December 31, 2022.

***RAD Rosewind, LLC***

The company entered into a note payable with OCFC in the amount of \$2,500,000. The note bears interest at a rate of 5.00 percent per annum. Principal and interest are due and payable in monthly installments of \$19,770 on the first of each month, commencing in August 2022. The entire unpaid principal balance and all accrued interest will be due and payable on February 1, 2037. The note is collateralized by the real estate and assignment of rents and security.

***RAD Rosewind, LLC***

The company entered into a note payable with CMHA, an affiliate of the managing member, in the amount of \$5,980,837. The note bears interest at a rate of 1.15 percent per annum and matures in July 2070. Principal and interest shall be due and payable only from available cash flow, as defined in the operating agreement. The note is collateralized by the real estate and assignment of rents and security.

***Harriet's Hope, LLC***

The company has entered into a construction note payable with The Park National Bank in the maximum amount of \$6,000,000, of which \$1,997,693 has been borrowed. The note bears interest at a rate of 3.68 percent. The entire balance of principal and all unpaid interest shall be due and payable on September 9, 2024. The note is secured by an open-end mortgage.

***Harriet's Hope, LLC***

The company entered into a leasehold open-end mortgage agreement with The Affordable Housing Trust for Columbus and Franklin County (AHT) in the amount of \$300,000. The loan bears an interest rate of 0.00 percent. The entire balance of principal and all unpaid interest shall be due and payable on August 23, 2066.



**Note 9 - Long-term Debt (Continued)**

***Harriet's Hope, LLC***

The company entered into a note payable with OHFA originally totaling \$2,750,000 and bearing no interest for the first two years after the financing is received and at the rate of 2.5 percent per annum for the remainder of the term. Principal and interest will be due and payable in annual installments, the first installment will equal \$347,250 on April 15, 2025, and then the remaining seven annual installments will equal \$383,535 from April 15, 2026 through April 15, 2032, the maturity date. The note is secured by the investor member's assignment to the company of the investor member note receivable for future capital contribution installments.

***CMHA McKinley Manor, LLC***

The company has entered into a construction note payable with The Park National Bank in the maximum amount of \$7,000,000, of which \$1,997,693 has been borrowed. The note bears interest at a variable rate. The entire balance of principal and all unpaid interest shall be due and payable on August 26, 2024. The note is secured by an open-end mortgage.

***CMHA McKinley Manor, LLC***

The company entered into a note payable with OHFA originally totaling \$2,750,000 and bearing no interest for the first two years after the financing is received and at the rate of 2.5 percent per annum for the remainder of the term. Principal and interest will be due and payable in annual installments of \$278,935 commencing on December 20, 2025 through December 20, 2032. The note is secured by the investor member's assignment to the company of the investor member note receivable for future capital contribution installments

***RAD Post Oak, LLC***

The company entered into a note payable with CMHA, an affiliate of the managing member, in the amount of \$10,870,000. The note bears interest at a rate of 2.6 percent per annum and matures in June 2072. Principal and interest shall be due and payable only from available cash flow, as defined in the operating agreement. The note is collateralized by the leasehold interest in the land, buildings, and improvements.

***RAD Post Oak, LLC***

The company entered into a rehabilitation loan payable totaling of \$7,300,000 with Lument. The note bears interest at a rate of 3.35 percent per annum and will mature in March 2024. The note is collateralized by the leasehold interest in the land, buildings, and improvements and assignment of rents and security. The loan will convert to a permanent HUD-insured Section 221(d)(4) mortgage upon completion of rehabilitation. As of December 31, 2022, the amount drawn down on this mortgage totaled \$1,821,094.

***RAD Post Oak, LLC***

The company entered into a note payable with The Affordable Housing Trust for Columbus and Franklin County in the amount of \$300,000. The note is non-interest bearing and matures in May 2064. Commencing on May 1, 2025 and continuing on May 1 each consecutive year thereafter, principal shall be due and payable only from available cash flow, as defined in the operating agreement. The note is collateralized by the leasehold interest in the land, buildings, and improvements.

***RAD Post Oak, LLC***

The company entered into a note payable with AHT in the amount of \$3,000,000. The note bears interest at a rate of 3.5 percent per annum and matures in June 2025. All principal and interest shall be due and payable in full on the maturity date. The note is collateralized by the leasehold interest in the land, buildings, and improvements. As of December 31, 2022, the amount drawn down on this loan totaled \$1,804,048.

**Note 9 - Long-term Debt (Continued)**

***RAD Post Oak, LLC***

The company entered into a note payable with Columbus Metropolitan Housing Authority, an affiliate of the managing member, in the amount of \$5,263,631. The note bears interest at a rate of 5 percent per annum and matures in June 2072. Principal and interest shall be due and payable only from available cash flow, as defined in the operating agreement. The note is collateralized by the leasehold interest in the land, buildings, and improvements.

***RAD Post Oak, LLC***

The MultiFamily Housing Revenue Bonds, Series 2022 (Post Oak Station) were issued by the Ohio Housing Finance Agency and are held by the Huntington National Bank, originally totaling \$23,370,000 and bearing interest at 3.35 percent per annum. During the term of the bonds, interest-only payments are to be made each January 1 and July 1, commencing on January 1, 2023. The principal amount of the bonds outstanding together with accrued interest thereon are due and payable on July 1, 2025. The bonds are collateralized by the leasehold interest in the land, buildings, and improvements and the bond reserves.

Future debt service requirements for the above debt are presented below. Principal and accrued interest payable from available cash are shown as payable upon maturity:

Years Ending	Principal	Interest
2023	\$ 3,506,934	\$ 490,800
2024	5,331,805	427,503
2025	3,652,236	662,720
2026	1,898,992	458,104
2027	1,842,036	405,245
2028 - 2032	7,912,578	1,933,309
2033 - 2037	1,210,394	267,618
2038 - 2042	382,937	130,439
2043 - 2047	1,444,009	231,916
2048 - 2052	912,382	22,502
2053 - 2057	750,000	299,321
2058 - 2062	2,943,343	224,433
2063 - 2067	38,921,200	85,936,056
2068 - 2072	61,836,744	11,874
Total	<u>\$ 132,545,590</u>	<u>\$ 91,501,840</u>

**Note 10 - Pension Plan**

***Plan Description***

The Authority's 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. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g., the Authority's employees) may elect the Member-Directed Plan and the Combined Plan, the majority of employee members are in OPERS' Traditional Pension Plan; therefore, the following disclosures focus on the Traditional Pension Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Pension Plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code (ORC).

**Note 10 - Pension Plan (Continued)**

OPERS issues a publicly available 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 Ohio Public Employees Retirement System, 277 East Town Street, Columbus, OH 43215-4642; or by calling 800-222-7377.

**Benefits Provided**

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 Pension Plan, as per the reduced benefits adopted by SB 343 (see OPERS' ACFR referenced above for additional information):

Group A Eligible to Retire Prior to January 7, 2013 or Five Years after January 7, 2013	Group B 20 Years of Service Credit Prior to January 7, 2013 or Eligible to Retire 10 Years after January 7, 2013	Group C Members Not in Other Groups and Members Hired on or after January 7, 2013
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 60 with 60 months of service credit or age 55 with 25 years of service credit
Formula: 2.2 percent of FAS multiplied by years of service for the first 30 years and 2.5 percent for service years in excess of 30	Formula: 2.2 percent of FAS multiplied by years of service for the first 30 years and 2.5 percent for service years in excess of 30	Formula: 2.2 percent of FAS multiplied by years of service for the first 30 years and 2.5 percent for service years in excess of 30

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

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

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

**Funding Policy**

The ORC provides statutory authority for member and employer contributions. For 2022, member contribution rates were 10 percent of salary, and employer contribution rates were 14 percent. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan was 0 percent during the year ended December 31, 2022. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contributions to OPERS totaled \$1,217,277 for the year ended December 31, 2022, all of which was allocated to pension.

**Note 10 - Pension Plan (Continued)**

***Net Pension Liability***

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

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

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

GASB Statement No. 68 assumes the liability is solely the obligation of the employer because (1) it benefits 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 include 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 net pension liability would be effective when the changes are legally enforceable.

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

The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. For reporting purposes, the Authority combined the amounts for both the Traditional Pension and Combined plans due to the insignificance of the amounts that related to the Combined Plan. The Authority reported a net pension liability of \$4,627,442 as its proportionate share. The Authority's proportion of the Traditional Pension Plan was 0.054289 percent, an increase of 0.00158 percent from the prior year.

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended December 31, 2022, the Authority recognized pension revenue of \$1,499,638.

**Note 10 - Pension Plan (Continued)**

At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Authority contributions subsequent to measurement date	\$ 1,271,611	\$ -	\$ 1,271,611
Net difference between projected and actual investment earnings	-	(5,639,128)	(5,639,128)
Change in employer proportionate share of net pension liability	361,915	(34,298)	327,617
Change in assumptions	595,104	-	595,104
Differences between expected and actual experience	263,054	(111,856)	151,198
Total	<u>\$ 2,491,684</u>	<u>\$ (5,785,282)</u>	<u>\$ (3,293,598)</u>

The amount of \$1,217,277 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension revenue as follows:

Years Ending December 31	Amount
2023	\$ (457,348)
2024	(1,884,059)
2025	(1,326,115)
2026	(897,359)
2027	(416)
Thereafter	88
Total	<u>\$ (4,565,209)</u>

**Actuarial Assumptions**

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.

