

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
CUYAHOGA COUNTY
REGULAR AND SINGLE AUDIT
YEAR ENDED DECEMBER 31, 2024



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Members of the Board
Cuyahoga Metropolitan Housing Authority
8120 Kinsman Road
Cleveland, OH 44104

We have reviewed the *Independent Auditors' Report* of the Cuyahoga Metropolitan Housing Authority, Cuyahoga County, prepared by CliftonLarsonAllen LLP, for the audit period January 1, 2024 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 20, 2025

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**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	13
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	15
STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES	16
NOTES TO FINANCIAL STATEMENTS	18
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	77
SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS	78
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY	79
SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS	80
SUPPLEMENTARY INFORMATION	
FINANCIAL DATA SCHEDULES	83
OTHER INFORMATION	
SCHEDULE OF RESTRICTED AND NONRESTRICTED NET REVENUES	94
SCHEDULE OF UNRESTRICTED NET INCOME	95
SINGLE AUDIT REPORT	

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	97
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	99
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	102
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	103
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	104



INDEPENDENT AUDITORS' REPORT

Members of the Board
Cuyahoga Metropolitan Housing Authority
Cleveland, Ohio

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Cuyahoga Metropolitan Housing Authority (the Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Cuyahoga Metropolitan Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the 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, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the blended component units of Quarrytown Redevelopment, LLC, Severance Redevelopment, LLC, Ambleside Redevelopment, LLC, Riverside Park Homes, L.P. and 2045 Transformation, LLC. These blended component units represent 42.8% of assets, 45.8% of net position, and 17.2% of revenues of the business-type activities of the Authority. We also did not audit the financial statements of the 15 individual discretely presented component units, which represent 100% of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to Quarrytown Redevelopment, LLC, Severance Redevelopment, LLC, Ambleside Redevelopment, LLC, Riverside Park Homes, L.P. and 2045 Transformation, LLC and the discretely presented component units is based solely on the reports of the other auditors.

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 Auditors' 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 2045 Transformation, LLC., Garden Valley Housing Partnership I, L.P., Garden Valley Housing Partnership II, L.P., Garden Valley Housing Partnership III, L.P., Euclid-Lee Senior, L.P., Miles Pointe Elderly Limited Partnership, Fairfax Intergenerational Housing, L.P., Riverside Park Phase II, L.P., Riverside Park Phase III, L.P., East Side Neighborhood Homes, L.P., Wade Park, L.P. and Carver Park III, L.P. were not performed in accordance with *Government Auditing Standards*.

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.

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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 as listed in the table of contents, and the schedule of the Authority's proportionate share of the net pension liability, the schedule of the Authority's pension contributions, the schedule of the Authority's proportionate share of the net OPEB liability, and the schedule of the Authority's OPEB contributions as listed 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

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 and the 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* as listed in the table of contents are presented for purposes 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 GAAS. 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.

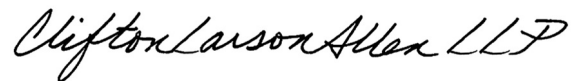
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of restricted and nonrestricted net revenues and the schedule of unrestricted net income but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025 on our consideration of the Cuyahoga Metropolitan Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 Cuyahoga Metropolitan Housing 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 Cuyahoga Metropolitan Housing Authority's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Maumee, Ohio
June 27, 2025

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The Cuyahoga Metropolitan Housing Authority (CMHA or the Authority) owns and manages property and administers rent subsidy programs to provide eligible low-income persons good, safe, and affordable housing. CMHA is a political subdivision of the State of Ohio, created under sections 3735.27 to 3735.50 of the Ohio Revised Code and serves the County of Cuyahoga primarily through three federally assisted programs administered by the U.S. Department of Housing and Urban Development (HUD): Conventional Low-Rent Public Housing, Rental Assistance Demonstration and Housing Choice Voucher programs.

The following discussion and analysis provides an overview of the Authority's financial activities for the fiscal year ended December 31, 2024, and should be read in conjunction with the Authority's financial statements. If you have any questions, please contact the Director of Finance, 8120 Kinsman Road, Cleveland, Ohio 44104 or telephone 216-271-2811.

Overview of the Financial Statements

The financial statements are presented in accordance with accounting principles generally accepted in the United States of America, including Governmental Accounting Standards Board (GASB) Statement No. 34 (as amended by GASB Statement No. 37). The Authority follows the "business-type activities" reporting requirements of GASB Statement No. 34 that provide a comprehensive authority-wide look at the Authority's financial activities. The statements are:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows

The financial statements are prepared on the accrual basis of accounting and present all assets and deferred outflows plus liabilities and deferred inflows of the Authority, both financial and capital, and short and long term. They also present all revenues and expenses of the Authority during the year, regardless of when cash was received or paid. Collectively, the statements provide information regarding the Authority's financial condition as of December 31, 2024, and the results of its operations and cash flows for the year then ended.

Management of the Authority continued its efforts to strengthen internal controls and compliance of policies through its Departments of Compliance, Internal Audit and Risk Management. The Authority also has both a Finance Committee and Operations Committee that consist of a member of the Board of Commissioners, the Chief Executive Officer, Chief of Staff, Director of Finance and various other staff members with financial and operational expertise across the Authority's departments. These committees meet monthly and report its activities to the board of commissioners.

In addition, the Board of Commissioners has an audit committee to assist in fulfilling its oversight responsibilities for the financial reporting process, system of internal control, audit process, and the Authority's process for monitoring compliance with laws and regulations. The Audit Committee consists of up to five outside, independent members with collective knowledge of accounting and reporting principles applied by the Authority in preparing its financial statements. Working directly with the Director of Internal Audit, the Audit Committee meets regularly and reports its activities to the full Board.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

2024 Financial Highlights

For the year ended 2024, these audited financial statements are presented with Business-Type Activities and Discretely Presented Component units. The financial highlights and related analysis presented in the Management's Discussion and Analysis represents the Business-Type Activities only.

- The Authority's net position increased by \$17.3 million (6.7%) during 2024. Net position was \$277.0 million and \$259.7 million at December 31, 2024 and 2023, respectively.
- Total operating and nonoperating revenues increased by \$45.1 million (17.2%) during 2024, and were \$307.2 million and \$262.1 million for 2024 and 2023, respectively.
- Total operating and nonoperating expenses of all Authority programs increased by \$39.7 million (15.9%). Total expenses were \$289.9 million and \$250.2 million for 2024 and 2023, respectively.
- The Authority's unrestricted net position increased by \$15.2 million (12.6%) during 2024, and was \$135.4 million and \$120.2 million for 2024 and 2023, respectively.

The Authority's Programs

The Authority's financial statements include all programs that are considered to be within its administrative control. The Authority maintains separate accounting records for each grant program or annual contributions contract, as required by HUD. A list of the more significant programs is as follows:

Conventional Low-Rent Public Housing Program: Under the Low-Rent Public Housing Program, the Authority rents units that it owns to low-income households. The Low-Rent Public Housing Program is operated under an Annual Contributions Contract with HUD, and HUD provides operating subsidy and capital grant funding to enable CMHA to provide housing at a rent that is based upon 30% of household income. The Low-Rent Public Housing Program also includes the Capital Fund Program (CFP), which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program and Moderate Rehabilitation Programs: Under the Housing Choice Voucher Program, the Authority administers contracts with private landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Housing Choice Voucher Program Project Based Voucher Program and Mainstream Voucher Program: Project Based vouchers are a component of the Authority's Housing Choice Voucher Program and Mainstream Voucher Program. Project Based assistance requires a resident to live in a housing unit at the property being subsidized.

Section 8 New Construction Housing Assistance Payment Programs: These programs account for the operation of low-income housing developments where the Authority, or its subsidiary, contract directly with HUD under a Housing Assistance Payment contract. The Authority, through its subsidiary, owns and manages all developments and handles all HUD funding and reporting.

Rental Assistance Demonstration Program: This initiative allows the Authority to convert public housing properties to project based rental assistance in order to attract debt and equity to make capital improvements.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

AUTHORITY-WIDE FINANCIAL STATEMENT

Statement of Net Position

The Statement of Net Position includes all assets and liabilities of the Authority using the accrual basis of accounting, which is similar to the accounting used by most private-sector institutions. The following table reflects the condensed information from the Authority's Statement of Net Position compared to the prior year.

Table 1 – Condensed Statements of Net Position
(in millions)

	December 31,	
	2024	2023
<u>Assets</u>		
Current and Other Assets	\$ 298.8	\$ 291.2
Net Capital Assets	194.9	179.5
Total Assets	<u>493.7</u>	<u>470.7</u>
Deferred Outflows of Resources	<u>18.8</u>	<u>28.1</u>
<u>Liabilities</u>		
Accounts Payable and Other Current Liabilities	52.5	42.8
Long-Term Liabilities:		
Net Pension and OPEB Liability	53.0	59.8
Other Long-Term Liabilities	126.3	131.0
Total Liabilities	<u>231.8</u>	<u>233.6</u>
Deferred Inflows of Resources	<u>3.7</u>	<u>5.5</u>
<u>Net Position</u>		
Net Investment in Capital Assets	89.3	82.5
Restricted	53.3	57.0
Unrestricted	134.4	120.2
Total Net Position	<u>\$ 277.0</u>	<u>\$ 259.7</u>

For more detailed information, see the statement of net position.

Major Factors Affecting the Statement of Net Position

Current and Other Assets increased by \$7.6 million and Accounts Payable and Other Current Liabilities increased by \$9.7 million. The Authority's current ratio decreased to 5.7 in 2024, compared to 6.8 in 2023. There are sufficient current assets (primarily cash, investments, and receivables from HUD) to extinguish current liabilities. Net Capital assets increased to \$194.9 million in 2024 from \$179.5 million in 2023. The \$15.4 million increase is attributed to net capital asset additions of \$25.0 million offset by depreciation expense of \$9.3 million and net deletions of \$0.3 million. For additional detail, see "Capital Assets."

Long-term liabilities decreased \$11.5 million, to \$179.3 million in 2024, from \$190.8 million in 2023.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Major Factors Affecting the Statement of Net Position (Continued)

The net pension liability (NPL) is one of the largest liabilities reported by the Authority at December 31, 2024. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Authority is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement system may allocate a portion of the employer contributions to provide for these OPEB benefits. Most long-term liabilities have set repayment schedules, or in the case of compensated absences (i.e., sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position present the operating results of the Authority, as well as the nonoperating revenues and expenses. Condensed information from the Authority's statements of revenue, expenses and changes in net position is as follows for the years ended December 31, 2024 and 2023:

Table 2 – Condensed Statements of Revenues, Expenses, and Changes in Net Position
(in millions)

	December 31,	
	2024	2023
<u>Operating Revenues</u>		
Dwelling Rent from Tenants	\$ 18.6	\$ 17.2
HUD Operating Subsidies and Grants	236.2	205.5
Grants - Other	1.2	2.9
Other Revenues	21.7	7.0
Total Operating Revenues	<u>277.7</u>	<u>232.6</u>
<u>Operating Expenses</u>		
Housing Assistance Payments	141.9	114.9
Depreciation and Amortization	9.3	8.5
Administrative	39.3	36.3
Building Maintenance	49.0	37.8
Utilities	19.5	21.5
Tenant Services	2.9	4.1
General	18.9	16.6
Protective Services	4.0	5.6
Total Operating Expenses	<u>284.8</u>	<u>245.3</u>
Operating Income (Loss)	<u>(7.1)</u>	<u>(12.7)</u>
<u>Nonoperating Revenues (Expenses)</u>		
Capital Grants from HUD	25.3	23.5
Interest Income	3.1	2.5
Interest Expense	(4.4)	(4.1)
Pension and OPEB Benefit Change	1.1	3.1
Gain/(Loss) on Sale of Capital Assets	(0.7)	0.4
Miscellaneous	-	(0.8)
Total Nonoperating Revenues - Net	<u>24.4</u>	<u>24.6</u>
Change in Net Position	17.3	11.9
Net Position - Beginning of Year	<u>259.7</u>	<u>247.8</u>
Net Position - End of Year	<u><u>\$ 277.0</u></u>	<u><u>\$ 259.7</u></u>

For more detailed information, see the Statement of Net Position.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Major Factors Affecting the Statement of Revenues, Expenses, and Changes in Net Position

December 31, 2024 compared to December 31, 2023

Operating revenues increased \$45.1 million or 19.4% in 2024. HUD Operating Subsidies and Grants increased \$30.7 million, Other Grants decreased by \$1.7 million and Other Revenues increased by \$14.7 million. The overall increase is attributable to the increase in operating subsidy from Rental Assistance Demonstration Program and an increase in Neighborhood Choice Implementation Grant.