**Note 10 - Pension Plan (Continued)**

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, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions	
Valuation date	December 31, 2021
Actuarial cost method	Individual entry age
Cost of living adjustments	Pre-January 7, 2013 Retirees: 3 percent simple; Post-January 7, 2013 Retirees: 3 percent simple through 2022, then 2.05 percent simple
Salary increases, including inflation	2.75% - 10.75%
Inflation	2.75%
Investment rate of return	6.90%
Experience study date	Period of five years ended December 31, 2020
Mortality basis	PubG-2010 Retiree Mortality Table

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90 percent for the Traditional Pension Plan, Combined Plan, and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employer 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 benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan, and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Investment Rate of Return**

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.

**Note 10 - Pension Plan (Continued)**

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 long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided the board of trustees' investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed income	24.00 %	1.03 %
Domestic equities	21.00	3.78
Real estate	11.00	3.66
Private equity	12.00	7.43
International equities	23.00	4.88
Risk parity	5.00	2.92
Other investments	4.00	2.85

***Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following chart represents the Authority's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.90 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 1 percentage point lower (5.90 percent) or 1 percentage point higher (7.90 percent) than the current rate:

	1 Percentage Point Decrease (5.90%)	Current Discount Rate (6.90%)	1 Percentage Point Increase (7.90%)
Proportionate share of the net pension liability (asset) \$	12,378,801	\$ 4,627,442	\$ (1,821,801)

**Note 11 - Other Postemployment Benefit Plan**

***Plan Description and Benefits Provided***

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage.

Prior to January 1, 2015, 10 or more years of service were required to qualify for health care coverage. Beginning on January 1, 2015, generally, members must be at least age 60 with 20 years of qualifying service credit to qualify for health care coverage or 30 years of qualifying service at any age.

**Note 11 - Other Postemployment Benefit Plan (Continued)**

**Contributions**

OPERS' Postemployment Healthcare Plan was established under, and is administered in accordance with, Internal Revenue Code (IRC) Section 401(h). Each year, the OPERS board of trustees determines the portion of the employer contribution rate that will be set aside for the funding of postemployment health care coverage. Health care funding is discretionary and dependent on both the pension funding and future projections. The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was 0.0 percent in 2022. Contributions to the plan from the Authority were \$0 for the year ended December 31, 2022.

**Net OPEB Asset**

At December 31, 2022, the Authority reported an asset of \$1,752,690 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of December 31, 2021, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. The Authority's proportion of the net OPEB asset was based on the Authority's actuarially required contribution for the year ended December 31, 2021 relative to all other contributing employers. At December 31, 2021, the Authority's proportion was 0.055958 percent, an increase of 0.001859 percent from the prior year.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2022, the Authority recognized OPEB revenue of \$0.

At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred (Inflows) Outflows of Resources
Difference between expected and actual experience	\$ -	\$ (265,856)	\$ (265,856)
Changes in assumptions	-	(709,469)	(709,469)
Net difference between projected and actual earnings on OPEB plan investments	-	(835,560)	(835,560)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	219,261	-	219,261
<b>Total</b>	<b>\$ 219,261</b>	<b>\$ (1,810,885)</b>	<b>\$ (1,591,624)</b>

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

Years Ending December 31	Amount
2023	\$ (933,392)
2024	(355,667)
2025	(182,565)
2026	(120,000)
<b>Total</b>	<b>\$ (1,591,624)</b>



**Note 11 - Other Postemployment Benefit Plan (Continued)**

**Actuarial Assumptions**

Actuarial valuations of an ongoing plan involve estimates of the value 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 (the plan as understood by the employers and plan members) 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. In 2021, the board's actuarial consultants conducted an experience study for the period from 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions.

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

	Actuarial Assumptions
Actuarial valuation date	December 31, 2020
Rolled-forward measurement date	December 31, 2021
Experience study	Five-year period ended December 31, 2020
Actuarial cost method	Individual entry age
Single discount rate	6.00%
Investment rate of return	6.00%
Municipal bond rate	1.84%
Wage inflation	2.75%
Projected salary increases, including inflation	2.75% - 10.75%
Health care cost trend rate	5.50% initial, 3.50% ultimate in 2034

Pre-retirement mortality rates are based on the Pub-2010 General Employee 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 PubG-2010 Retiree 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 PubNS-2010 Disabled Retiree 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.

**Note 11 - Other Postemployment Benefit Plan (Continued)**

**Discount Rate**

A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. 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 1.84 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 the year 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

**Investment Rate of Return**

The allocation of investment assets within the health care portfolio is approved by the board, 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 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	Long-term Expected Real Rate of Return
Domestic equity	25.00 %	3.78 %
International equity	25.00	4.88
Fixed income	34.00	0.91
Risk parity	2.00	2.92
REITs	7.00	3.71
Other investments	7.00	1.93

**Sensitivity of the Net OPEB Asset to Changes in the Discount Rate**

The following presents the net OPEB asset of the Authority, calculated using the discount rate of 6.00 percent, as well as what the Authority's net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net OPEB asset of the Ohio Public Employees Retirement System	\$ 1,030,746	\$ 1,752,690	\$ 2,351,915

**Note 11 - Other Postemployment Benefit Plan (Continued)**

***Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate***

The following presents the net OPEB asset of the Authority, calculated using the health care cost trend rate of 5.50 percent, as well as what the Authority's net OPEB asset would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (4.5%)	Current Health Care Cost Trend Rate (5.5%)	1 Percentage Point Increase (6.5%)
Net OPEB asset of the Ohio Public Employees Retirement System	\$ 1,771,630	\$ 1,752,690	\$ 1,730,221

**Note 12 - Deferred Compensation**

The Authority offers its employees a deferred compensation plan created in accordance with IRC Section 457. The plan, available to all regular employees, permits participants to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The Authority made no contributions to the plan in 2022.

All assets of the plan are held in a trust for the exclusive benefit of the participants and their beneficiaries. Investments are managed by the Ohio Public Employees Deferred Compensation Program. The plan is not included in the Authority's financial statements, as the Authority does not hold these assets in a trustee capacity.

**Note 13 - Nonexchange Financial Guarantees**

***Operating Deficit Guarantees***

In relation to the performance of the tax credit companies for which the Authority is a member, the Authority has agreed to provide certain levels of funding in the event operating deficits exceed operating reserves. The maximum amount required to fund the excess operating deficit ranges by company. The guarantees are in place until specific milestones defined in the operating agreements are met. If the Authority is required to fund a deficit under these guarantees, the advances would be structured as a loan to the companies. These loans would be repayable, without interest, in accordance with available cash flow. The Authority has not recognized any additional liability relating to these nonexchange financial guarantees as of December 31, 2022.

**Note 14 - Commitments and Contingencies**

The Authority received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Authority at December 31, 2022.

**Note 15 - Leases**

**Primary Government**

The Authority leases certain assets to various discretely presented component units, related parties, and unrelated third parties. These leases generally consist of ground leases, which include the related building and improvements consisting of the underlying real property. Payment terms generally follow one of the following:

- Ground leases with terms ranging from 14 to 75 years. An upfront commencement date payment is required to be made by the lessee at commencement of the lease. These payments are made either fully or partially in cash, with a seller note agreement issued for any remaining balance (see Note 5). No additional payments are required to be made by the lessee throughout the remaining course of the lease term.
- Ground leases with terms ranging from 55 to 75 years. A nominal or no upfront commencement date payment is required to be made by the lessee at commencement of the lease. Nominal or no annual lease payments are required to be made by the lessee throughout the remaining course of the lease term. These leases do not constitute an exchange-like transaction.
- Ground leases with terms ranging from 5 years and four months to 55 years. No commencement date payment is required to be made by the lessee at commencement of the lease. Monthly rent payments are required to be made by the lessee throughout the course of the lease term. These payments escalate throughout the term of the respective agreements.

During the year ended December 31, 2022, the Authority recognized the following related to its lessor agreements:

Lease revenue, included in other revenue	\$ 1,924,850
Interest income related to its leases	43,774

The Authority reported receivables related to leases totaling \$67,166,492 at December 31, 2022, of which \$65,576,891 represents seller notes receivable issued as prepaid rent and included within notes receivable (see Note 5) and \$1,589,601 is included within lease receivable on the statement of net position. Deferred inflows from leases totaled \$117,445,813 at December 31, 2022.

**Discretely Presented Component Units**

Each of the discretely presented component units have entered into lease agreements with the Authority. These lease agreements consist of ground leases, which include the related building and improvements consisting of the underlying real property. Payment terms follow one of the following:

- Ground leases with 75-year terms. An upfront commencement date payment is required to be made to the Authority at commencement of the lease. These payments are made either fully or partially in cash, with a seller note agreement issued for any remaining balance (see Note 9). No additional payments are required to be made to the Authority throughout the remaining course of the lease term.
- Ground leases with 75-year terms. No upfront commencement date payment is required to be made to the Authority at commencement of the lease. Annual lease payments of \$100 are required to be made to the Authority throughout the lease term.

Due to the discretely presented component units having separate reporting requirements under the FASB, these entities adopted FASB Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, during the year ended December 31, 2022. The adoption of the FASB ASU did not have an impact on the accounting for these leases. All leases are considered operating leases under FASB guidance.