Operating expenses increased \$39.5 million or 16.1% with significant increases in HAP expenses (\$27.0 million) and Building Maintenance (\$11.2 million). The overall increases are attributable to increases in Housing Choice Voucher Program utilization, HCV program landlord rental payments, unit turnaround costs, and inflation due to supply chain.

Capital Grants from HUD increased \$1.8 million or 7.7%. Interest income increased \$0.6 million while interest expense increased \$0.3 million.

The 2023 Actuarial report for the pension and other postemployment benefits resulted in a decrease of \$2 million over 2023, due to overall actuarial assumption changes in 2023 vs 2022.

Capital Assets

At December 31, 2024, the Authority had \$194.9 million invested in a variety of net capital assets (as reflected in the following schedule), which represents a net increase of \$15.4 million from December 31, 2023.

Table 3 – Capital Assets
(in millions)

	December 31,	
	2024	2023
Land	\$ 35.8	\$ 35.5
Buildings	519.7	558.4
Equipment - Administrative	5.0	3.6
Equipment - Dwelling	8.7	10.7
Right-of-Use Asset - Equipment	4.8	4.8
Leasehold Improvements	0.1	0.4
Construction in Progress	33.3	19.8
Total	607.4	633.2
Accumulated Deprecation	(412.5)	(453.7)
Capital Assets - Net	<u>\$ 194.9</u>	<u>\$ 179.5</u>

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Capital Assets (Continued)

Capital additions in 2024 were primarily for housing stock improvements. Some of the major projects were at the following Asset Managed Properties (AMP):

- Roof Replacements – Downtown AMP, Cedar AMP, and Miles Elmerge LLC
- Fire Alarm Systems – 1675 Ansel LLC
- Generators – Near West AMP and Miles Elmerge LLC
- Parking Lot – Near West AMP
- Common Areas and Patios – Union Square LLC and Beachcrest LLC

Debt Outstanding

As of December 31, 2024, the Authority had \$127.8 million in long-term debt obligations compared to \$132.2 million at December 31, 2023, for a \$4.4 million decrease. The following summarizes these obligations:

Table 4 – Outstanding Debt at Year-End
(in millions)

	December 31,	
	2024	2023
Ambleside - Mortgage Note	\$ 5.7	\$ 5.8
Severance - Mortgage Note	5.0	5.1
Quarrytown - Mortgage Note	3.6	3.7
Riverview Tower	15.4	15.8
West Boulevard	4.3	4.5
Cedar Extension High Rise	6.1	6.3
Euclid Beach Gardens	4.3	4.4
Mount Auburn Manor	3.3	3.3
Ohio Bond Financing 2017	3.0	4.0
CFFP 2009 Modernization Loan A	5.0	5.8
CFFP 2009 Modernization Loan B	3.0	3.4
2020 CMHA Campus Bonds	15.7	16.3
2045 Bond Series - 2021	32.0	32.0
Riverside Park Homes, L.P.	2.2	2.3
Beachcrest	7.2	7.3
Apthorp Tower	4.1	4.1
Miles Elmerge	3.5	3.6
Union Square	4.4	4.5
Total	\$ 127.8	\$ 132.2

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal Funding is at the discretion of HUD.
- Future years' funding levels for the operating subsidy for Conventional Low-Rent Housing Program is expected to be approximately 85% - 90%.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income. Inflationary pressure on utility rates, supplies and other costs, which affects the costs of the programs.
- Employee health insurance costs continue to rise.

Contacting the Authority

Questions concerning this report or requests for additional information should be directed to:

Director of Finance
8120 Kinsman Road
Cleveland, Ohio 44104

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Business-Type Activities	Discretely Presented Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 38,505,824	\$ 559,862
Restricted Cash and Cash Equivalents	53,246,196	21,717,806
Cash - Restricted for Tenant Security Deposits	1,383,871	400,955
Investments	18,555,991	-
Investments - Restricted	719,494	71,261,091
Accounts Receivable Tenants, (Net of Allowance of \$3,947,344 at 2024)	3,995,239	899,071
Accounts Receivable - HUD	9,220,444	3,354,334
Accounts Receivable - Fraud Recovery, (Net of Allowance of \$287,611 at 2024)	12,156	-
Accounts Receivable - Other, (Net of Allowance of \$143,948 at 2024)	10,999,872	153,941
Current Portion of Notes Receivable	254,353	-
Inventories	767,360	10,173
Prepaid Expenses	971,780	517,693
Total Current Assets	<u>138,632,580</u>	<u>98,874,926</u>
NONCURRENT ASSETS		
Notes Receivable, Net of Current Portion	115,128,820	-
Capital Assets - Depreciable and Amortizable	125,704,779	266,329,906
Capital Assets - Non-Depreciable or Amortizable	69,181,276	31,097,160
Capital Assets - Right-to-Use Asset, Net	-	81,253,920
Net Investment in Real Estate Partnerships	6,472,555	-
Developer Fees Receivable	18,506,867	-
Net Pension Asset	703,138	-
Net OPEB Asset	1,795,959	-
Other Noncurrent Assets	17,558,213	3,084,187
Total Noncurrent Assets	<u>355,051,607</u>	<u>381,765,173</u>
Total Assets	493,684,187	480,640,099
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related	17,291,173	-
Other Postemployment Benefits Related	1,540,945	-
Total Deferred Outflows of Resources	<u>18,832,118</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 512,516,305</u></u>	<u><u>\$ 480,640,099</u></u>

See accompanying Notes to Financial Statements.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2024

	Business-Type Activities	Discretely Presented Component Units
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable - Vendors	\$ 14,966,507	\$ 18,356,174
Accounts Payable - HUD	528,235	-
Accrued Wages/Taxes Payable	2,581,179	-
Accrued Compensated Absences, Current	3,705,609	-
Accrued Interest Payable	250,274	303,388
Unearned Revenues	4,381,205	288,433
Accrued Expenses	20,177,956	596,269
Security and Other Deposits	1,244,571	347,002
Current Portion of Long-Term Debt	4,671,400	63,674,399
Total Current Liabilities	<u>52,506,936</u>	<u>83,565,665</u>
NONCURRENT LIABILITIES		
Long-Term Debt - Net of Current Portion	123,165,481	214,907,892
Accrued Compensated Absences	557,746	-
Workers' Compensation Liability	150,291	-
Net Pension Liability	53,013,759	-
Developer Fees Payable	-	19,851,084
Right-to-Use Liability	-	79,944,816
Other Noncurrent Liabilities	2,401,615	23,678,861
Total Noncurrent Liabilities	<u>179,288,892</u>	<u>338,382,653</u>
Total Liabilities	231,795,828	421,948,318
DEFERRED INFLOWS OF RESOURCES		
Pension Related	645,638	-
Other Post Employment Benefits	1,055,633	-
Other	1,966,538	-
Total Deferred Inflows of Resources	<u>3,667,809</u>	<u>-</u>
NET POSITION		
Net Investment in Capital Assets	89,271,793	210,528,321
Restricted	53,303,201	93,032,850
Unrestricted	134,477,674	(244,869,390)
Total Net Position	<u>277,052,668</u>	<u>58,691,781</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 512,516,305</u>	<u>\$ 480,640,099</u>

See accompanying Notes to Financial Statements.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024

	Business-Type Activities	Discretely Presented Component Units
OPERATING REVENUES		
Tenant Revenues	\$ 18,590,537	\$ 5,182,109
HUD Grants	236,203,192	-
Other Government Grants	1,168,915	16,769,975
Other Revenues	21,656,904	9,566,804
Total Operating Revenues	<u>277,619,548</u>	<u>31,518,888</u>
OPERATING EXPENSES		
Administrative	39,319,298	11,161,754
Tenant Services	2,905,028	30,983
Utilities	19,488,118	4,105,659
Ordinary Maintenance and Operations	48,971,885	8,366,109
Protective Services	3,962,603	495,105
Insurance	6,616,812	2,504,406
General	12,388,566	907,154
Housing Assistance Payments	141,866,451	-
Depreciation and Amortization	9,264,103	10,055,584
Total Operating Expenses	<u>284,782,864</u>	<u>37,626,754</u>
OPERATING LOSS	(7,163,316)	(6,107,866)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	3,148,849	1,655,664
Interest Expense	(4,432,468)	(5,610,430)
Pension and OPEB Benefit	1,104,423	-
Loss from Sale of Capital Assets	(709,349)	-
Net Nonoperating Revenues (Expenses)	<u>(888,545)</u>	<u>(3,954,766)</u>
LOSS BEFORE CONTRIBUTIONS AND TRANSFERS	(8,051,861)	(10,062,632)
Capital Contributions	25,334,111	-
CHANGE IN NET POSITION	17,282,250	(10,062,632)
Total Net Position - Beginning of Year	<u>259,770,418</u>	<u>68,754,413</u>
TOTAL NET POSITION - END OF YEAR	<u><u>\$ 277,052,668</u></u>	<u><u>\$ 58,691,781</u></u>

See accompanying Notes to Financial Statements.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from HUD	\$ 234,470,176
Cash Received from Other Governments	1,168,915
Cash Received from Tenants	13,894,072
Cash Received from Others	22,075,571
Cash Paid to Employees	(33,149,530)
Cash Paid to Vendors	(45,389,601)
Cash Paid for Housing, Operating, and Tenant Services	(57,787,557)
Cash Paid for Housing Assistance Payments	(141,866,451)
Net Cash Flows Used by Operating Activities	<u>(6,584,405)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchases of Capital Assets	(25,344,748)
Interest on Notes and Mortgage Payable	(4,464,824)
Payment on Notes and Mortgage Payable	(4,459,505)
Proceeds from Notes Payable	114,139
Capital Contributions	25,334,111
Net Cash Flows Used by Capital and Related Financing Activities	<u>(8,820,827)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest Received on Investments	3,148,849
Issuance of Notes Receivable	(5,105,733)
Payments on Notes Receivable	1,438,076
Purchase of Government Securities	(19,275,485)
Investment in Joint Venture	(1,906,221)
Net Cash Flows Used by Investing Activities	<u>(21,700,514)</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS (37,105,746)

Cash and Cash Equivalents - Beginning of Year 130,241,637

CASH AND CASH EQUIVALENTS - END OF YEAR \$ 93,135,891

**RECONCILIATION OF CASH AND CASH EQUIVALENTS, END OF YEAR
TO AMOUNTS IN THE STATEMENT OF NET POSITION**

Cash and Cash Equivalents	\$ 38,505,824
Restricted Cash and Cash Equivalents	53,246,196
Cash - Restricted for Tenant Security Deposits	1,383,871
Total Cash and Cash Equivalents	<u><u>\$ 93,135,891</u></u>

See accompanying Notes to Financial Statements.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Reconciliation of Operating Loss to Net Cash Used by Operating Activities:

Operating Loss	\$ (7,163,316)
Adjustments to Reconcile Cash and Cash Equivalents Provided by Operating Activities:	
Depreciation and Amortization	9,264,103
Bad Debt	3,375,079
Effects of Changes in Operating Assets, Liabilities, and Deferred Inflows and Outflows of Resources:	
Accounts Receivable - Tenants	(4,692,742)
Accounts Receivable - HUD	(1,932,500)
Accounts Receivable - Other	(1,112,552)
Prepaid Expenses	129,809
Inventory	498,207
Other Assets	(14,101,298)
Accounts Payable - Vendors	4,682,132
Accounts Payable - HUD	199,484
Accrued Wages	580,848
Accrued Liabilities	2,774,065
Unearned Revenue	1,531,219
Security and Other Deposits	(3,723)
Workers' Compensation Liability	-
Net Pension Liability	(667,733)
Net OPEB Liability	436,378
Other Liabilities	(381,865)
Net Cash Used by Operating Activities	<u><u>\$ (6,584,405)</u></u>

See accompanying Notes to Financial Statements.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF THE ENTITY

The Cuyahoga Metropolitan Housing Authority (CMHA or the Authority) is a political subdivision organized under the laws of the state of Ohio. The Authority is responsible for operating certain low-rent housing programs in the County of Cuyahoga under programs administered by the U.S. Department of Housing and Urban Development (HUD). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

The Authority's financial statements include all programs that are considered to be within its administrative control. The Authority maintains separate accounting records for each grant program or Annual Contributions Contract, as required by HUD. A list of the various programs is as follows:

Conventional Low-Rent Public Housing Program: Under the Low-Rent Public Housing Program, the Authority rents units that it owns to low-income households. The Low-Rent Public Housing Program is operated under an Annual Contributions Contract with HUD, and HUD provides operating subsidy and capital grant funding to enable CMHA to provide the housing at a rent that is based upon 30% of household income. The Low-Rent Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program and Moderate Rehabilitation Programs: Under the Housing Choice Voucher Program, the Authority administers contracts with private landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Housing Choice Voucher Program Project Based Voucher Program and Mainstream Voucher Program: Project Based vouchers are a component of the Authority's Housing Choice Voucher Program and Mainstream Voucher Program. Project Based assistance requires a resident to live in a housing unit at the property being subsidized.