The total net book value of leased assets of the discretely presented component units was \$49,677,376 at December 31, 2022. This activity is reflected within the capital asset summary in Note 6.

**Note 15 - Leases (Continued)**

Under ASC 842, a lessee recognizes a single lease expense calculated so that the remaining cost of the lease is allocated over the remaining lease term on a straight-line basis. Lease expense for the discretely presented component units for the year ended December 31, 2022 was \$628,386.

Lease expense to be recognized throughout the remaining lease terms is as follows:

<u>Years Ending</u>	<u>Amount</u>
2023	\$ 691,285
2024	691,285
2025	691,285
2026	691,285
2027	691,285
2028-2032	3,456,424
2033-2037	3,456,424
2038-2042	3,456,424
2043-2047	3,456,424
2048-2052	3,456,424
2053-2057	3,456,424
2058-2062	3,456,424
2063-2067	3,456,424
2068-2072	3,456,424
2073-2077	3,456,424
2078-2082	3,456,424
2083-2087	3,456,424
2088-2092	3,391,548
2093-2097	1,352,315
Total	<u>\$ 49,677,376</u>

The seller notes issued as prepaid rent are the only liabilities associated with these leases. The seller notes for Sawyer Manor and Trevitt Heights, LLC; CMHA RAD East, LLC; RAD Rosewind, LLC; and RAD Post Oak, LLC totaled \$50,290,000 at December 31, 2022 and are disclosed in the long-term debt note (see Note 9).

December 31, 2022

**Note 16 - Blended Component Units**

A condensed statement of net position for the Authority's blended component units as of December 31, 2022 is presented as follows:

	Gender Road Limited Partnership	Homes at Second Avenue, LLC	Four Pointe MHA, LLC	SR-MHA, LLC	Arden Park MHA, LLC	CMHA Country Ridge, LLC	Tussing Place MHA, LLC	Gables West MHA, LLC	Canals Edge MHA, LLC	162 North Ohio Avenue, LLC	Jenkins Terrace, LLC	Worley Terrace, LLC
<b>Assets</b>												
Current assets	\$ 298,109	\$ 2,854,669	\$ 1,798,109	\$ 1,077,875	\$ 1,131,024	\$ 811,366	\$ 316,472	\$ 1,571,663	\$ 436,299	\$ 173,522	\$ 939,399	\$ 400,196
Noncurrent assets:												
Capital assets - Net	2,305,098	8,696,001	14,233,502	16,963,846	18,243,400	4,865,018	10,358,751	-	10,477,778	-	5,117,341	7,985,838
Other noncurrent assets	-	255,419	-	-	-	-	-	256,666	-	-	-	6,000
Total noncurrent assets	2,603,207	11,806,089	16,031,611	18,041,721	19,374,424	5,676,384	10,675,223	1,828,329	10,914,077	173,522	6,056,740	7,991,838
Total assets	2,603,207	11,806,089	16,031,611	18,041,721	19,374,424	5,676,384	10,675,223	1,842,838	10,914,077	173,522	6,056,740	8,392,034
<b>Deferred Outflows of Resources</b>	-	-	-	-	-	-	-	-	-	-	2,187,55	-
<b>Liabilities</b>												
Current liabilities	144,040	289,665	430,014	529,138	438,865	1,063,820	802,761	531,022	10,829,438	14,986	2,149	57,308
Noncurrent liabilities:												
Note payable to primary government	5,915,082	-	-	-	-	-	-	-	-	-	-	-
Lease payable to primary government	-	-	14,230,382	16,945,556	18,243,400	4,865,017	10,232,567	-	10,027,337	-	-	-
Other noncurrent liabilities	-	8,548,519	12,693,841	16,784,333	15,408,320	1,443,461	8,528,078	18,379,845	-	-	-	-
Total noncurrent liabilities	5,915,082	8,548,519	26,924,223	33,729,889	33,651,720	6,308,478	18,760,645	18,379,845	10,027,337	-	-	-
Total liabilities	6,059,122	8,838,184	27,354,237	34,259,027	34,090,585	7,372,298	19,563,406	18,910,867	20,856,775	14,986	2,149	57,308
<b>Net Position (Deficit)</b>												
Net investment in capital assets	(3,609,984)	(30,374)	1,223,324	(191,191)	2,533,687	3,421,557	1,777,065	(18,765,815)	10,237,009	-	5,121,136	7,985,838
Restricted for required reserves	8,558	2,383,051	357,815	37,082	142,368	359,631	121,492	388,176	1	(7,058)	607,317	478,406
Unrestricted	145,511	615,228	(12,903,765)	(16,063,197)	(17,392,216)	(5,477,102)	(10,786,740)	1,295,101	(20,179,708)	165,594	2,429,556	(129,518)
Total net position (deficit)	\$ (3,455,915)	\$ 2,967,905	\$ (11,322,626)	\$ (16,217,306)	\$ (14,716,161)	\$ (1,695,914)	\$ (8,888,183)	\$ (17,082,538)	\$ (9,942,698)	\$ 158,536	\$ 8,158,009	\$ 8,334,726

December 31, 2022

**Note 16 - Blended Component Units (Continued)**

A condensed statement of activities for the Authority's blended component units for the year ended December 31, 2022 is presented as follows:

	Gender Road Limited Partnership	Homes at Second Avenue, LLC	Four Pointe MHA, LLC	SR-MHA, LLC	Arden Park MHA, LLC	CMHA Country Ridge, LLC	Tussing Place MHA, LLC	Gables West MHA, LLC	Canals Edge MHA, LLC	162 North Ohio Avenue, LLC	Jenkins Terrace, LLC	Worley Terrace, LLC
<b>Operating Revenue</b>	\$ 792,002	\$ 1,512,924	\$ 2,658,163	\$ 2,440,397	\$ 2,303,845	\$ 1,339,544	\$ 1,307,814	\$ 2,697,854	\$ 1,728,600	\$ 134,924	\$ 842,755	\$ 746,593
<b>Operating Expenses</b>	<u>1,207,653</u>	<u>2,364,607</u>	<u>1,242,614</u>	<u>2,558,704</u>	<u>1,459,864</u>	<u>873,585</u>	<u>942,943</u>	<u>2,511,213</u>	<u>1,067,111</u>	<u>53,341</u>	<u>912,265</u>	<u>1,174,252</u>
<b>Operating (Loss) Income</b>	(415,651)	(851,683)	1,415,549	(118,307)	843,981	465,959	364,871	186,641	661,489	81,583	(69,510)	(427,659)
<b>Contributions from Primary Government</b>	<u>110,003</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in Net Position</b>	(305,648)	(851,683)	1,415,549	(118,307)	843,981	465,959	364,871	186,641	661,489	81,583	14,627	(427,659)
<b>Net (Deficit) Position - Beginning of year</b>	<u>(3,150,267)</u>	<u>3,819,588</u>	<u>(12,738,175)</u>	<u>(16,098,999)</u>	<u>(15,560,142)</u>	<u>(2,161,873)</u>	<u>(9,253,054)</u>	<u>(17,269,179)</u>	<u>(10,604,187)</u>	<u>76,953</u>	<u>8,227,519</u>	<u>8,762,385</u>
<b>Net (Deficit) Position - End of year</b>	<u>\$ (3,455,915)</u>	<u>\$ 2,967,905</u>	<u>\$ (11,322,626)</u>	<u>\$ (16,217,306)</u>	<u>\$ (14,716,161)</u>	<u>\$ (1,695,914)</u>	<u>\$ (8,888,183)</u>	<u>\$ (17,082,538)</u>	<u>\$ (9,942,698)</u>	<u>\$ 158,536</u>	<u>\$ 8,158,009</u>	<u>\$ 8,334,726</u>

In connection with the replacement reserve agreement entered into between the Authority and the Ohio Housing Finance Agency, Country Ridge is required to deposit the difference between project rental income and operating expenses into its replacement reserve.

December 31, 2022

**Note 16 - Blended Component Units (Continued)**

A condensed statement of cash flows for Authority's blended component units for the year ended December 31, 2022 is presented as follows:

	Gender Road Limited Partnership	Homes at Second Avenue, LLC	Four Pointe MHA, LLC	SR-MHA, LLC	Arden Park MHA, LLC	CMHA Country Ridge, LLC	Tussing Place MHA, LLC	Gables West MHA, LLC	Canals Edge MHA, LLC	162 North Ohio Avenue, LLC	Jenkins Terrace, LLC	Worley Terrace, LLC
<b>Cash Flows (Used in) Provided by Operating Activities</b>	\$ (168,003)	\$ (236,376)	\$ 1,399,345	\$ (110,423)	\$ 816,553	\$ 477,751	\$ 327,820	\$ (291,084)	\$ 94,890	\$ (7,064)	\$ 163,184	\$ 120,346
<b>Cash Flows Provided by (Used in) Financing Activities</b>	110,003	-	(306,813)	(328,079)	(287,714)	-	(126,184)	6,624	(131,894)	-	(97,053)	(104,233)
<b>Cash Flows (Used in) Provided by Investing Activities</b>	(25,000)	(173,937)	-	-	-	-	(172,920)	(377,655)	-	-	-	-
<b>Net (Decrease) Increase in Cash</b>	(83,000)	(410,313)	1,092,532	(438,502)	528,839	477,751	28,716	(662,115)	(37,004)	(7,064)	66,131	16,113
<b>Cash and Cash Equivalents - Beginning of year</b>	322,965	3,229,653	624,280	1,473,635	561,897	325,313	273,728	2,186,451	434,194	162,908	844,317	565,636
<b>Cash and Cash Equivalents - End of year</b>	\$ 239,965	\$ 2,819,340	\$ 1,716,812	\$ 1,035,133	\$ 1,090,736	\$ 803,064	\$ 302,444	\$ 1,524,336	\$ 397,190	\$ 155,844	\$ 910,448	\$ 581,749
<b>Reconciliation of Operating (Loss) Income to Net Cash from Operating Activities</b>												
Operating (loss) income	\$ (415,651)	\$ (851,683)	\$ 1,415,549	\$ (118,307)	\$ 843,981	\$ 465,959	\$ 364,871	\$ 186,641	\$ 661,489	\$ 81,583	\$ (69,510)	\$ (427,659)
Adjustments to reconcile operating (loss) income to net cash from operating activities:												
Depreciation and amortization	415,859	622,560	-	-	-	-	-	-	-	-	329,306	401,905
Changes in assets and liabilities	(168,211)	(7,253)	(16,204)	7,884	(27,428)	11,792	(37,051)	(477,725)	(566,599)	(88,647)	(96,612)	146,100
Total adjustments	247,648	615,307	(16,204)	7,884	(27,428)	11,792	(37,051)	(477,725)	(566,599)	(88,647)	232,694	548,005
Net cash provided by (used in) operating activities	\$ (168,003)	\$ (236,376)	\$ 1,399,345	\$ (110,423)	\$ 816,553	\$ 477,751	\$ 327,820	\$ (291,084)	\$ 94,890	\$ (7,064)	\$ 163,184	\$ 120,346



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## Required Supplementary Information

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## Columbus Metropolitan Housing Authority

### Required Supplementary Information Schedule of the Authority's Proportionate Share of the Net Pension Liability Ohio Public Employees Retirement System

	<b>Last Nine Plan Years</b>								
	<b>Years Ended December 31</b>								
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Authority's proportion of the net pension liability - Traditional Pension Plan	0.06429 %	0.06429 %	0.05960 %	0.04729 %	0.04751 %	0.04990 %	0.04944 %	0.05271 %	0.05429 %
Authority's proportion of the net pension liability - Combined Plan	0.01813 %	0.01813 %	0.02353 %	0.02069 %	0.01236 %	- %	0.00055 %	0.02209 %	0.01875 %
Authority's proportionate share of the net pension liability	\$7,577,523	\$7,747,594	\$0,326,292	\$0,726,284	\$7,424,984	\$3,654,610	\$9,758,139	\$7,721,254	\$4,627,442
Authority's covered payroll	\$7,398,100	\$7,948,700	\$7,488,142	\$7,503,592	\$6,308,662	\$7,180,629	\$7,618,907	\$8,181,721	\$9,082,933
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	102.43 %	97.47 %	137.90 %	142.95 %	117.70 %	190.16 %	128.08 %	94.37 %	50.95 %
Plan fiduciary net position as a percentage of total pension liability	86.36 %	86.45 %	81.08 %	77.25 %	84.66 %	74.70 %	82.17 %	86.88 %	92.62 %

Amounts presented for each year were determined as of the Authority's measurement date. Information prior to 2013 is not available. The Authority will continue to present information for years available until a full 10-year trend is compiled.

## Columbus Metropolitan Housing Authority

### Required Supplementary Information Schedule of the Authority's Pension Contributions Ohio Public Employees Retirement System

	<b>Last Ten Fiscal Years</b>									
	<b>Years Ended December 31</b>									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Contractually required contribution	\$ 961,753	\$ 953,844	\$ 898,577	\$ 900,431	\$ 820,126	\$ 1,005,288	\$ 1,066,647	\$ 1,145,441	\$ 1,217,277	\$ 1,271,611
Contributions in relation to the contractually required contribution	<u>961,753</u>	<u>953,844</u>	<u>898,577</u>	<u>900,431</u>	<u>820,126</u>	<u>1,005,288</u>	<u>1,066,647</u>	<u>1,145,441</u>	<u>1,217,277</u>	<u>1,271,611</u>
<b>Contribution Deficiency</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Authority's Covered Payroll</b>	\$ 7,398,100	\$ 7,948,700	\$ 7,488,142	\$ 7,503,592	\$ 6,308,662	\$ 7,180,629	\$ 7,618,907	\$ 8,181,721	\$ 8,694,836	\$ 9,082,933
<b>Contributions as a Percentage of Covered Payroll</b>	13.00 %	12.00 %	12.00 %	12.00 %	13.00 %	14.00 %	14.00 %	14.00 %	14.00 %	14.00 %

Years listed represent the Authority's calendar year. Information prior to 2013 is not available. The Authority will continue to present information for years available until a full 10-year trend is compiled. Information broken down by plan type (Traditional Pension Plan vs. Combined Plan) was not available.

## Columbus Metropolitan Housing Authority

### Required Supplementary Information Schedule of the Authority's Proportionate Share of the Net OPEB Liability Ohio Public Employees Retirement System

	<b>Last Five Plan Years</b>				
	<b>Years Ended December 31</b>				
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Authority's proportion of the net OPEB liability (asset)	0.04671 %	0.04951 %	0.05031 %	0.05410 %	0.05596 %
Authority's proportionate share of the net OPEB liability (asset)	\$ 5,072,363	\$ 6,454,414	\$ 6,948,565	\$ (963,817)	\$ (1,752,690)
Authority's covered payroll	\$ 6,308,662	\$ 7,180,629	\$ 7,618,907	\$ 8,181,721	\$ 9,082,933
Authority's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	80.40 %	89.89 %	91.20 %	(11.78)%	(19.30)%
Plan fiduciary net position as a percentage of total OPEB liability	54.14 %	46.33 %	47.80 %	115.57 %	128.23 %

Amounts presented for each year were determined as of the Authority's measurement date. Information prior to 2017 is not available. The Authority will continue to present information for years available until a full 10-year trend is compiled.

## Columbus Metropolitan Housing Authority

### Required Supplementary Information Schedule of the Authority's OPEB Contributions Ohio Public Employees Retirement System

	<b>Last Six Fiscal Years</b>					
	<b>Years Ended December 31</b>					
	2017	2018	2019	2020	2021	2022
Contractually required contribution	\$ 63,087	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	63,087	-	-	-	-	-
<b>Contribution Excess</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Authority's Covered Payroll</b>	<b>\$ 6,308,662</b>	<b>\$ 7,180,629</b>	<b>\$ 7,618,907</b>	<b>\$ 8,181,721</b>	<b>\$ 8,694,836</b>	<b>\$ 9,082,933</b>
<b>Contributions as a Percentage of Covered Payroll</b>	1.00 %	- %	- %	- %	- %	- %

Years listed represent the Authority's calendar year. Information prior to 2017 is not available. The Authority will continue to present information for years available until a full 10-year trend is compiled.

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## Other Supplementary Information

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# Columbus Metropolitan Housing Authority

## Financial Data Schedules – Entity Wide Balance Sheet

December 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	14.896 PH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.327 Performance Based Contract Administrator Program	21.023 Emergency Rental Assistance Program	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	6,882,116.00	12,336,979.00		8,946,484.00	107,359.00	827,687.00		484,666.00	51,478.00	23,060.00	26,793,785.00	56,453,614.00		56,453,614.00
112 Cash - Restricted - Modernization and Development														
113 Cash - Other Restricted		30,536,973.00		5,001,086.00		427,030.00			36,504.00	313,182.00	22,129,996.00	58,444,771.00		58,444,771.00
114 Cash - Tenant Security Deposits	35,696.00	416,909.00		613,555.00								1,066,160.00		1,066,160.00
115 Cash - Restricted for Payment of Current Liabilities														
100 Total Cash	6,917,812.00	43,290,861.00	-	14,561,125.00	107,359.00	1,254,717.00	-	484,666.00	87,982.00	336,242.00	48,923,781.00	115,964,545.00	-	115,964,545.00
121 Accounts Receivable - PHA Projects														
122 Accounts Receivable - HUD Other Projects				5,415.00	25,195.00	1,510,785.00		53,274.00	3,531,725.00			5,126,394.00		5,126,394.00
124 Accounts Receivable - Other Government														
125 Accounts Receivable - Miscellaneous		-		13,760.00	-	-				49,714.00	11,058,613.00	11,122,087.00	(6,558,573.00)	4,563,514.00
126 Accounts Receivable - Tenants	86,041.00	632,218.00		229,455.00		22,595.00						970,309.00		970,309.00
126.1 Allowance for Doubtful Accounts - Tenants	(57,917.00)	-		(3,914.00)	-	-						(61,831.00)		(61,831.00)
126.2 Allowance for Doubtful Accounts - Other		-		-	-	-						-		-
127 Notes, Loans, & Mortgages Receivable - Current											4,413,612.00	4,413,612.00	(25,000.00)	4,388,612.00
128 Fraud Recovery														
128.1 Allowance for Doubtful Accounts - Fraud														
129 Accrued Interest Receivable				125,936.00							6,079,485.00	6,205,421.00	(400,190.00)	5,805,231.00
120 Total Receivables, Net of Allowances for Doubtful Accounts	28,124.00	632,218.00	-	370,652.00	25,195.00	1,533,380.00	-	53,274.00	3,531,725.00	49,714.00	21,551,710.00	27,775,992.00	(6,983,763.00)	20,792,229.00
131 Investments - Unrestricted														
132 Investments - Restricted														
135 Investments - Restricted for Payment of Current Liability														
142 Prepaid Expenses and Other Assets	46,957.00	526,424.00		419,100.00		57,298.00					150,280.00	1,200,059.00		1,200,059.00
143 Inventories														
143.1 Allowance for Obsolete Inventories														
144 Inter Program Due From														
145 Assets Held for Sale														
150 Total Current Assets	6,992,893.00	44,449,503.00	-	15,350,877.00	132,554.00	2,845,395.00	-	537,940.00	3,619,707.00	385,956.00	70,625,771.00	144,940,596.00	(6,983,763.00)	137,956,833.00
161 Land	4,308.00	7,574,812.00		2,586,339.00		785,041.00					26,035,277.00	36,985,777.00		36,985,777.00
162 Buildings	17,114,601.00	144,756,217.00		91,718,021.00		2,503,782.00					284,546,647.00	540,639,268.00		540,639,268.00
163 Furniture, Equipment & Machinery - Dwellings	48,499.00	2,848,292.00		1,199,818.00								4,096,609.00		4,096,609.00
164 Furniture, Equipment & Machinery - Administration	121,324.00					1,962,467.00			266,609.00		6,560,369.00	8,910,769.00		8,910,769.00
165 Leasehold Improvements														
166 Accumulated Depreciation	(13,802,071.00)	(18,927,699.00)		(27,066,121.00)		(2,432,716.00)			(266,609.00)		(137,013,746.00)	(199,508,962.00)		(199,508,962.00)
167 Construction in Progress	870,365.00	12,285,732.00		22,900.00		360.00					2,964,967.00	16,144,324.00		16,144,324.00
168 Infrastructure														
160 Total Capital Assets, Net of Accumulated Depreciation	4,357,026.00	148,537,354.00	-	68,460,957.00	-	2,818,934.00	-	-	-	-	183,093,514.00	407,267,785.00	-	407,267,785.00
171 Notes, Loans and Mortgages Receivable - Non-Current				6,252,543.00		1,375,512.00					272,289,045.00	279,917,100.00	(124,484,186.00)	155,432,914.00
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due														
173 Grants Receivable - Non Current														
174 Other Assets		1,592,972.00		78,403,888.00		-					1,752,690.00	81,749,550.00	(77,912,780.00)	3,836,770.00
176 Investments in Joint Ventures				4,680,994.00							18,266,758.00	22,947,752.00	(2,185,500.00)	20,762,252.00
180 Total Non-Current Assets	4,357,026.00	150,130,326.00	-	157,798,382.00	-	4,194,446.00	-	-	-	-	475,402,007.00	791,882,187.00	(204,582,466.00)	587,299,721.00
200 Deferred Outflow of Resources				2,103,425.00							2,710,938.00	4,814,363.00		4,814,363.00
290 Total Assets and Deferred Outflow of Resources	11,349,919.00	194,579,829.00	-	175,252,684.00	132,554.00	7,039,841.00	-	537,940.00	3,619,707.00	385,956.00	548,738,716.00	941,637,146.00	(211,566,229.00)	730,070,917.00

# Columbus Metropolitan Housing Authority

## Financial Data Schedules – Entity Wide Balance Sheet (Continued)

December 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	14.896 PH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.327 Performance Based Contract Administrator Program	21.023 Emergency Rental Assistance Program	COCC	Subtotal	ELIM	Total
311 Bank Overdraft														
312 Accounts Payable <= 90 Days	175,453.00	3,953,537.00		1,396,407.00	18,351.00	7,376,744.00		44,406.00	3,534,329.00	37,676.00	2,399,527.00	18,936,430.00	(6,549,079.00)	12,387,351.00
313 Accounts Payable >90 Days Past Due														
321 Accrued Wage/Payroll Taxes Payable											565,845.00	565,845.00		565,845.00
322 Accrued Compensated Absences - Current Portion											435,249.00	435,249.00		435,249.00
324 Accrued Contingency Liability														
325 Accrued Interest Payable		4,676,777.00		1,797,667.00							664,573.00	7,139,017.00	(489,039.00)	6,649,978.00
331 Accounts Payable - HUD PHA Programs									13,689.00			13,689.00		13,689.00
332 Account Payable - PHA Projects														
333 Accounts Payable - Other Government														
341 Tenant Security Deposits	20,933.00	380,766.00		705,451.00								1,107,150.00		1,107,150.00
342 Unearned Revenue	12,968.00	300,017.00		181,320.00				481,217.00		348,280.00	-	1,323,802.00		1,323,802.00
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		3,506,934.00		2,015,397.00							654,710.00	6,177,041.00		6,177,041.00
344 Current Portion of Long-term Debt - Operating Borrowings														
345 Other Current Liabilities	11,938.00					1,148.00					3,821.00	16,907.00		16,907.00
346 Accrued Liabilities - Other	2,700.00			78,803.00								81,503.00		81,503.00
347 Inter Program - Due To														
348 Loan Liability - Current														
310 Total Current Liabilities	223,992.00	12,818,031.00	-	6,175,045.00	18,351.00	7,377,892.00	-	525,623.00	3,548,018.00	385,956.00	4,723,725.00	35,796,633.00	(7,038,118.00)	28,758,515.00
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	5,915,082.00	129,227,838.00		140,919,835.00							80,770,522.00	356,833,277.00	(46,981,102.00)	309,852,175.00
352 Long-term Debt, Net of Current - Operating Borrowings	-	-		-								-		-
353 Non-current Liabilities - Other	-	7,652,878.00		77,912,779.00		427,030.00						85,992,687.00	(77,912,779.00)	8,079,908.00
354 Accrued Compensated Absences - Non Current	-	-		-		-					39,720.00	39,720.00		39,720.00
355 Loan Liability - Non Current	-	-		-		-					-	-		-
356 FASB 5 Liabilities	-	-		-		-					-	-		-
357 Accrued Pension and OPEB Liabilities										4,627,442.00	4,627,442.00			4,627,442.00
350 Total Non-Current Liabilities	5,915,082.00	136,880,716.00	-	218,832,614.00	-	427,030.00	-	-	-	-	85,437,684.00	447,493,126.00	(124,893,881.00)	322,599,245.00
300 Total Liabilities	6,139,074.00	149,698,747.00	-	225,007,659.00	18,351.00	7,804,922.00	-	525,623.00	3,548,018.00	385,956.00	90,161,409.00	483,289,759.00	(131,931,999.00)	351,357,760.00
400 Deferred Inflow of Resources						1,340,266.00					201,614,491.00	202,954,757.00	(77,912,777.00)	125,041,980.00
508.3 Nonspendable Fund Balance														
508.4 Net Investment in Capital Assets	(1,558,056.00)	38,964,556.00	-	(27,493,172.00)	-	2,818,934.00	-				120,369,975.00	109,940,263.00	-	109,940,263.00
509.3 Restricted Fund Balance														
510.3 Committed Fund Balance														
511.3 Assigned Fund Balance														
511.4 Restricted Net Position	14,763.00	7,411,142.00	-	4,909,190.00	-	868,737.00	-		36,504.00	313,182.00	3,428,302.00	40,143,794.00	-	40,143,794.00
512.3 Unassigned Fund Balance														
512.4 Unrestricted Net Position	6,754,138.00	(1,494,616.00)	-	(27,170,993.00)	114,203.00	(5,793,018.00)	-	12,317.00	35,185.00	(313,182.00)	133,164,539.00	105,308,573.00	(1,721,453.00)	103,587,120.00
513 Total Equity - Net Assets / Position	5,210,845.00	44,881,082.00	-	(49,754,975.00)	114,203.00	(2,105,347.00)	-	12,317.00	71,689.00	-	256,962,816.00	255,392,630.00	(1,721,453.00)	253,671,177.00
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	11,349,919.00	194,579,829.00	-	175,252,684.00	132,554.00	7,039,841.00	-	537,940.00	3,619,707.00	385,956.00	548,738,716.00	941,637,146.00	(211,566,229.00)	730,070,917.00