Section 8 New Construction Housing Assistance Payment Programs: These programs account for the operation of low-income housing developments where the Authority, or its subsidiary, contracts directly with HUD under a Housing Assistance Payment contract. The Authority, through its subsidiary, owns and manages all developments and handles all HUD funding and reporting.

Rental Assistance Demonstration Program: This initiative allows the Authority to convert public housing properties to project based rental assistance in order to attract debt and equity to make capital improvements.

Local Fund: In 1998, a \$100,000 contribution of capital was made by Title V to a new Local Fund. This fund is to be used for expenditures necessary for the accomplishment of the Authority's mission, but which do not fall under HUD oversight. All expenditures from the Local Fund must be approved by the Chief Executive Officer and Chief Financial Officer.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Other Grants: The Authority received state and local funding under the Community Based Services grant and private donations. Expenditures for these programs and grants must be made in accordance with the rules and regulations established by the grantors.

Component Units: Component units are reported as part of the reporting entity under either the blended or discrete method of presentation. The blended method includes the financial statements of the blended unit as part of the business-type activities. The discrete method presents the financial statements of the component unit outside of the basic financial statement totals of the business-type activities.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include component units in the reporting entity was made by applying the criteria set forth in the Governmental Accounting Standards Board (GASB) Statement No. 90, *Majority Equity Interests* — an amendment of GASB Statements No. 14 and No. 61. These include financial accountability, imposition of will, financial burden or benefit on the primary organization, and financial accountability as a result of fiscal dependency.

Through the application of these GASB criteria, management of the Authority determined that the following entities should be blended or discretely presented.

Blended Component Units

The Authority has four blended component units consisting of Western Reserve Revitalization and Management Company, Inc. (WRRMC), Riverside Park Homes, L.P., 2045 Transformation, LLC, and Cuyahoga Housing and Development, Inc. The Authority has an additional nonprofit, Cuyahoga Metropolitan Housing Charity Fund, Inc., which is a wholly owned nonprofit. The activity of Cuyahoga Metropolitan Housing Charity Fund, Inc. is not material to the overall financial statements and is not reported as a separate blended component unit.

Western Reserve Revitalization and Management Company, Inc. (WRRMC) – The Authority established Western Reserve Revitalization and Management Company, Inc., a 501(c)(3) corporation, as a wholly owned subsidiary. Accordingly, WRRMC is reported as a blended component unit of the Authority. WRRMC was established for public, charitable, educational, and governmental purposes: (a) to clear, plan, and rebuild areas within Cuyahoga County and in particular within the City of Cleveland; (b) to enter into contracts for the construction of housing for families within Cuyahoga County either to the lowest and best bidder or in conformity with the federal turnkey rules promulgated by the U.S. Department of Housing and Urban Development (“HUD”); and (c) to do all things necessary or convenient to aid and cooperate with the Authority in the planning, undertaking, developing, construction and operating of such housing.

The statements of WRRMC include the financial activity of Ambleside Redevelopment, LLC, Severance Redevelopment, LLC, Quarrytown Redevelopment, LLC, and 1701 Holdings, LLC, which are all wholly owned subsidiaries of WRRMC. WRRMC has separate audited financial statements, which may be obtained from the Director of Finance, 8120 Kinsman Road, Cleveland, Ohio 44104 or telephone 216-271-2811.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Blended Component Units (Continued)

Riverside Park Homes, L.P. – The Partnership controls a property consisting of 90 housing units, developed and operated under the low-income housing tax credit program as provided for in Section 42 of the Internal Revenue Code (IRC)(Section 42). The Partnership is 99.9% owned by 2045 Transformation, LLC, the limited partner (wholly owned by CMHA), and 0.1% owned by Riverside Park Homes, Inc., the General Partner. Riverside Park Homes, Inc. is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Cuyahoga Housing and Development, Inc. (CHDI) – The Authority established CHDI, a 501(c)(3) corporation, as a wholly owned subsidiary. Accordingly, CHDI is reported as a blended component unit of the Authority. CHDI was established in 2006 to promote the welfare of the people of the state of Ohio by constructing, acquiring, equipping, furnishing, owning, operating, and maintaining reasonably priced rental housing to promote the educational, social, psychological, and physical well-being of the community.

2045 Transformation LLC – The Authority established 2045 Transformation LLC, a limited liability corporation, as a wholly owned subsidiary. Accordingly, 2045 Transformation LLC is reported as a blended component unit of the Authority. 2045 Transformation LLC was established on January 21, 2020. 2045 Transformation LLC was created to effectuate the Authority's 2045 Initiative. The 2045 Initiative has specific goals of: (i) implementing a comprehensive strategy that will provide safe, quality, affordable housing for qualified residents of Cuyahoga County; (ii) fostering neighborhood improvements in the communities that the Authority serves; (iii) attaining financial feasibility and sustainability across all of the Authority's programs; and (iv) converting the entire public housing portfolio to the Section 8 platform.

The statements of 2045 Transformation LLC include the financial activity of 2320 East 30th LLC, 16001 Euclid Beach LLC, Legacy Park LLC, Mount Auburn LLC, 1795 West 25th LLC, 1651 Ansel Rd LLC, 9520 Detroit LLC, Apthorp LLC, Beachcrest LLC, Fairway-Lorain LLC, Miles Elmerge LLC, Oakwood Villas LLC, Park Denison LLC, 1675 Ansel LLC, 3495 East 98th LLC, Addison Square LLC, Laronde LLC, Bellaire Wanda LLC, Bellaire Puritas LLC, and Crestview LLC, which are all wholly owned subsidiaries of 2045 Transformation LLC. 2045 Transformation LLC has separate audited financial statements, which may be obtained from the Director of Finance, 8120 Kinsman Road, Cleveland, Ohio 44104 or telephone 216-271-2811.

Discretely Presented Component Units

The Authority has 15 discretely presented component units consisting of: Garden Valley Housing Partnership I, L.P., Garden Valley Housing Partnership II, L.P., Garden Valley Housing Partnership III, L.P., Garden Valley Housing Partnership IV, L.P., Euclid-Lee Senior, L.P., Miles Pointe Elderly, L.P., Fairfax Intergenerational Housing L.P., Bohn Tower Redevelopment, L.P., Carver Park Phase I, L.P., Carver Park Phase II, L.P., Carver Park Phase III, L.P., Riverside Park Phase II, L.P., Riverside Park Phase III, L.P., East Side Neighborhood Homes, L.P. and Wade Park, L.P.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Discretely Presented Component Units (Continued)

The Authority has a controlling minority interest in these real estate limited partnerships as of December 31, 2024. The majority interests are held by third parties unrelated to the Authority. CMHA, or a CMHA affiliate, operates as either General Partner, Special General Partner, Class B Limited Partner or Limited Partner in the limited partnerships. As such, the Authority has certain rights and responsibilities, which enable it to impose its will on the limited partnerships.

The subsidiary of the Authority, Western Reserve Revitalization and Management Company, Inc. (WRRMC) is financially accountable for the limited partnerships as they are fiscally dependent on the Authority according to the terms of the partnership agreements. Additionally, in some cases, WRRMC is legally obligated to fund operating deficits. The Authority also has outstanding loans and net advances to the limited partnerships at December 31, 2024. The limited partnerships do not serve the business-type activities exclusively, or almost exclusively, and therefore, are shown as discretely presented component units.

Garden Valley Housing Partnership I, L.P. – The Partnership controls a property consisting of 81 housing units, developed and operated under the low-income housing tax credit program as provided for in Section 42 of the IRC (Section 42). The Partnership is 99.9% owned by investor limited partners, 0.037% owned by the Administrative General Partner, 0.038% owned by the Managing General Partner, and 0.025% owned by Garden Valley Redevelopment LLC, the Special General Partner. Garden Valley Redevelopment LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Garden Valley Housing Partnership II, L.P. – The Partnership controls a property consisting of 57 housing units, developed and operated under the low-income housing tax credit program as provided for in Section 42 of the IRC (Section 42). The Partnership is 0.0095% owned by the Managing General Partner, 0.0095% owned by the Administrative General Partner, 99.98% owned by the Limited Partner, and 0.001% by Garden Valley Redevelopment, LLC, the Class B Limited Partner. Garden Valley Redevelopment LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements. The Partnership has a fiscal year-end of November 30. Management believes there are no material transactions that would affect the financial position or results of the discretely presented component unit.

Garden Valley Housing Partnership III, L.P. – The Partnership controls a property consisting of 69 housing units, developed and operated under the low-income housing tax credit program as provided for in Section 42 of the IRC (Section 42). The Partnership is 99.9% owned by the investor limited partners, 0.04845% by the Managing General Partner, 0.04655% by the Administrative General Partner, and 0.005% owned by Garden Valley Redevelopment LLC, the Special Limited Partner. Garden Valley Redevelopment LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Discretely Presented Component Units (Continued)

Garden Valley Housing Partnership IV, L.P. – The Partnership controls a property consisting of 60 units of affordable housing financed with an FHA insured loan and operated with the assistance of a Section 8 project-based HAP Contract under the Rental Assistance Demonstration Program. The units will be operated as qualified Low-Income Housing Tax Credit units under Section 42 of the IRC (Section 42). The Partnership is 0.003825% owned by the Managing General Partner, 0.003675% owned by the Co-General Partner, 99.99% owned by the Limited Partner, and 0.0025% by Garden Valley Redevelopment, LLC, the Special Limited Partner. Garden Valley Redevelopment LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Euclid-Lee Senior, L.P. – The Partnership controls a property consisting of 79 housing units, developed and operated under the low-income housing tax credit program as provided for in Section 42 of the IRC (Section 42). The Partnership is 99.9% owned by the investor limited partners and 0.10% owned by Cleveland East LLC, the General Partner. Cleveland East LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Miles Pointe Elderly, L.P. – The Partnership controls a property consisting of 43 housing units, developed and operated under the low-income housing tax credit program as provided for in Section 42 of the IRC (Section 42). The Partnership is 99.9% owned by the investor-limited partners and 0.10% owned by Miles Pointe GP, LLC, the General Partner. Miles Pointe GP, LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Fairfax Intergenerational Housing, L.P. – The Partnership controls a property consisting of 40 housing units, developed and operated under the low-income housing tax credit program as provided for in Section 42 of the IRC (Section 42). The Partnership is 99.9% owned by the limited partner and 0.1% owned by WRRMC Intergenerational Housing, Inc., the General Partner. WRRMC Intergenerational Housing, Inc. is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Bohn Tower Redevelopment, L.P. – The Partnership controls a property consisting of 267 housing units, developed and operated under the low-income housing tax credit program as provided for in Section 42 of the IRC (Section 42). The Partnership is 99.99% owned by the limited partners and 0.01% owned by Bohn Tower GP, Inc., the General Partner. Bohn Tower GP, Inc. is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Carver Park Phase I, L.P. – The Partnership controls a property consisting of 279 units. The Partnership became a RAD property on October 1, 2017 that received 4% Low-Income Housing Tax Credits (LIHTC) and received 221(d)4 FHA financing. The Partnership is 99.90% owned by the limited partners and 0.10% owned by Carver Park Phase I GP, the General Partner. Carver Park Phase I GP, Inc. is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Discretely Presented Component Units (Continued)

Carver Park Phase II, L.P. – The Partnership controls a property consisting of 74 units. The Partnership became a RAD property on October 1, 2017 that received 4% Low-Income Housing Tax Credits (LIHTC) and is projected to receive 221(d)4 FHA financing. The Partnership is 99.99% owned by the limited partners and 0.01% owned by Carver Park Phase II GP, the General Partner. Carver Park Phase II GP, Inc. is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Carver Park Phase III, L.P. – The Partnership controls a property consisting of 143 housing units, developed and operated under the low-income housing tax credit program as provided in Section 42 of the IRC. The Partnership is 99.9% owned by investor limited partners and 0.1% owned by Carver Park Phase III GP, LLC. Carver Park Phase III GP, LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Riverside Park Phase II, L.P. – The Partnership is 99.9% owned by the limited partners and 0.1% owned by Riverside Park Phase II GP, LLC, the General Partner. Riverside Park Phase II GP, LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

Riverside Park Phase III, L.P. – The Partnership controls a property consisting of 203 units. The Partnership became a RAD property on September 2019 that received 4% Low-Income Housing Tax Credits (LIHTC) and received 221(d)4 FHA financing. The Partnership is 99.9% owned by the limited partners and 0.1% owned by Riverside Park Phase III GP, LLC, the General Partner. Riverside Park Phase III GP, LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

East Side Neighborhood Homes, L.P. – The Partnership was organized to develop, construct, own, maintain and operate 96 residential units for rental to low-income tenants. The General Partner is East Side Neighborhood Homes Corp., and the Limited Partners are Enterprise Housing Partners III L.P. and Enterprise Housing Partners XI L.P. The General Partner is owned by the CHN Housing Partners, the Authority, Burten, Bell, Carr Development, Inc. and Mount Pleasant Now Development Corporation. Each has a 25% ownership interest in East Side Neighborhood Homes Corp. Effective June 1, 2021, Enterprise Housing Partners XI L.P. and Enterprise Housing Partners III L.P. assigned 100% of their interest in the Partnership to Western Reserve Revitalization and Management Company, Inc.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Discretely Presented Component Units (Continued)

Wade Park, L.P. – The Partnership controls a property consisting of 229 housing units, developed and operated under the low-income housing tax credit program as provided in Section 42 of the IRC. The Partnership is 99.9% owned by investor limited partners and 0.1% owned by Wade Park GP LLC. Wade Park GP LLC is a wholly owned subsidiary of WRRMC and is reported as a minority interest in those financial statements.

All of the discretely presented component units listed above have separate audited financial statements, which may be obtained from the Director of Finance, 8120 Kinsman Road, Cleveland, Ohio 44104 or telephone 216-271-2811.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

The Authority has prepared its financial statements in conformity with accounting principles generally accepted in the United States of America, as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority's component units report under Financial Accounting Standards Board (FASB) guidance. As such, conversion adjustments to conform the presentation of the financial statements of the blended component unit and discretely presented components units have been made to conform those financial statements to accounting standards issued by the Government Accounting Standards Board. Other than the reclassification as noted, no modifications have been made to the component units' financial information in the Authority's financial reporting entity for any differences.

The Authority maintains its accounts in accordance with the chart of accounts prescribed by HUD and is organized utilizing the fund accounting model. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Each of the Authority's programs is accounted for by a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, net position (program equity), revenues, and expenses. The individual programs account for the governmental resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD. All of the Authority's programs are accounted for as a single enterprise fund. An enterprise fund accounts for those operations financed and operated in a manner similar to a private business or where the Authority has decided that determination of revenue earned, costs incurred and net revenue over expense is necessary for management accountability.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Enterprise funds are proprietary funds used to account for business activities of special purpose governments for which a housing authority qualifies under GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Proprietary funds are accounted for using the "economic resources measurement focus" and the accrual basis of accounting. Accordingly, all assets, deferred outflows, liabilities and deferred inflows (whether current or noncurrent) are included in the statement of net position. the statement of revenues, expenses, and changes in net position presents increases (revenue) and decreases (expense) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Grants and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements. The unexpended portions of grants held by HUD for the Authority remain available for the Authority's use, subject to the terms of the grant agreements and other agreements with HUD. The unexpended portions of the grants held by HUD are not reflected in the Authority's financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances on deposit with financial institutions and highly liquid investments with a maturity of three months or less at the date of acquisition. Cash and cash equivalents are stated at fair value.

Restricted Cash

Restricted cash is considered cash and cash equivalents, and includes cash held with financial institutions for refunds of tenant security deposits, insurance escrows, and repairs or improvements to the building, which extend their useful lives.

Investments

Investments of the Authority consist of those permitted by the investment policy and include certificates of deposit and money market funds. Investments are reported at fair value. Fair value is based upon quoted market prices.

Restricted Assets

Certain assets may be classified as restricted assets on the statement of net position because their use is restricted by contracts or agreements with outside third parties and lending institutions.

Inter-Program Receivables and Payables

Inter-program receivables and payables are current and are the result of the use of a central fund as the common paymaster for centralized costs of the Authority. Cash settlements are made periodically. All inter-program balances net to zero and, therefore, are eliminated for financial statement presentation purposes.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Capital Assets

Capital assets (items with an individual cost greater than \$5,000, and a useful life exceeding two years), including land, property and equipment, are recorded at historical cost. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, which are as follows:

Property	15 to 40 Years
Equipment	3 to 7 Years
Leasehold Improvements	5 to 15 Years

Accounts Receivable

Accounts receivables are stated at the amount management expects to collect from outstanding balances. Management closely monitors outstanding balances and provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management used reasonable collection efforts are generally written off through a charge to the valuation allowance and a credit to trade accounts receivable.

Mortgage Notes Receivable

The Authority has advanced loans to third-party developers in conjunction with various mixed finance projects. All principal and interest are due at maturity or based upon cash flow, and due to the uncertainty created by the extended period of time to repayment, interest income is recognized when cash payments are received. The Authority reviews Mortgage Notes Receivable for collectability whenever events or circumstances indicate that the carrying value of the receivable may not be recoverable. See Note 8 for further information on Mortgage Notes Receivable.

Developer Fees Receivable

Developer fees receivable are stated at the amount management expects to collect on balances outstanding at year end. Developer fees are due based upon terms of the related agreements. Management evaluates collectability based upon several factors, including historical collection experience and review and assessment of the financial condition of the debtor. At December 31, 2024, all amounts were deemed collectible.

Inventory

Inventory is valued using a weighted average costing method.

Compensated Absences

The liability for compensated absences reported in the proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Debt Amortization Funds

Debt amortization funds consist of restricted cash and investments held by fiscal agents. These funds are used to retire current installments of debt and to pay interest accrued thereon. Investments of debt amortization funds are carried at fair value.

Revenue Recognition

Subsidies and grants received from HUD and other grantors are generally recognized during the periods to which the grants relate. Tenant rental revenues are recognized during the period of occupancy. Receipts from CFP, Urban Revitalization Program and other reimbursement-based grants are recognized when the related expenses are incurred.

Indirect Costs

Certain indirect costs are charged to programs under a cost allocation plan.

Use of Estimates

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

Leases

The Authority is the lessor of dwelling units to low-income and market rate residents. The low-income rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time or renewed every year. The Authority may cancel the leases only for cause. A significant majority of the capital assets are used in these leasing activities. Revenues associated with these leases are recorded in the accompanying financial statements and related schedules within tenant revenue.

The Authority is the lessee for noncancelable leases of office equipment and vehicles. The Authority recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the Statement of Net Position. The Authority recognizes lease liabilities with an initial, individual value of \$5,000 or more.

Pensions

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

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Other Postemployment Benefits (OPEB)

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

Budgetary Accounting and Control

The Authority's annual budget is prepared on the accrual basis of accounting and approved by the Board of Commissioners. The budget includes anticipated amounts for current year revenues and expenses, as well as new capital projects.

The Board of Commissioners adopts the annual budget for the Authority following a review and approval process by the Finance Committee and Chief Executive Officer. Once adopted by the board the annual budget is implemented and monitored by the finance department on a monthly basis to address any variances against budget.

Deferred Outflows and Inflows 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 postemployment benefits.

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 and postemployment benefits.

Net Position

Net position is the residual of assets and deferred outflows less liabilities and deferred inflows and is displayed in three components as follows:

Net Investment in Capital Assets – this component of net position consists of all capital assets, reduced by the outstanding balance of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Net Position (Continued)

Unrestricted Net Position – this component of net position consists of resources that do not meet the definition of net investment in capital assets or restricted net position.

It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

NOTE 3 DEPOSITS AND INVESTMENTS – BUSINESS-TYPE ACTIVITIES

Deposits – Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority has a deposit policy that addresses custodial credit risk. At December 31, 2024, the carrying amount of the Authority's deposits was \$93,135,891 and the total balance of bank accounts held by the Authority was \$96,609,049. Of the bank balances held in various financial institutions, certain amounts were covered by federal depository insurance and the remainder was covered under the Ohio pooled collateral system.

Under Ohio law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC) or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific qualifying securities upon which the repurchase agreements are based. These securities must mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by 2% and be marked to market daily. State law does not require the security for public deposits and investments to be maintained in the Authority's name.

All deposits were fully collateralized as of December 31, 2024 with the exception of \$4,314,091 related to the Authority and \$66,828,305 related to the consolidated entities of WRRMC and 2045 Transformation LLC which were not insured or collateralized above the FDIC threshold.

Investments

The investment policy of the Authority's monies is governed by the provisions of the Ohio Revised Code and regulations established by the U.S. Department of HUD. The Authority is permitted to invest its monies in certificates of deposit, savings accounts, money market accounts, state and local government investment pools, direct obligations of the federal government, obligations of federal government agencies, and securities of federal government agencies.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DEPOSITS AND INVESTMENTS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

Investments (Continued)

These investments must mature within three years of their purchase. The Authority may also enter into repurchase agreements with any eligible depository or any eligible dealer for a period not exceeding 30 days.

The Authority is prohibited from investing in any financial instrument, contract, or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a derivative).

The Authority is also prohibited from investing in reverse purchase agreements. Investments held by the Authority at December 31, 2024 are presented below, categorized by investment type and credit quality rating. Credit ratings provide information about the investments' credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. All investments mature within one year.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority staggers maturity dates of investments to avoid losses from rising interest rates and the investment policy generally limits the maturities of investments to not more than three years to reduce the risk of impact on the fair value of investments.

As of December 31, 2024, the value and maturities for these assets were as follows:

Assets	Value	Maturities (in Years) Less Than 1
Cash and Cash Equivalents:		
Cash and Cash Equivalents	\$ 93,135,891	\$ 93,135,891
Investment Type:		
Money Market Funds	2,163,272	2,163,272
Fixed Income	17,112,213	17,112,213
Total	<u>\$ 112,411,376</u>	<u>\$ 112,411,376</u>

Credit Risk

The Authority's investment policy limits investments to those backed by the full faith and credit of, or a guarantee of principal and interest by, the U.S. government, a government authority or issued by a government-sponsored authority, coupled with an appropriate maturity date.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DEPOSITS AND INVESTMENTS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

Concentration of Credit Risk

The Authority does not allow more than 50% of its investment portfolio to be invested in a single security type or with a single financial institution or broker/dealer. There were no concentrations in any one investment greater than 5%.