# Columbus Metropolitan Housing Authority

## Financial Data Schedules – Entity Wide Income Statement

December 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.889 Choice Neighborhoods Implementation Grants	14.EH/V Emergency Housing Voucher	14.327 Performance Based Contract Administrator Program	21.023 Emergency Rental Assistance Program	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	288,033.00	9,322,717.00		20,256,387.00								29,867,137.00	(1,375,706.00)	28,491,431.00
70400 Tenant Revenue - Other														
70500 Total Tenant Revenue	288,033.00	9,322,717.00	-	20,256,387.00	-	-	-	-	-	-	-	29,867,137.00	(1,375,706.00)	28,491,431.00
70600 HUD FHA Operating Grants	6,734,503.00		262,139.00	717,263.00	1,330,448.00	128,091,425.00		1,107,474.00	689,756,770.00			828,000,022.00		828,000,022.00
70610 Capital Grants	2,707.00											2,707.00		2,707.00
70710 Management Fee											2,037,411.00	2,037,411.00	(1,733,507.00)	303,904.00
70720 Asset Management Fee											32,080.00	32,080.00	(32,080.00)	-
70730 Book Keeping Fee											1,233,635.00	1,233,635.00	(1,168,371.00)	65,264.00
70740 Front Line Service Fee														
70750 Other Fees														
70700 Total Fee Revenue											3,303,126.00	3,303,126.00	(2,933,958.00)	369,168.00
70800 Other Government Grants										27,018.00	2,113,000.00	2,140,018.00		2,140,018.00
71100 Investment Income - Unrestricted		291,497.00		8,644.00							5,029,646.00	5,329,787.00	(1,049,304.00)	4,280,483.00
71200 Mortgage Interest Income														-
71300 Proceeds from Disposition of Assets Held for Sale														
71310 Cost of Sale of Assets														
71400 Fraud Recovery						7,950.00						7,950.00		7,950.00
71500 Other Revenue	149,658.00	13,132,353.00		5,269,968.00		79,561.00					18,232,550.00	36,864,090.00	(11,829,383.00)	25,034,707.00
71600 Gain or Loss on Sale of Capital Assets											(975,165.00)	(975,165.00)		(975,165.00)
72000 Investment Income - Restricted														
70000 Total Revenue	7,174,901.00	22,746,567.00	262,139.00	26,252,262.00	1,330,448.00	128,178,936.00	-	1,107,474.00	689,756,770.00	27,018.00	27,703,157.00	904,539,672.00	(17,188,351.00)	887,351,321.00
91100 Administrative Salaries	191,926.00	1,113,653.00	208,329.00	1,175,382.00	33,770.00	2,770,750.00		20,894.00			4,855,850.00	10,370,554.00		10,370,554.00
91200 Auditing Fees	4,795.00	99,284.00		54,918.00	1,511.00	119,849.00					85,970.00	366,327.00		366,327.00
91300 Management Fee	210,175.00	768,616.00		900,134.00	19,676.00	1,640,781.00			5,628,389.00		9,167,771.00	(7,434,177.00)		1,733,594.00
91310 Book-keeping Fee	16,590.00	141,171.00		51,201.00	13,510.00	1,129,368.00					1,351,840.00	(1,168,371.00)		183,469.00
91400 Advertising and Marketing	604.00	5,273.00		239,014.00		913.00					16,650.00	262,454.00		262,454.00
91500 Employee Benefit contributions - Administrative	70,051.00	165,417.00	51,841.00	464,233.00	7,828.00	615,934.00		14,654.00			2,293,891.00	3,683,849.00		3,683,849.00
91600 Office Expenses	244,744.00	948,279.00		1,345,478.00	143,700.00	5,414,152.00			9,042,258.00		6,236,723.00	23,375,334.00	(3,059,859.00)	20,315,475.00
91700 Legal Expense	20,611.00	31,002.00		66,541.00		2,425.00					861,672.00	982,251.00		982,251.00
91800 Travel	6,944.00	24,646.00		127,345.00		99,476.00					353,092.00	611,503.00		611,503.00
91810 Allocated Overhead														
91900 Other									5,371,616.00		269,256.00	5,640,872.00		5,640,872.00
91000 Total Operating - Administrative	766,440.00	3,297,341.00	260,170.00	4,424,246.00	219,995.00	11,793,648.00	-	35,548.00	20,042,263.00	-	14,973,104.00	55,812,755.00	(11,662,407.00)	44,150,348.00
92000 Asset Management Fee		16,847.00										48,927.00	(32,080.00)	16,847.00
92100 Tenant Services - Salaries				14,400.00								14,400.00		14,400.00
92200 Relocation Costs														
92300 Employee Benefit Contributions - Tenant Services														
92400 Tenant Services - Other	32,963.00	82,708.00		48,277.00								163,948.00		163,948.00
92500 Total Tenant Services	32,963.00	82,708.00	-	62,677.00	-	-	-	-	-	-	-	178,348.00	-	178,348.00

# Columbus Metropolitan Housing Authority

## Financial Data Schedules – Entity Wide Income Statement (Continued)

December 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.889 Choice Neighborhoods Implementation Grants	14.EH/V Emergency Housing Voucher	14.327 Performance Based Contract Administrator Program	21.023 Emergency Rental Assistance Program	COCC	Subtotal	ELIM	Total
93100 Water	425,751.00	1,010,521.00		727,945.00		1,254.00					2,599.00	2,168,070.00		2,168,070.00
93200 Electricity	89,806.00	322,034.00		391,848.00		11,443.00					116,424.00	931,555.00		931,555.00
93300 Gas	38,854.00	107,365.00		87,376.00		1,252.00					1,501.00	236,348.00		236,348.00
93400 Fuel	4,636.00											4,636.00		4,636.00
93500 Labor														
93600 Sewer		28,750.00										28,750.00		28,750.00
93700 Employee Benefit Contributions - Utilities														
93800 Other Utilities Expense														
93000 Total Utilities	559,047.00	1,468,670.00	-	1,207,169.00	-	13,949.00	-	-	-	-	120,524.00	3,369,359.00	-	3,369,359.00
94100 Ordinary Maintenance and Operations - Labor	73,286.00	189,439.00		562,751.00								825,476.00		825,476.00
94200 Ordinary Maintenance and Operations - Materials and Other	167,237.00	395,265.00		1,082,216.00		23,962.00					31,638.00	1,700,318.00		1,700,318.00
94300 Ordinary Maintenance and Operations Contracts	433,626.00	1,904,509.00		1,805,794.00		7,161.00					199,482.00	4,350,572.00		4,350,572.00
94500 Employee Benefit Contributions - Ordinary Maintenance														
94000 Total Maintenance	674,149.00	2,489,213.00	-	3,450,761.00	-	31,123.00	-	-	-	-	231,120.00	6,876,366.00	-	6,876,366.00
95100 Protective Services - Labor		67,663.00										67,663.00		67,663.00
95200 Protective Services - Other Contract Costs	45,524.00			108,298.00								153,822.00		153,822.00
95300 Protective Services - Other														
95500 Employee Benefit Contributions - Protective Services														
95000 Total Protective Services	45,524.00	67,663.00	-	108,298.00	-	-	-	-	-	-	-	221,485.00	-	221,485.00
96110 Property Insurance	108,159.00	489,395.00		440,021.00		65,790.00					16,112.00	1,119,477.00		1,119,477.00
96120 Liability Insurance				258,729.00							87,771.00	346,500.00		346,500.00
96130 Workmen's Compensation			1,969.00			28,761.00		668.00			78,000.00	109,398.00		109,398.00
96140 All Other Insurance		9,758.00		71,605.00							3,539.00	84,902.00		84,902.00
96100 Total Insurance Premiums	108,159.00	499,153.00	1,969.00	770,355.00	-	94,551.00	-	668.00	-	-	185,422.00	1,660,277.00	-	1,660,277.00
96200 Other General Expenses	97,750.00	1,111.00		82,063.00		59,537.00		509,314.00		27,018.00	2,038,228.00	2,815,021.00		2,815,021.00
96210 Compensated Absences														
96300 Payments in Lieu of Taxes		10,416.00		141,179.00							16,818.00	168,413.00		168,413.00
96400 Bad debt - Tenant Rents		389,976.00		6,893.00								396,869.00		396,869.00
96500 Bad debt - Mortgages														
96600 Bad debt - Other				8,423.00								8,423.00		8,423.00
96800 Severance Expense														
96000 Total Other General Expenses	97,750.00	401,503.00	-	238,558.00	-	59,537.00	-	509,314.00	-	27,018.00	2,055,046.00	3,388,726.00	-	3,388,726.00
96710 Interest of Mortgage (or Bonds) Payable		2,338,272.00		4,472,620.00								6,810,892.00	(1,049,304.00)	5,761,588.00
96720 Interest on Notes Payable (Short and Long Term)				48,108.00							1,650,736.00	1,698,844.00		1,698,844.00
96730 Amortization of Bond Issue Costs		113,044.00		521,979.00								635,023.00	(383,333.00)	251,690.00
96700 Total Interest Expense and Amortization Cost	-	2,451,316.00	-	5,042,707.00	-	-	-	-	-	-	1,650,736.00	9,144,759.00	(1,432,637.00)	7,712,122.00
96900 Total Operating Expenses	2,316,112.00	10,774,414.00	262,139.00	15,304,771.00	219,995.00	11,992,808.00	-	545,530.00	20,042,263.00	27,018.00	19,215,952.00	80,701,002.00	(13,127,124.00)	67,573,878.00