Description:	Total Fair Value/ Carrying Value	Credit Quality Rating
Money Market Funds	\$ 2,163,272	AAA
Fixed Income	17,112,213	Not Rated
Total Business-Type Activities Investments	<u>\$ 19,275,485</u>	

- Rating offered by Standard & Poor's

Concentration of Credit Risk

A reconciliation of cash and investments as shown on the statement of net position at December 31, 2024 to the deposits and investments included in this note is as follows:

Cash and Cash Equivalents	\$ 38,505,824
Cash - Restricted	54,630,067
Investments	18,555,991
Investments - Restricted	719,494
Total	<u>\$ 112,411,376</u>
Carrying Amount of Deposits	\$ 93,135,891
Carrying Amount of Investments	19,275,485
Total	<u>\$ 112,411,376</u>

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of December 31, 2024, the Authority had investments in money market funds. Market funds are recorded at amortized cost and are therefore not included within the fair value hierarchy established by generally accepted accounting principles.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 RESTRICTED CASH AND INVESTMENTS – BUSINESS-TYPE ACTIVITIES

At December 31, 2024, the Authority had cash and investments, which was restricted under the terms of various grant programs, debt obligations, and other requirements as follows:

LRPH FSS Escrow Deposits	\$ 60,382
HCVP FSS Escrow Deposits	527,120
FSS Forfeiture	67,072
Restricted Housing Assistance Payments	2,118,207
Debt Service Reserve	2,529,980
Local Advisory Council	443,641
Work Compensation Reserve	719,494
Pledged Reserves	1,106,473
Replacement Reserves Escrow	33,003,956
Mortgage Reserves	11,330,389
Bond Proceeds	2,058,976
Total	<u><u>\$ 53,965,690</u></u>

NOTE 5 RESTRICTED CASH AND INVESTMENTS – DISCRETE COMPONENT UNITS

At December 31, 2024, the Discretely Presented Component Units had cash and investments, which was restricted under the terms of various regulatory and loan requirements, and other requirements as follows:

Partnership Name	Tenant Security Deposits	Funded Reserves	Investments	Total
Garden Valley Housing Partnership I, LP	\$ 18,446	\$ 1,482,657	\$ -	\$ 1,501,103
Garden Valley Housing Partnership II, LP	11,628	850,337	-	861,965
Garden Valley Housing Partnership III, LP	17,200	997,065	-	1,014,265
Garden Valley Housing Partnership IV, LP	13,371	1,084,532	-	1,097,903
Euclid-Lee Senior, LP	22,000	203,724	-	225,724
Miles Pointe Elderly, LP	12,100	191,436	-	203,536
Fairfax Intergenerational Housing, LP	7,978	382,417	-	390,395
Bohn Towers Redevelopment LP	57,344	2,502,556	-	2,559,900
Carver Park Phase I, LP	58,202	3,498,681	-	3,556,883
Carver Park Phase II, LP	18,045	553,911	-	571,956
Carver Park Phase III, LP	22,429	950,227	34,738,316	35,710,972
Wade Park, LP	19,370	5,561,213	36,522,775	42,103,358
Riverside Park Phase II, LP	49,347	1,879,781	-	1,929,128
Riverside Park Phase III, LP	47,529	837,726	-	885,255
East Side Neighborhood Homes, LP	25,966	741,543	-	767,509
Total	<u><u>\$ 400,955</u></u>	<u><u>\$ 21,717,806</u></u>	<u><u>\$ 71,261,091</u></u>	<u><u>\$ 93,379,852</u></u>

The investments held by Carver Park Phase III, LP and Wade Park, LP are money market funds and fixed income bond funds that are considered Level I for fair value measurement at December 31, 2024.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 CAPITAL ASSETS – BUSINESS-TYPE ACTIVITIES

The following is a summary of the changes in capital assets for the fiscal year ended December 31:

	January 1, 2024	Additions	Transfers/ Adjustments	Deletions	December 31, 2024
Capital Assets Not Being Depreciated:					
Land	\$ 35,571,340	\$ -	\$ 338,723	\$ -	\$ 35,910,063
Construction in Progress	19,789,617	23,329,445	(9,808,070)	(39,779)	33,271,213
Total Capital Assets Not Being Depreciated	55,360,957	23,329,445	(9,469,347)	(39,779)	69,181,276
Capital Assets Being Depreciated and Amortized:					
Buildings and Improvements	558,362,142	823,569	9,239,362	(48,752,229)	519,672,844
Equipment - Dwelling	10,683,612	499,139	(908,491)	(1,547,290)	8,726,970
Equipment - Administrative	8,374,062	301,953	1,095,421	(151)	9,771,285
Leasehold Improvements	392,296	-	-	(371,742)	20,554
Total Capital Assets Being Depreciated	582,590,980	1,624,661	9,426,292	(50,671,412)	542,970,521
Accumulated Depreciation and Amortization:					
Buildings and Improvements	(437,427,351)	(8,206,443)	43,055	49,019,905	(396,570,834)
Equipment - Dwelling	(12,922,435)	(320,495)	-	1,372,580	(11,870,350)
Equipment - Administrative	(1,471,677)	(120,008)	-	-	(1,591,685)
Right-of-Use Asset - Equipment	(1,441,254)	(612,942)	-	-	(2,054,196)
Leasehold Improvements	(395,594)	(4,215)	-	-	(399,809)
Total Accumulated Depreciation and Amortization	(453,658,311)	(9,264,103)	43,055	50,392,485	(412,486,874)
Depreciable and Amortizable Assets - Net	128,932,669	(7,639,442)	9,469,347	(278,927)	130,483,647
Total Capital Assets - Net	<u>\$ 184,293,626</u>	<u>\$ 15,690,003</u>	<u>\$ -</u>	<u>\$ (318,706)</u>	<u>\$ 199,664,923</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 CAPITAL ASSETS – DISCRETE COMPONENT UNITS

The following is a summary of the changes in capital assets for the fiscal year ended December 31:

	January 1, 2024	Additions	Transfers	Deletions	December 31, 2024
Capital Assets Not Being Depreciated:					
Land	\$ 276,397	\$ -	\$ -	\$ -	\$ 276,397
Construction in Progress	38,306,190	52,454,981	(59,940,408)	-	30,820,763
Total Capital Assets Not Being Depreciated	38,582,587	52,454,981	(59,940,408)	-	31,097,160
Capital Assets Being Depreciated:					
Buildings and Improvements	265,161,077	-	56,944,744	-	322,105,821
Equipment - Dwelling	3,208,318	-	695,362	-	3,903,680
Leasehold Improvements	18,052,129	-	2,300,302	-	20,352,431
Total Capital Assets Being Depreciated	286,421,524	-	59,940,408	-	346,361,932
Accumulated Depreciation:					
Buildings and Improvements	(56,222,961)	(8,217,108)	-	-	(64,440,069)
Equipment - Dwelling	(2,811,259)	(186,225)	-	-	(2,997,484)
Leasehold Improvements	(11,188,731)	(1,405,742)	-	-	(12,594,473)
Total Accumulated Depreciation	(70,222,951)	(9,809,075)	-	-	(80,032,026)
Depreciable Assets - Net	216,198,573	(9,809,075)	59,940,408	-	266,329,906
Total Capital Assets - Net	<u>\$ 254,781,160</u>	<u>\$ 42,645,906</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 297,427,066</u>

The following is a summary of the right-to-use assets for the year ended December 31:

Partnership Name	Ground Lease	Vehicle Lease	Accumulated Amortization	Right-of- Use Lease Asset, Net	Right-of- Use Lease Liability, Net	Lease Expense
Garden Valley Housing Partnership I, L.P.	\$ 468,350	\$ 27,748	\$ (85,901)	\$ 410,197	\$ 16,163	\$ 9,521
Garden Valley Housing Partnership II, L.P.	300,300	25,919	(60,708)	265,511	11,528	6,387
Garden Valley Housing Partnership III, L.P.	426,000	23,958	(73,757)	376,201	13,974	8,465
Garden Valley Housing Partnership IV, L.P.	171,000	19,867	(22,035)	168,832	11,486	5,350
Euclid-Lee Senior, L.P.	-	4,050	(2,181)	1,869	1,841	691
Miles Pointe Elderly, L.P.	-	2,203	(1,187)	1,016	1,001	375
Faifax Intergenerational Housing, L.P.	161,587	2,049	(21,234)	142,402	931	1,998
Bohn Tower Redevelopment, L.P.	1,800,000	15,696	(253,630)	1,562,066	1,562,066	248,647
Carver Park Phase I, L.P.	21,010,000	104,644	(2,346,905)	18,767,739	18,767,739	2,364,089
Carver Park Phase II, L.P.	5,390,000	90,690	(541,423)	4,939,267	4,939,267	492,017
Riverside Park Phase II, L.P.	12,950,000	97,433	(1,028,488)	12,018,945	12,018,945	1,013,924
Riverside Park Phase III, L.P.	14,960,000	76,393	(981,434)	14,054,959	14,054,959	961,832
Carver Park Phase III, L.P.	14,100,000	39,042	(368,935)	13,770,107	13,770,107	385,271
Wade Park LP	15,180,000	43,005	(448,196)	14,774,809	14,774,809	427,535
Total	<u>\$ 86,917,237</u>	<u>\$ 572,697</u>	<u>\$ (6,236,014)</u>	<u>\$ 81,253,920</u>	<u>\$ 79,944,816</u>	<u>\$ 5,926,102</u>

Future minimum lease payments are as follows for the years ending December 31:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 52,810
2026	52,597
2027	18,209
2028	-
2029	-
Thereafter	80,248,725
Total	<u>\$ 80,372,341</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 NOTES RECEIVABLE AND GROUND LEASES – BUSINESS-TYPE ACTIVITIES

Notes and mortgages receivable are comprised of the following types of loans: Mixed Finance Construction Loans - the Authority advances loans to third-party developers in conjunction with multi-lender Mixed Finance arrangements for new construction. A lump-sum payment of principal and interest, if applicable, is due at maturity, which is 40 to 50 years. These loans are secured by the notes and mortgages on the respective properties. There are other loans where principal and interest are paid based on the cash flow of the respective properties.

Allowances – At December 31, 2024, Notes and Mortgages Receivable totaled \$140.8 million (before eliminations) and related accrued interest totals \$3.3 million. The balance includes amounts for construction loans. All notes and mortgages are collateralized by the respective properties. These loans are due at maturity ranging from 40 to 50 years. Allowances have been established for funds loaned from WRRMC to Cleveland Housing Network, Inc. and for some funds loaned from the Authority to other Partnerships, as these loans may be satisfied by transfer of property to the Authority.

Interest Income – Interest is due at the maturity date of these loans. Due to the length of time preceding the required payment of interest, interest earned on the notes and mortgage receivables has been deferred and not recognized in the statements of revenues, expenses, and changes in net position.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 NOTES RECEIVABLE AND GROUND LEASES – BUSINESS-TYPE ACTIVITIES
(CONTINUED)

Notes and mortgages receivable at December 31, 2024 consisted of the following:

Loaned To	Loaned From	Origination Date	Maturity Date	Original Balance	Interest Rate	12/31/2024 Balance
Bohn Tower Redevelopment, LP	BUSA	2/1/15	2/1/57	\$ 2,543,000	7.00%	\$ 2,543,000
Cedar I (RAD)	BUSA	11/24/15	11/24/65	8,512,041	1.00%	7,174,877
Cedar I (RAD)	BUSA	11/24/15	11/24/33	-	0.00%	15,313
Cedar II (RAD)	BUSA	2/4/16	2/4/56	4,633,943	2.25%	4,633,943
Cedar III (RAD)	BUSA	11/1/20	11/1/62	1,700,000	5.00%	1,700,000
Garden Valley Housing Prtshp IV, LP	BUSA	12/21/15	12/21/55	3,870,234	2.75%	3,870,234
Carver Park II, LP (RAD)	BUSA	5/1/18	5/1/63	1,157,551	1.00%	1,157,551
Cedar I (RAD)	Public Housing	11/24/15	11/24/65	8,512,041	1.00%	478,885
Cedar I (RAD)	Public Housing	11/24/15	11/24/65	8,512,041	1.00%	538,279
Cedar Ground Lease Receivable	BUSA					320,000
Valleyview I (Tremont Point)	BCU	12/22/06	12/31/52	7,273,213	0.25%	7,273,213
Valleyview I (Tremont Point)	BCU	12/22/06	12/21/46	500,000	4.90%	500,000
Valleyview II (Tremont Point II)	Public Housing	9/17/08	12/31/60	3,350,273	1.75%	3,350,276
Valleyview II (Tremont Point II)	Public Housing	9/7/08	12/31/16	1,500,000	1.75%	1,500,000
Garden Valley Housing Prtshp I, LP	Public Housing	11/18/09	4/1/62	11,700,000	0.20%	11,700,000
Garden Valley Housing Prtshp I, LP	Public Housing	11/18/09	4/1/62	1,750,593	0.20%	1,750,592
Garden Valley Housing Prtshp II, LP	Public Housing	3/17/10	12/31/60	10,209,408	0.00%	10,209,408
Garden Valley Housing Prtshp III, LP	Public Housing	9/16/10	1/16/62	14,953,185	0.50%	14,953,185
Euclid Lee Senior, LP	Public Housing	11/4/11	11/5/56	6,059,163	0.10%	5,962,955
Euclid Lee Senior, LP	Public Housing	11/4/11	11/5/56	6,338,023	0.10%	6,338,023
Miles Pointe Elderly, LP	Public Housing	8/16/12	8/16/57	300,000	0.25%	3,000,000
	MF Property					
Fairfax International Housing, LP	Disposition	10/22/12	10/22/62	1,400,000	0.25%	1,400,000
Carver Park II, LP (RAD)	BCU	5/1/18	5/1/63	2,485,263	1.00%	2,008,034
Riverside Park Phase III, LP	BCU	4/1/20	4/1/65	7,405,851	4.03%	6,665,266
Riverside Park Phase II, LP	BCU	3/26/19	2/26/64	1,592,482	3.22%	1,180,826
Cedar Redevelopment Phase III, LLC	BCU	12/23/21	11/1/62	1,988,522	5.00%	1,988,521
WRRMC	BCU	11/17/22	11/21/77	1,731,550	3.50%	1,731,550
WRRMC	BCU	11/21/22	11/21/78	3,000,000	0.25%	3,000,000
2045 Initiative Bonds (Springbrook High-Rise)	BUSA	1/20/22	4/1/32	3,850,737	3.25%	2,913,210
2045 Initiative Bonds (Oakwood Villa)	BUSA	5/25/22	7/1/32	1,806,562	6.00%	1,450,717
2045 Initiative Bonds (Park Denison)	BUSA	3/31/22	6/1/47	645,199	1.75%	590,824
2045 Initiative Bonds (Fairway-Lorain)	BUSA	11/28/22	1/1/33	2,805,628	3.00%	2,309,662
Wade Park	BUSA	11/21/22	11/21/77	1,500,000	5.00%	1,500,000
2045 Initiative Bonds (Legacy Park)	BUSA	11/15/21	1/1/34	501,040	2.50%	389,494
2045 Initiative Bonds (Addison Square)	BUSA	10/31/23	12/1/30	5,253,279	2.88%	4,507,711
2045 Initiative Bonds (Laronde Apt)	BUSA	1/26/23	3/1/33	555,000	3.00%	465,324
2045 Initiative Bonds (Crestview Apt)	BUSA	10/9/24	12/31/39	7,815,414	3.00%	7,815,414
2045 Initiative Bonds (Bellaire Gardens)	BUSA	10/9/24	12/1/31	5,171,762	3.00%	5,171,762
2045 Initiative Bonds (Bellaire Apt - Puritas Gardens)	BUSA	10/9/24	12/1/31	1,680,573	3.00%	1,680,573
WRRMC - 2045 Transformation LLC	BCU	10/8/24	10/22/62	487,210	0.00%	487,210
Woodhill Central	CNI	10/8/24	10/22/62	1,400,000	0.00%	2,474,675
Various Repayment Agreements				-	0.00%	32,709
YMCA Lease Receivable	Public Housing			-	0.00%	2,117,922
Total Notes Receivables						140,851,138
Elimination of Related Party Notes						(25,467,965)
Net Loans Receivable - Noncurrent						<u>\$ 115,383,173</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 NOTES RECEIVABLE AND GROUND LEASES – BUSINESS-TYPE ACTIVITIES
(CONTINUED)

WRRMC loaned funds to various Partnerships. As of December 31, 2024, the notes receivable terms are summarized as follows:

Partnership Name	Original Date of Loan	*Maturity Date	Original Balance of Loan	Balance at 12/31/2024	Interest Rate
Cleveland New Construction, LP IV	9/4/2007	12/31/2027	\$ 1,400,000	\$ 375,000	2.50%
Hough Homes, LP	12/1/2005	12/31/2025	2,327,273	640,000	5.25%
Stockyard Homes, LP	12/20/2006	12/31/2026	1,497,636	150,000	1.00%
Total Notes Receivable, Including Deferred Interest				1,165,000	
Allowance for Notes Receivable, Including Deferred Interest				(1,165,000)	
Notes Receivable, Net				<u>\$ -</u>	

No principal and interest payments are received on the notes receivable until each note's maturity date. The notes are secured by a mortgage on each respective Partnership.

CMHA loaned funds to various Partnerships. As of December 31, 2024, the notes receivable terms are summarized as follows:

Partnership Name	Original Date of Loan	*Maturity Date	Original Balance of Loan	Balance at 12/31/2024	Interest Rate
East Side Neighborhood Homes LP	11/15/2004	11/15/2050	\$ 8,450,000	\$ 8,870,867	0.25%
OCDS LP	9/16/2004	9/16/2049	2,040,000	5,524,012	5.03%
OCDS LP	9/16/2004	9/16/2049	261,480	275,071	0.25%
Gordon Square LP	12/22/2005	3/31/2047	1,670,000	5,576,119	4.79%
Gordon Square LP	12/22/2005	3/31/2047	800,000	836,000	0.25%
Total Notes Receivable, Including Deferred Interest				21,082,069	
Allowance for Notes Receivable, Including Deferred Interest				(21,082,069)	
Notes Receivable, Net				<u>\$ -</u>	

* The maturity date, as defined in each Loan Agreement, is the earliest of 20 or 30 years from the date the last unit in the Partnership is leased to a tenant meeting all LIHTC and HUD requirements, but in no event later than the maturity date in the above schedule.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 NOTES RECEIVABLE AND GROUND LEASES – BUSINESS-TYPE ACTIVITIES
(CONTINUED)

CMHA loaned funds to various partnerships related to ground leases of CMHA land. As of December 31, 2024, the following ground lease notes receivable have been offset against the corresponding unearned deferred ground lease revenue as summarized as follows:

Partnership Name	Original Date of Loan	Maturity Date	Ground Lease Notes Receivable 12/31/2024
Carver Park Phase I, LP	9/8/2016	9/7/2061	\$ 18,679,905
Carver Park Phase II, LP	5/1/2018	5/1/2063	4,910,364
Carver Park Phase III, LP	12/14/2022	12/14/2072	13,714,729
Bohn Towers GP	2/1/2015	1/31/2047	1,553,699
Riverside Park Phase II, LP	3/26/2019	3/26/2064	11,953,264
Riverside Park Phase III LP	3/31/2020	3/31/2065	14,011,304
Wade Park, LP	11/21/2022	11/21/2077	14,752,465
Total Notes Receivable			79,575,730
Unearned Ground Lease Revenue			(79,575,730)
Amount Reported on Financial Statements			<u>\$ -</u>

NOTE 9 DEVELOPER FEES RECEIVABLE – BUSINESS-TYPE ACTIVITIES

In connection with the development of various mixed finance projects, the Authority has development fees receivable from the discretely presented component units totaling \$31.5 million. These receivables are payable based upon the respective partnership agreements and are due to WRRMC.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 10 INVESTMENT IN REAL ESTATE PARTNERSHIPS – BUSINESS-TYPE ACTIVITIES

The Authority's blended component unit, WRRMC, includes investments in real estate partnerships. Riverside Park Homes, LP is also included as a blended component unit of the Authority, so WRRMC's investment has been eliminated. Investments in real estate partnerships are as follows:

Riverside Park Homes, L.P.	\$ 10,748,279
Carve Park III, L.P.	1,584,923
Fairfax Intergenerational, L.P.	916,807
Garden Valley Housing Partnership II, L.P.	404,009
Bohn Tower Redevelopment, L.P.	225,235
Euclid-Lee Senior, L.P.	1,507,615
Miles Pointe Elderly, L.P.	186,746
Wade Park, LP	842,299
Garden Valley Housing Partnership I, L.P.	804,921
Total Investment in Real Estate Partnerships	<u>17,220,834</u>
Less: Elimination of WRRMC Investment in	
Riverside Park Homes, LP	(10,748,279)
Net Investment in Real Estate Partnerships	<u><u>\$ 6,472,555</u></u>

NOTE 11 ACCRUED EXPENSES – BUSINESS-TYPE ACTIVITIES

Current accrued expenses at December 31 consist of the following items:

Workers' Compensation - Current Portion	\$ 550,291
Litigation Reserves	224,945
Lease Liability	647,560
Accrued Utilities	16,979
Insurance Premium	3,989,276
Accrued Construction Liability	38,734
Other	14,710,171
Total	<u><u>\$ 20,177,956</u></u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES

A summary of the Authority's long-term debt consisted of the following as of December 31:

	January 1, 2024	Increase	Decrease	December 31, 2024	Due Within One Year
<u>Direct Borrowings</u>					
Ambleside - Mortgage Note	\$ 5,741,634	\$ 6,553	\$ (158,460)	\$ 5,589,727	\$ 184,193
Severance - Mortgage Note	5,143,371	3,665	(139,641)	5,007,395	144,410
Quarrytown - Mortgage Note	3,664,041	3,194	(82,216)	3,585,019	84,480
Riverside Park Homes, L.P.	2,222,759	9,917	(49,262)	2,183,414	50,750
Riverview Tower	15,756,598	22,003	(351,657)	15,426,944	359,508
West Boulevard	4,493,530	7,124	(100,837)	4,399,817	103,089
Cedar Extension High Rise	6,329,592	8,802	(133,628)	6,204,766	136,925
Euclid Beach Gardens	4,384,643	6,415	(92,110)	4,298,948	94,439
Mount Auburn Manor	3,348,671	6,048	(71,120)	3,283,599	72,846
Beachcrest	7,317,256	11,617	(152,412)	7,176,461	156,188
Apthorp Tower	4,144,633	13,187	(88,405)	4,069,415	90,667
Miles Elmerge	3,609,766	6,201	(68,311)	3,547,656	70,326
Union Square	4,500,868	9,413	(93,545)	4,416,736	95,939
<u>Bonds Payable</u>					
Ohio Bond Financing 2017	3,995,000	-	(940,000)	3,055,000	980,000
CFFP 2009 Modernization Loan A	5,767,510	-	(816,410)	4,951,100	869,510
CFFP 2009 Modernization Loan B	3,436,790	-	(486,490)	2,950,300	518,130
2020 CMHA Campus Bonds	13,980,000	-	(635,000)	13,345,000	660,000
Unamortized Premium - 2020 Bonds	2,345,584	-	-	2,345,584	-
2045 Bond Series - 2021	32,000,000	-	-	32,000,000	-
Total	<u>\$ 132,182,246</u>	<u>\$ 114,139</u>	<u>\$ (4,459,504)</u>	<u>\$ 127,836,881</u>	<u>\$ 4,671,400</u>

First Mortgage Note – Ambleside

On January 1, 2021, the Partnership entered into a first mortgage note payable with ORIX Real Estate Capital LLC, in the amount of \$6,262,300. Commencing March 1, 2021, monthly principal and interest payments totaling \$26,318 are due. The first mortgage bears an interest at 2.73% per annum and is due August 1, 2049, its maturity date. At December 31, 2024, \$5,589,727 in debt remained outstanding. Obligations under the agreement are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 184,193	\$ 152,972	\$ 337,165
2026	167,342	148,471	315,813
2027	171,968	143,844	315,812
2028	176,722	139,091	315,813
2029	181,607	134,205	315,812
2030-2034	986,175	592,886	1,579,061
2035-2039	1,130,233	448,829	1,579,062
2040-2044	1,295,334	283,727	1,579,061
2045-2049	1,296,153	94,687	1,390,840
Total	<u>\$ 5,589,727</u>	<u>\$ 2,138,712</u>	<u>\$ 7,728,439</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

First Mortgage Note – Severance

On January 1, 2021, the Partnership entered into a first mortgage note payable with ORIX Real Estate Capital LLC, in the amount of \$5,613,600. Commencing on March 1, 2021, monthly principal and interest payments totaling \$23,560 are due. The first mortgage bears an interest of 2.75% per annum and is due November 1, 2049, its maturity date. At December 31, 2024, \$5,007,395 in debt remained outstanding. Obligations under the agreement are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 144,410	\$ 138,311	\$ 282,721
2026	148,432	134,289	282,721
2027	152,566	130,156	282,722
2028	156,815	125,907	282,722
2029	161,182	121,540	282,722
2030-2034	875,794	537,813	1,413,607
2035-2039	1,004,729	414,878	1,419,607
2040-2044	1,152,647	260,960	1,413,607
2045-2049	1,210,820	91,266	1,302,086
Total	<u>\$ 5,007,395</u>	<u>\$ 1,955,120</u>	<u>\$ 6,962,515</u>

First Mortgage Note – Quarrytown

On September 1, 2021, the Partnership entered into a first mortgage note payable with ORIX Real Estate Capital LLC, in the amount of \$3,930,000. Commencing on November 1, 2021, monthly principal and interest payments totaling \$15,288 are due. The first mortgage bears an interest of 2.72% per annum and is due December 1, 2053, its maturity date. At December 31, 2024, \$3,585,019 in debt remained outstanding. Obligations under the agreement are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 84,480	\$ 98,970	\$ 183,450
2026	86,807	96,643	183,450
2027	89,198	94,252	183,450
2028	91,655	91,795	183,450
2029	94,179	89,271	183,450
2030-2034	511,261	405,990	917,251
2035-2039	585,653	331,598	917,251
2040-2044	670,869	246,383	917,252
2045-2049	768,483	148,769	917,252
2050-2053	602,434	39,254	641,688
Total	<u>\$ 3,585,019</u>	<u>\$ 1,642,925</u>	<u>\$ 5,227,944</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

Riverside Park Homes, L.P.