# Columbus Metropolitan Housing Authority

## Financial Data Schedules – Entity Wide Income Statement (Continued)

December 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.889 Choice Neighborhoods Implementation Grants	14.EH/V Emergency Housing Voucher	14.327 Performance Based Contract Administrator Program	21.023 Emergency Rental Assistance Program	COCC	Subtotal	ELIM	Total
97000 Excess of Operating Revenue over Operating Expenses	4,858,789.00	11,972,153.00	-	10,947,491.00	1,110,453.00	116,186,128.00	-	561,944.00	669,714,507.00	-	8,487,205.00	823,838,670.00	(4,061,227.00)	819,777,443.00
97100 Extraordinary Maintenance														
97200 Casualty Losses - Non-capitalized														
97300 Housing Assistance Payments	273,815.00				1,331,308.00	116,367,058.00		1,474,923.00	669,700,237.00			789,147,341.00	(1,375,706.00)	787,771,635.00
97350 HAP Portability-In														
97400 Depreciation Expense	713,493.00	4,226,614.00		5,414,739.00		155,869.00					9,045,418.00	19,556,133.00	(2,580,016.00)	16,976,117.00
97500 Fraud Losses														
97600 Capital Outlays - Governmental Funds														
97700 Debt Principal Payment - Governmental Funds														
97800 Dwelling Units Rent Expense														
90000 Total Expenses	3,303,420.00	15,001,028.00	262,139.00	20,719,510.00	1,551,303.00	128,515,735.00	-	2,020,453.00	689,742,500.00	27,018.00	28,261,370.00	889,404,476.00	(17,082,846.00)	872,321,630.00
10010 Operating Transfer In	30,715.00											30,715.00	(30,715.00)	-
10020 Operating transfer Out	(30,715.00)											(30,715.00)	30,715.00	-
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	5,329,615.00											5,329,615.00	(5,329,615.00)	-
10092 Inter Project Excess Cash Transfer Out	(5,329,615.00)											(5,329,615.00)	5,329,615.00	-
10093 Transfers between Program and Project - In											6,878,277.00	6,878,277.00	(6,878,277.00)	-
10094 Transfers between Project and Program - Out	(6,878,277.00)											(6,878,277.00)	6,878,277.00	-
10100 Total Other financing Sources (Uses)	(6,878,277.00)	-	-	-	-	-	-	-	-	-	6,878,277.00	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(3,006,796.00)	7,745,539.00	-	5,532,752.00	(220,855.00)	(336,799.00)	-	(912,979.00)	14,270.00	-	6,320,064.00	15,135,196.00	(105,505.00)	15,029,691.00

**December 31, 2022**

### ***REAC Supplementary Information Requirement***

As required by the U.S. Department of Housing and Urban Development (HUD), for REAC reporting purposes, the Authority prepares its financial data schedules in accordance with HUD requirements in a prescribed format. The HUD prescribed format differs from the required classification of several balances under accounting principles generally accepted in the United States of America (GAAP) as follows: (1) depreciation expense and housing assistance payments are excluded from operating activities; (2) gain (loss) on sales of capital assets, interest income, and capital grants are included in operating activities; (3) tenant receivable and allowance for doubtful accounts are reflected separately; (4) noncurrent restricted cash is presented as a current asset; (5) the blended component unit activities are presented in the other business activities column, which is included in total programs; and (6) the HUD-prescribed calculation of restricted net position for the Housing Choice Vouchers program includes certain amounts that HUD deems restricted, which do not meet the GAAP definition of restricted.

For reporting purposes, REAC required public housing authorities to distinguish capital grant revenue between funds used for hard and soft costs. Hard costs refer to activities associated with the purchase of equipment, modernization work, and other capital activity. Hard costs are reported within the capital grants line item on the financial data schedules. Soft costs refer to the use of funds to either support a project's operation or other expenses that do not meet the Authority's capitalization threshold policy. Soft costs are reported within the HUD PHA operating grants line item on the financial data schedules. All capital grant revenue for the year ended December 31, 2022 was reported in the capital grants line item on the financial statements.

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# Columbus Metropolitan Housing Authority

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**Federal Awards Supplementary Information**  
**December 31, 2022**

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Report on Internal Control Over Financial  
Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements  
Performed in Accordance with *Government  
Auditing Standards*

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Board of Commissioners  
Columbus Metropolitan Housing Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the business-type activities and the aggregate discretely presented component units of Columbus Metropolitan Housing Authority (the "Authority") as of and for the year ended December 31, 2022 and the related notes to the basic financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 23, 2023. Our report includes a reference to other auditors, who audited the financial statements of Elim Manor Elderly Housing, LLC; Franklin Station, LLC; Poindexter Place, LLC; Sawyer Manor and Trevitt Heights, LLC; CMHA RAD East, LLC; Columbus Scholar House III, LLC; RAD Rosewind, LLC; and RAD Post Oak, LLC (collectively, the "Discretely Presented Component Units"), as described in our report on Columbus Metropolitan Housing Authority's financial statements. The financial statements of the Discretely Presented Component Units, with the exception of Elim Manor Elderly Housing, LLC, were not audited in accordance with *Government Auditing Standards*, and, accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Discretely Presented Component Units, with the exception of Elim Manor Elderly Housing, LLC, which is reported on separately by those auditors who audited the financial statements of Elim Manor Elderly Housing, LLC.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2022-001, that we consider to be a material weakness.

To Management and the Board of Commissioners  
Columbus Metropolitan Housing Authority

### **Report on Compliance and Other Matters**

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

### **The Authority's Response to the Finding**

*Government Auditing Standards* require the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

### **Purpose of This Report**

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

*Plante & Moran, PLLC*

June 23, 2023



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Report on Compliance for Each Major Federal  
Program and Report on Internal Control Over  
Compliance Required by the Uniform Guidance

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Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required  
by the Uniform Guidance

**Independent Auditor's Report**

To the Board of Commissioners  
Columbus Metropolitan Housing Authority

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Columbus Metropolitan Housing Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2022. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

To the Board of Commissioners  
Columbus Metropolitan Housing Authority

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

To the Board of Commissioners  
Columbus Metropolitan Housing Authority

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

*Plante & Moran, PLLC*

June 23, 2023

# Columbus Metropolitan Housing Authority

## Schedule of Expenditures of Federal Awards

Year Ended December 31, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development:				
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871		\$ -	\$ 128,091,425
Section 8 Emergency Housing Vouchers	14.871		-	1,083,720
Mainstream Vouchers	14.879		-	1,330,448
Total Housing Voucher Cluster			-	130,505,593
Public Housing Capital Fund Program	14.872		-	4,780,391
Public and Indian Housing	14.850		-	2,106,315
Performance Based Contract Administrator Program	14.327		-	689,756,770
Family Self-Sufficiency Program	14.896		-	262,139
Emergency Rental Assistance Program - Passed through City of Columbus, Ohio	21.023	ERAEO174	-	27,018
Total federal awards			<b>\$ -</b>	<b>\$ 827,438,226</b>

**Notes to Schedule of Expenditures of Federal Awards**

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**Year Ended December 31, 2022**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Columbus Metropolitan Housing Authority (the "Authority") under programs of the federal government for the year ended December 31, 2022. The information in the 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* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**Note 2 - Summary of Significant Accounting Policies**

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

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

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## Schedule of Findings and Questioned Costs

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**Columbus Metropolitan Housing Authority**

**Schedule of Findings and Questioned Costs**

**Year Ended December 31, 2022**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?   X   Yes        No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        Yes   X   None reported

Noncompliance material to financial statements noted?        Yes   X   None reported

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        Yes   X   None reported

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?        Yes   X   No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
14.327	Performance Based Contract Administrator Program	Unmodified
14.872	Public Housing Capital Fund Program	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee?   X   Yes        No



# Columbus Metropolitan Housing Authority

## Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2022

### Section II - Financial Statement Audit Findings

Reference Number	Finding
2022-001	<p data-bbox="362 531 769 556"><b>Finding Type</b> - Material weakness</p> <p data-bbox="362 581 1482 667"><b>Criteria</b> - Management of the Authority is responsible for establishing and maintaining effective internal controls over financial reporting and properly recording transactions in accordance with U.S. GAAP.</p> <p data-bbox="362 693 1482 930"><b>Condition</b> - During the year ended December 31, 2022, the Authority performed a thorough analysis and review of its lease agreements in anticipation of Government Accounting Standards Board (GASB) Statement No. 87, <i>Leases</i>. As a result of this review, the Authority identified three ground lease agreements entered into in previous years with discretely presented component units (DPCU) that had not been accounted for appropriately under GAAP prior to the implementation of GASB 87. These transactions were included in the Authority's consolidated audit in the years in which they occurred, but improper conclusions were made with respect to the accounting for these transactions.</p> <p data-bbox="362 955 1482 1255"><b>Context</b> - The leases identified were bound as a result of three separate transactions under HUD's Rental Assistance Demonstration (RAD) Program. The Authority entered into ground lease agreements with newly formed DPCUs to lease capital assets associated with certain public housing projects and issued seller notes receivable representing prepaid rent for the related ground leases. These transactions were properly disclosed in their respective DPCU audits; however, improper conclusions were made on the Authority's audit as a result of changes in the structure of ground leases as compared to the original pro forma that the accounting team was not aware of. As a result, the Authority accounted for these transactions as a sale of property to the DPCUs, in which they derecognized the underlying capital assets and recognized a gain on the sale in the period in which the transactions closed.</p> <p data-bbox="362 1281 1482 1398"><b>Cause</b> - Improper conclusions were made as a result of changes in the structure of ground leases as compared to the original pro forma that the accounting team was not aware of. This resulted in an incorrect conclusion as to how the transactions should be recognized from a financial reporting perspective in accordance with GAAP in previous years.</p> <p data-bbox="362 1423 1482 1627"><b>Effect</b> - Under GAAP, the Authority should not have recognized these transactions as a sale of capital assets to the DPCUs. The Authority should have retained the capital assets on its books and recorded unearned revenue. As a result of the improper conclusion in accounting of these three transactions, net position was overstated by \$20,547,721, capital assets were understated by \$17,225,078, and unearned revenue was understated by \$37,792,798 at December 31, 2021. The Authority recorded a prior period adjustment as of January 1, 2022 to correct this misstatement.</p> <p data-bbox="362 1652 1482 1770"><b>Recommendation</b> - We recommend that the Authority continue to monitor and review controls surrounding the recording of complex development transactions. This includes ensuring that all relevant legal agreements are shared and reviewed by the accounting department in order to evaluate the implications from a financial reporting perspective in accordance with GAAP.</p>

**Columbus Metropolitan Housing Authority**

**Schedule of Findings and Questioned Costs (Continued)**

**Year Ended December 31, 2022**

**Section II - Financial Statement Audit Findings (Continued)**

Reference Number	Finding
2022-001 (Continued)	<b>Views of Responsible Officials and Planned Corrective Actions</b> - As required, the Authority's controller/VP of accounting shall convene meetings to review complex and material transactions. These meetings may consist of the Authority's accounting team, project attorneys, the Authority's development team, and third-party consultants dictated by the transaction type. During these meetings, the attendees shall review transactions to ensure proper accounting treatment that impacts the Authority's consolidated audited financial statements. Upon completion of this process, the accounting treatment shall be reviewed by the LIHTC auditors as needed and provided to the consolidated audit firm for testing.