On May 1, 2020, the Partnership entered into a loan agreement with ORIX Real Estate Capital LLC in the amount of \$2,694,800. The mortgage is insured by the Federal Housing Administration and bears interest at a rate of 2.98% per annum. The mortgage is secured by the Property and all rents and leases of the Property. Interest only payments are due and payable on the first day of each month. Beginning on July 1, 2020, consecutive monthly principal and interest payments of \$10,341 are due, with the unpaid principal balance due on the maturity date of June 1, 2055. As of December 31, 2024, the outstanding balance of the mortgage payable was \$2,183,414.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 50,750	\$ 73,340	\$ 124,090
2026	52,284	71,807	124,091
2027	53,863	70,228	124,091
2028	55,490	68,600	124,090
2029	57,167	66,924	124,091
2030-2034	312,806	307,647	620,453
2035-2039	362,998	257,454	620,452
2040-2044	421,244	199,208	620,452
2045-2049	488,836	131,617	620,453
2050-2054	266,468	53,179	319,647
2055	61,508	535	62,043
	<u>\$ 2,183,414</u>	<u>\$ 1,300,539</u>	<u>\$ 3,483,953</u>

Riverview Tower

On April 1, 2021, the Company entered into a mortgage loan agreement with Orix Real Estate Capital, LLC in the amount of \$17,345,000. The mortgage is insured by the Federal Housing Administration (FHA) and bears interest at a rate of 2.21% per annum. The mortgage is secured by the Property and all rents and leases of the Property. Interest only payments are due and payable on the first day of each month. Beginning on June 1, 2021, consecutive monthly principal and interest payments of \$59,344 are due, with the final payment on May 31, 2056, its maturity date. As of December 31, 2024, the outstanding balance of the mortgage payable was \$15,426,944.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 359,508	\$ 352,626	\$ 712,134
2026	367,534	344,600	712,134
2027	375,739	336,394	712,133
2028	384,128	328,006	712,134
2029	392,703	319,430	712,133
2030-2034	2,099,004	1,461,662	3,560,666
2035-2039	2,344,006	1,216,659	3,560,665
2040-2044	2,617,606	943,059	3,560,665
2045-2049	2,923,139	637,527	3,560,666
2050-2054	3,264,337	296,329	3,560,666
2055-2056	299,240	16,528	315,768
Total	<u>\$ 15,426,944</u>	<u>\$ 6,252,820</u>	<u>\$ 21,679,764</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

West Boulevard

On April 1, 2021, the Company entered into a mortgage loan agreement with Orix Real Estate Capital, LLC in the amount of \$4,973,700. The mortgage is insured by the Federal Housing Administration (FHA) and bears interest at a rate of 2.21% per annum. The mortgage is secured by the Property and all rents and leases of the Property. Interest only payments are due and payable on the first day of each month. Beginning on June 1, 2021, consecutive monthly principal and interest payments of \$17,017 are due, with the final payment on May 1, 2056, its maturity date. As of December 31, 2024, the outstanding balance of the mortgage payable was \$4,399,817.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 103,089	\$ 101,116	\$ 204,205
2026	105,391	98,814	204,205
2027	107,744	96,461	204,205
2028	110,149	94,056	204,205
2029	112,608	91,597	204,205
2030-2034	601,892	419,133	1,021,025
2035-2039	672,146	348,879	1,021,025
2040-2044	750,601	270,424	1,021,025
2045-2049	838,214	182,812	1,021,026
2050-2054	936,052	84,973	1,021,025
2055-2056	61,931	4,739	66,670
Total	<u>\$ 4,399,817</u>	<u>\$ 1,793,004</u>	<u>\$ 6,192,821</u>

Cedar Extension High Rise

On August 1, 2021, the Company entered into a mortgage loan agreement with ORIX Real Estate Capital, LLC in the amount of \$6,905,400. The mortgage is insured by the Federal Housing Administration (FHA) and bears interest at a rate of 2.44% per annum. The mortgage is secured by the Property and all rents and leases of the Property. Monthly interest only payments are due and payable on the first day of each month. Commencing October 1, 2021, consecutive monthly principal and interest payments of \$24,465 are due, with the final payment due on September 1, 2056, its maturity date. As of December 31, 2024, the outstanding balance of the mortgage payable was \$6,204,766.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 136,925	\$ 156,655	\$ 293,580
2026	140,303	153,276	293,579
2027	143,765	149,814	293,579
2028	147,313	146,267	293,580
2029	150,948	142,632	293,580
2030-2034	812,479	655,418	1,467,897
2035-2039	917,788	550,109	1,467,897
2040-2044	1,036,746	431,151	1,467,897
2045-2049	1,171,123	296,774	1,467,897
2050-2054	1,322,917	144,980	1,467,897
2055-2056	224,459	11,314	235,773
Total	<u>\$ 6,204,766</u>	<u>\$ 2,838,390</u>	<u>\$ 9,043,156</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

Euclid Beach Gardens

On July 1, 2021, the Company entered into a mortgage loan agreement with ORIX Real Estate Capital, LLC in the amount of \$4,799,300. The mortgage is insured by the Federal Housing Administration (FHA) and bears interest at a rate of 2.50% per annum. The mortgage is secured by the Property and all rents and leases of the Property. Commencing July 1, 2021, interest only payments are due and payable on the first day of each month. Beginning September 1, 2021, consecutive monthly principal and interest payments of \$17,157 are due, with the final payment on August 1, 2056, its maturity date. The mortgage payable did not close until July 27, 2021. As of December 31, 2024, the outstanding balance of the mortgage payable was \$4,298,947.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 94,439	\$ 111,448	\$ 205,887
2026	96,828	109,060	205,888
2027	99,276	106,611	205,887
2028	101,787	104,101	205,888
2029	104,361	101,526	205,887
2030-2034	562,751	466,685	1,029,436
2035-2039	637,597	391,838	1,029,435
2040-2044	722,399	307,037	1,029,436
2045-2049	818,479	210,957	1,029,436
2050-2054	927,337	102,099	1,029,436
2055-2056	133,693	7,393	141,086
Total	<u>\$ 4,298,947</u>	<u>\$ 2,018,755</u>	<u>\$ 6,317,702</u>

Mount Auburn

On December 15, 2021, the Company entered into a mortgage loan agreement with ORIX Real Estate Capital, LLC in the amount of \$3,679,400. The mortgage is insured by the Federal Housing Administration (FHA) and bears interest at a rate of 2.40% per annum. The mortgage is secured by the Property and all rents and leases of the Property. Commencing January 1, 2022, interest only payments are due on the first day of each month. Beginning February 1, 2022, consecutive monthly principal and interest payments of \$12,597 are due, with the final payment on January 1, 2057, its maturity date. As of December 31, 2024, the outstanding balance of the mortgage payable was \$3,283,600.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 72,846	\$ 82,642	\$ 155,488
2026	74,614	80,874	155,488
2027	76,424	79,063	155,487
2028	78,279	77,209	155,488
2029	80,178	75,309	155,487
2030-2034	431,036	346,401	777,437
2035-2039	485,934	291,503	777,437
2040-2044	547,824	229,614	777,438
2045-2049	617,595	159,842	777,437
2050-2054	696,253	81,184	777,437
2055-2056	122,617	8,273	130,890
Total	<u>\$ 3,283,600</u>	<u>\$ 1,511,914</u>	<u>\$ 4,795,514</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

Beachcrest

On January 1, 2022, the Company entered into a mortgage loan agreement with Orix Real Estate Capital, LLC in the amount of \$7,970,500. The mortgage is insured by the Federal Housing Administration (“FHA”) and bears interest at a rate of 2.45% per annum. The mortgage is secured by the property and all rents and leases of the property. Interest payments are due and payable on the first day of each month, up until February 28, 2022. Commencing March 1, 2022, consecutive monthly principal and interest payments of \$28,281 are due, with the final payment on February 1, 2057, its maturity date. As of December 31, 2024, the outstanding balance of the mortgage payable was \$7,176,461.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 156,188	\$ 183,184	\$ 339,372
2026	160,058	179,314	339,372
2027	164,023	175,349	339,372
2028	168,087	171,285	339,372
2029	172,252	167,120	339,372
2030-2034	927,434	769,426	1,696,860
2035-2039	1,048,165	648,695	1,696,860
2040-2044	1,184,613	512,247	1,696,860
2045-2049	1,338,824	358,036	1,696,860
2050-2054	1,513,109	183,751	1,696,860
2055-2056	343,708	19,886	363,594
Total	<u>\$ 7,176,461</u>	<u>\$ 3,368,293</u>	<u>\$ 10,544,754</u>

Apthorp Tower

On April 1, 2022, the Company entered into a mortgage loan agreement with Orix Real Estate Capital, LLC in the amount of \$4,718,600. The mortgage is insured by the Federal Housing Administration (“FHA”) and bears interest at a rate of 2.53% per annum. The mortgage is secured by the property and all rents and leases of the property. Interest payments are due and payable on the first day of each month, up until May 31, 2022. Beginning June 1, 2022, consecutive monthly principal and interest payments of \$16,945 are due, with the final payment on May 1, 2057, its maturity date. As of December 31, 2024, the outstanding balance of the mortgage payable was \$4,069,415.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 90,667	\$ 112,670	\$ 203,337
2026	92,988	110,349	203,337
2027	95,368	107,969	203,337
2028	97,809	105,528	203,337
2029	100,312	103,024	203,336
2030-2034	541,415	475,269	1,016,684
2035-2039	614,343	402,342	1,016,685
2040-2044	697,094	319,591	1,016,685
2045-2049	790,991	225,693	1,016,684
2050-2054	897,536	119,148	1,016,684
2055-2057	50,892	15,207	66,099
Total	<u>\$ 4,069,415</u>	<u>\$ 2,096,790</u>	<u>\$ 6,166,205</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

Miles Elmarge

On May 1, 2022, the Company entered into a mortgage loan agreement with Orix Real Estate Capital, LLC in the amount of \$3,915,300. The mortgage is insured by the Federal Housing Administration (“FHA”) and bears interest at a rate of 2.91% per annum. The mortgage is secured by the property and all rents and leases of the property. Interest payments are due and payable on the first day of each month, up until June 30, 2022. Beginning July 1, 2022, consecutive monthly principal and interest payments of \$14,872 are due, with the final payment on June 1, 2057, its maturity date. The loan closed on May 24, 2022. As of December 31, 2024, the outstanding balance of the mortgage payable was \$3,547,656.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 70,326	\$ 108,139	\$ 178,465
2026	72,400	106,065	178,465
2027	74,535	103,930	178,465
2028	76,733	101,732	178,465
2029	78,996	99,807	178,803
2030-2034	429,479	462,840	892,319
2035-2039	496,656	395,664	892,320
2040-2044	574,340	317,980	892,320
2045-2049	664,175	228,145	892,320
2050-2054	768,061	124,258	892,319
2055-2057	241,955	18,189	260,144
Total	<u>\$ 3,547,656</u>	<u>\$ 2,066,749</u>	<u>\$ 5,614,405</u>

Union Square

On February 1, 2022, the Company entered into a mortgage loan agreement with Orix Real Estate Capital, LLC in the amount of \$4,972,000. The mortgage is insured by the Federal Housing Administration (“FHA”) and bears interest at a rate of 2.53% per annum. The mortgage is secured by the property and all rents and leases of the property. Interest payments are due and payable on the first day of each month, up until March 30, 2022. Beginning April 1, 2022, consecutive monthly principal and interest payments of \$17,855 are due, with the final payment on March 1, 2057, its maturity date. As of December 31, 2024, the outstanding balance of the mortgage payable was \$4,416,736.