**Columbus Metropolitan Housing Authority**

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**Schedule of Findings and Questioned Costs (Continued)**

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**Year Ended December 31, 2022**

**Section III - Federal Program Audit Findings**

**Current Year** None

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## Capital Fund Program and Choice Neighborhoods Grant Close Out Schedules

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**Actual Modernization  
Cost Certificate**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 03/31/2020)

**Capital Fund Program (CFP)**

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3800. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Do not send this form to the above address.

This collection of information requires that each Public Housing Authority (PHA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

PHA Name: Columbus Metropolitan Housing Authority	Modernization Project Number: OH16P001501-15
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The PHA hereby certifies to the Department of Housing and Urban Development as follows:

- That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:
 

A. Funds Approved	\$ 3,011,748
B. Funds Disbursed	\$ 3,011,748
C. Funds Expended (Actual Modernization Cost)	\$ 3,011,748
D. Amount to be Recaptured (A-C)	\$ 0
E. Excess of Funds Disbursed (B-C)	\$ 0
- That all modernization work in connection with the Modernization Grant has been completed;
- That the entire Actual Modernization Cost or liabilities therefor incurred by the PHA have been fully paid;
- That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work;
- That the time in which such liens could be filed has expired; and
- That for any years in which the grantee is subject to the audit requirements of the Single Audit Act, 31 U.S.C. § 7501 et seq., as amended, the grantee has or will perform an audit in compliance with said requirements.
- Please mark one:
  - A. This grant will be included in the PHA's next fiscal year audit per the requirements of the Single Audit Act.
  - B. This grant will not be included in the PHA's next fiscal year audit per the requirements of the Single Audit Act.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3726, 3802)

Name & Title of Authorized Signatory (type or print clearly):  
Charles Hillman, CEO

Signature of Executive Director (or Authorized Designee):  
X 

Date: 5/1/23

For HUD Use Only

The Cost Certificate is approved for audit (if box 7A is marked):  
Approved for Audit (Director, Office of Public Housing)  
X BRIAN MURRAY 

Date: 5/10/23

The costs shown above agree with HUD verified costs (if box 7A or 7B is marked):  
Approved: (Director, Office of Public Housing)  
X

Date:

**Actual Modernization  
Cost Certificate**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 03/31/2020)

**Capital Fund Program (CFP)**

**Public reporting burden** for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

**Do not send this form to the above address.**

This collection of information requires that each Public Housing Authority (PHA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

PHA Name: Columbus Metropolitan Housing Authority	Modernization Project Number: OH12R001502-16
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The PHA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Funds Approved	\$ 441,031
B. Funds Disbursed	\$ 441,031
C. Funds Expended (Actual Modernization Cost)	\$ 441,031
D. Amount to be Recaptured (A-C)	\$ 0
E. Excess of Funds Disbursed (B-C)	\$ 0

- That all modernization work in connection with the Modernization Grant has been completed;
- That the entire Actual Modernization Cost or liabilities therefor incurred by the PHA have been fully paid;
- That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work;
- That the time in which such liens could be filed has expired; and
- That for any years in which the grantee is subject to the audit requirements of the Single Audit Act, 31 U.S.C. § 7501 et seq., as amended, the grantee has or will perform an audit in compliance with said requirements.
- Please mark one:
  - A. This grant will be included in the PHA's next fiscal year audit per the requirements of the Single Audit Act.
  - B. This grant will not be included in the PHA's next fiscal year audit per the requirements of the Single Audit Act.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.  
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name & Title of Authorized Signatory (type or print clearly):  
Charles Hillman, CEO

Signature of Executive Director (or Authorized Designee): X 	Date: 5/1/23
--	-----------------

For HUD Use Only

The Cost Certificate is approved for audit (if box 7A is marked):  
Approved for Audit (Director, Office of Public Housing)  
X  BRIAN MURRAY

Date:	5/10/23
-------	---------

The costs shown above agree with HUD verified costs (if box 7A or 7B is marked):  
Approved: (Director, Office of Public Housing)  
X

Date:	
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**Actual Choice Neighborhoods  
Cost Certificate**

**U.S. Department of Housing  
and Urban Development**  
Office of Public and Indian Housing

OMB Approval No. 2577-0269  
(exp. 04/30/2018)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This collection of information requires that each Grantee submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the Choice Neighborhoods grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by the Choice Neighborhoods Grant Agreement. The information requested does not lend itself to confidentiality.

Lead Grantee Name	Grant Number
COLUMBUS METROPOLITAN HOUSING AUTHORITY	OH5E001CNG113

The Grantee hereby certifies to the Department of Housing and Urban Development as follows:

1. That the Actual Program Cost of the Choice Neighborhoods Grant is as shown below:

A. Original Funds Approved	\$ 29,399,300
B. Funds Disbursed	\$ 29,399,300
C. Funds Expended (Actual Program Cost)	\$ 29,399,300
D. Amount to be Recaptured (A-C)	\$ 0
E. Excess of Funds Disbursed (B-C)	\$ 0

- That all work in connection with the Choice Neighborhoods Grant has been completed;
- That the entire Actual Program Cost or liabilities therefor incurred by the Grantee have been fully paid;
- That there are no undischarged mechanics', laborers', contractors', or materialmen's liens against such Program work on file in any public office where the same should be filed in order to be valid against such Program work; and
- That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.  
**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Executive Officer  Date (mm/dd/yyyy)  
09/01/2022

For HUD Use Only	The Cost Certificate is approved for audit (signature of approving official)	Date (mm/dd/yyyy)
	LUCIE BLACKBURN <small>Digitally signed by LUCIE BLACKBURN DN: cn=LUCIE BLACKBURN, o=U.S. Department of Housing and Urban Development, Office of Public and Indian Housing Date: 2022.09.01 12:27:34 -0400</small>	
	The audited costs agree with the costs shown above Verified (signature)	Date (mm/dd/yyyy)
	Approved (signature)	Date (mm/dd/yyyy)

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**Columbus Metropolitan Housing Authority**  
**December 31, 2022**  
**Corrective Action Plan**

**Finding Number:** 2022-001

**Condition:** During the year ended December 31, 2022, the Authority performed a thorough analysis and review of their lease agreements in anticipation of Government Accounting Standards Board (GASB) Statement No. 87: Leases. As a result of this review, the Authority identified three ground lease agreements entered into in previous years with Discretely Presented Component Units (DPCU) that had not been accounted for appropriately under GAAP prior to the implementation of GASB 87. These transactions were included in the Authority's consolidated audit in the years in which they occurred, but improper conclusions were made with respect to the accounting for these transactions.

**Planned Corrective Action:** As required, the Authority Controller/VP of Accounting shall convene meetings to review complex and material transactions. These meetings may consist of the Authority accounting team, project attorneys, Authority development team and third party consultant dictated by the transaction type. During these meetings, the attendees shall review transactions to ensure proper accounting treatment that impacts the consolidated Authority audited financial statements. Upon completion of this process, the accounting treatment shall be reviewed by the LIHTC auditors as needed and provided to the consolidated audit firm for testing.

**Contact person responsible for corrective action:** Matthew Kudika, VP of Accounting

**Anticipated Completion Date:** June 30, 2023



**Columbus Metropolitan Housing Authority**  
**December 31, 2022**  
**Summary Schedule of Prior Audit Findings**

**Prior Year Finding Number:**

2021-001

**Fiscal Year in Which the Finding Initially Occurred:**

2021

**Federal Program, Assistance Listing Number and Name:**

14.871, U.S. Department of Housing and Urban Development, Housing Voucher Cluster –  
Section 8 Housing Choice Vouchers

**Original Finding Description:**

For 6 of 40 tenants selected for eligibility testing, the Authority was unable to provide original documentation from the tenant's file to support that tenant consent was obtained or that related third-party support was obtained in connection with determination of eligibility and calculation of assistance.

**Status/Partial Corrective Action (as applicable):**

Fully corrected.

**Planned Corrective Action:**

N/A

# OHIO AUDITOR OF STATE KEITH FABER



**COLUMBUS METROPOLITAN HOUSING AUTHORITY**

**FRANKLIN 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 9/5/2023**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)