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 95,939	\$ 118,317	\$ 214,256
2026	98,395	115,861	214,256
2027	100,914	113,343	214,257
2028	103,497	110,760	214,257
2029	106,146	108,111	214,257
2030-2034	572,898	498,384	1,071,282
2035-2039	650,066	421,216	1,071,282
2040-2044	737,629	333,653	1,071,282
2045-2049	836,987	234,296	1,071,283
2050-2054	949,728	121,555	1,071,283
2055-2057	164,537	13,943	178,480
Total	<u>\$ 4,416,736</u>	<u>\$ 2,189,439</u>	<u>\$ 6,606,175</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

Ohio Bond Financing – CFFP

On July 17, 2007, the Authority issued a Capital Fund backed bond with three other housing authorities. The Authority's debt from the bond issuance is \$15,315,000 and after providing for a debt service reserve and upfront costs, the Authority will have \$14,003,165 to spend on improvements to facilities. The bonds have a 20-year term with interest rates from 3.90% to 4.67%. A bond premium was also received and will be amortized over the life of the bonds on a straight-line basis. Payments will be made in April and October starting in October of 2007 and will be made directly from HUD. On March 13, 2018, the debt was re-financed when the Authority issued a Capital Fund backed bond with three other housing authorities. The Authority's debt from the bond issuance is \$9,045,000. The bond has a 10-year term with interest rates from 3.00% to 4.00%. Payments will be made in April and October starting in April 2018 and will be made directly from HUD. At December 31, 2024, \$3,055,000 in debt remained outstanding. Obligations under the agreement are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 980,000	\$ 81,850	\$ 1,061,850
2026	1,020,000	46,950	1,066,950
2027	1,055,000	15,825	1,070,825
Total	<u>\$ 3,055,000</u>	<u>\$ 144,625</u>	<u>\$ 3,199,625</u>

Capital Fund Financing – CFFP 2009

On November 18, 2009, the Authority issued Capital Fund backed debt in the form of two loans (Loans A and B). The Authority's debt for both loans is \$20,878,960. Loan A in the amount of \$13,082,970 provided \$11,700,426 net proceeds after debt service reserves and up-front costs. These proceeds were used for Phase III of the Garden Valley Mixed Finance redevelopment after being loaned to the Garden Valley Housing Partnership I, LP. The maturity date for the loan is October 1, 2029, and it has an interest rate of 6.40%. Loan B in the amount of \$7,795,990 provided \$7,000,256 net proceeds after debt service reserves and up-front costs. These proceeds were used at various Authority properties to fund the implementation of Uniform Federal Accessibility Standards (UFAS) improvements. The maturity date for the loan is October 1, 2029, and it has an interest rate of 6.40%. Payments are made in April and October each year and began in April 2010. The payments are made directly from HUD. At December 31, 2024, \$7,901,400 in debt remained outstanding for these two loans. Combined obligations for both loans under the agreements are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,387,640	\$ 483,488	\$ 1,871,128
2026	1,477,900	393,234	1,871,134
2027	1,574,030	297,110	1,871,140
2028	1,676,400	194,735	1,871,135
2029	1,785,430	85,701	1,871,131
Total	<u>\$ 7,901,400</u>	<u>\$ 1,454,268</u>	<u>\$ 9,355,668</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 12 DEBT AND LEASE OBLIGATIONS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

2020 General Revenue Refunding Bonds

On February 20, 2020, the Authority issued General Revenue Refunding Bonds, Series 2020 in the amount of \$16,320,000. The bonds will bear interest from February 20, 2020, payable on June 1 and December 1 of each year, beginning June 1, 2020. The interest rate is 3.00-5.00%, with a maturity at December 1, 2039. At December 31, 2024, \$15,690,584 in debt remained outstanding. Obligations under the agreement are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 660,000	\$ 541,850	\$ 1,201,850
2026	690,000	515,450	1,205,450
2027	715,000	487,850	1,202,850
2028	745,000	459,250	1,204,250
2029	775,000	429,450	1,204,450
2030-2034	4,395,000	1,622,850	6,017,850
2035-2039	5,365,000	660,800	6,025,800
Total Payments	13,345,000	4,717,500	18,062,500
Unamortized Bond Premium	2,345,584	-	2,345,584
Total	<u>\$ 15,690,584</u>	<u>\$ 4,717,500</u>	<u>\$ 20,408,084</u>

2045 Bond Series – 2021

On April 29, 2021, the Authority issued General Revenue Refunding Bonds, Series 2021 in the amount of \$32,000,000. The bonds will bear interest from April 29, 2021, payable on June 1 and December 1 of each year beginning December 1, 2021. The interest rate is 2.0%, with a maturity at December 1, 2031. At December 31, 2023, \$32,000,000 in debt remained outstanding. Obligations under the agreement are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ 640,000	\$ 640,000
2026	-	640,000	640,000
2027	-	640,000	640,000
2028	-	640,000	640,000
2029-2031	32,000,000	1,920,000	33,920,000
Total	<u>\$ 32,000,000</u>	<u>\$ 4,480,000</u>	<u>\$ 36,480,000</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS

Debt Summary

A summary of the discrete component unit long-term debt in 2024 follows:

	January 1, 2024	Increase	Decrease	December 31, 2024	Due Within One Year	Debt Issuance Costs
Bohn Tower Mortgage/Bonds	\$ 12,425,278	\$ -	\$ (132,125)	\$ 12,293,153	\$ 146,936	\$ (271,899)
Carver Park I Mortgage/Bonds	12,196,575	-	(193,008)	12,003,567	214,861	(514,470)
Carver Park II Mortgage/Bonds	8,211,168	-	(64,112)	8,147,056	71,737	(176,708)
Carver Park III Mortgage/Bonds	44,344,584	16,250,047	-	60,594,631	47,183,209	(614,676)
Euclid-Lee Mortgages	12,300,978	-	-	12,300,978	-	-
Fairfax Mortgage/Construction	6,345,575	-	(30,438)	6,315,137	35,027	(12,068)
Garden Valley I Mortgages	15,642,954	3,407	-	15,646,361	-	(57,639)
Garden Valley II Mortgages	10,147,801	1,650	-	10,149,451	-	(61,607)
Garden Valley III Mortgages	15,406,944	3,871	-	15,410,815	-	(146,241)
Garden Valley IV Mortgages	8,017,142	-	(29,697)	7,987,445	410,369	(140,919)
Miles Pointe Mortgage	2,992,179	1,591	-	2,993,770	-	(7,821)
Riverside Park Phase II	16,960,352	-	(397,582)	16,562,770	415,244	(393,808)
Riverside Park Phase III	24,883,363	-	(193,332)	24,690,031	214,950	(503,259)
Wade Park	54,924,344	9,577,209	-	64,501,553	14,982,066	-
East Side Neighborhood	8,985,573	-	-	8,985,573	-	-
Total	<u>\$ 253,784,810</u>	<u>\$ 25,837,775</u>	<u>\$ (1,040,294)</u>	<u>\$ 278,582,291</u>	<u>\$ 63,674,399</u>	<u>\$ (2,901,115)</u>

Obligations under the debt agreements are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>
2025	\$ 63,674,399
2026	1,335,189
2027	37,666,980
2028	1,464,469
2029	1,758,339
Thereafter	172,682,915
Total	<u>\$ 278,582,291</u>

The following notes payable are between the Authority and related entities of 2045 Transformation, LLC, and are fully eliminated:

<u>Project Name</u>	<u>2024</u>	<u>Maturity Date</u>	<u>Interest Rate per Annum</u>
Legacy Park	\$ 389,494	1/1/2034	2.50%
Fairway Manor/Lorain Square	2,309,662	1/1/2033	3.00%
Oakwood Villas	1,450,717	7/1/2032	6.00%
Park Denison	590,824	6/1/2047	1.75%
Springbrook High Rise	2,913,210	4/1/2032	3.25%
Addison Square	4,507,711	12/1/2030	2.88%
LaRonde Apartments	465,324	3/1/2033	3.00%
Crestview Apartments	7,815,414	12/31/2039	3.00%
Bellarie Gardens	5,171,762	12/1/2031	3.00%
Bellaire Apartments - Puritas Gardens	1,680,573	12/1/2031	3.00%
Total	<u>27,294,691</u>		
Less: Unamortized Debt Issuance Costs	<u>(1,826,724)</u>		
Mortgage Payable - CMHA, Net	<u>\$ 25,467,967</u>		

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Bohn Tower Redevelopment, L.P.

On February 1, 2015, the Partnership entered into a mortgage loan agreement with Bellwether Enterprise Real Estate Capital, LLC in an amount not to exceed \$11,000,000. The maturity date is November 1, 2056. Principal and interest, at 4.40%, are to be paid monthly. At December 31, 2024, \$9,750,153 in debt remained outstanding and unamortized debt issuance costs totaled \$271,899.

On February 1, 2015, the Partnership entered into an Authority Funds Loan Agreement with the Authority in the amount of \$2,543,000. Interest accrues at 7.00%. Principal and interest payments are subject to surplus cash, and are deferred until its maturity date, February 1, 2057. Due to the uncertainty of future principal and interest payments on the loan, interest expense will be recorded consistent with principal payments on the note. At December 31, 2024, \$2,543,000 and \$868,460 in debt and deferred interest, respectively, remained outstanding.

Carver Park Phase I, L.P.

On September 1, 2016, the Partnership entered into a Leasehold Multifamily Mortgage with Red Mortgage Capital, LLC, in the amount of \$13,700,000. Interest will accrue at 3.56% annually. The maturity date for this debt is July 1, 2058. At December 31, 2024, the outstanding debt is \$12,003,567 and the unamortized debt issuance costs totaled \$514,470.

Carver Park Phase II, L.P.

On May 1, 2018, the Partnership signed an Authority Funds Note for \$1,157,551 with the Authority. The maturity date will be no later than April 30, 2063. Interest will accrue at 1.00% annually. Interest and principal will be due and payable on the maturity date. At December 31, 2024, \$1,157,551 and \$46,303 in debt and deferred interest, respectively, remained outstanding.

On May 1, 2018, the Partnership signed an FHA Loan in the amount not to exceed \$5,483,000 from Red Mortgage Capital LLC. The maturity date is October 1, 2059. The loan bears interest at 3.85% per annum. At December 31, 2024, \$4,981,471 and \$-0- in debt and deferred interest, respectively, remained outstanding.

On May 1, 2018, the Partnership entered into a pledged fee note in the amount not to exceed \$2,485,263 from WRRMC. The maturity date is May 1, 2063. The loan bears interest at 1.00% per annum. At December 31, 2024, \$2,008,034 and \$80,321 in debt and deferred interest, respectively, remained outstanding.

Euclid-Lee Senior, L.P.

On November 4, 2011, the Partnership entered into a loan Agreement with the Authority in the amount not to exceed \$6,059,163. The loan is secured by a mortgage on the rental property and is due on its maturity date of November 5, 2056. Interest accrues at a rate of 0.10% per annum. No principal or interest payments are required until its maturity date. At December 31, 2024, \$5,962,955 and \$40,345 in debt and accrued interest payable, respectively, remained outstanding.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Euclid-Lee Senior, L.P. (Continued)

On November 4, 2011, the Partnership entered into a promissory note with the Authority in the amount not to exceed \$6,338,348. The loan is secured by a mortgage on the rental property and is due on its maturity date of November 5, 2056. Interest accrues at a rate of 0.10% per annum. No principal or interest payments are required until its maturity date. At December 31, 2024, \$6,338,023 and \$40,680 in debt and accrued interest payable, respectively, remained outstanding.

Fairfax Intergenerational Housing, L.P.

On October 22, 2012, the Partnership entered into a loan agreement with the Authority in the amount of \$1,400,000. The loan is secured by a mortgage on the rental property and is due 50 years after construction of the Project has been completed and a final occupancy certificate has been issued. Interest accrues at a rate of 0.25% per annum. No principal or interest payments are required until its maturity date on October 24, 2062. At December 31, 2024, \$1,400,000 and \$21,681 in debt and accrued interest payable, respectively, remained outstanding.

On October 12, 2012, the Partnership entered into a promissory note with Fairfax Renaissance Development Corporation (FRDC), an affiliate of the General Partner, in the amount of \$998,000. The loan is secured by the rental property and bears interest at the rate of 0.25% per annum. No principal or interest payments are required until its maturity date of June 30, 2059. At December 31, 2024, \$998,000 and \$30,683 in debt and accrued interest payable, respectively, remained outstanding.

On October 12, 2012, the Partnership entered into a loan agreement with FRDC in the amount of \$3,202,000. The loan is secured by the rental property and interest accrues at a rate of 0.25. No principal or interest payments are required until its maturity date of June 30, 2059. At December 31, 2024, \$3,202,000 and \$90,248, in debt and accrued interest payable, respectively, remained outstanding.

On October 22, 2012, the Partnership entered into a Construction Loan Agreement with PNC Bank in an amount not to exceed \$1,000,000, with the option to convert the loan into a permanent loan not to exceed \$1,000,000. Commencing May 1, 2015 the loan bears interest at 3.95% per annum. At December 31, 2024, \$724,309 was outstanding. Interest incurred and expensed during 2024 was \$30,038.

Garden Valley Housing Partnership I, L.P.

On November 18, 2009, the Partnership entered into a loan agreement with the Authority in the amount of \$11,700,000. The loan is secured by a mortgage on the rental property and is due on its maturity date of April 1, 2062. Interest accrues at a rate of 0.20% per annum. No principal or interest payments are required until its maturity date. At December 31, 2024, \$11,700,000 and \$187,200 in debt and accrued interest payable, respectively, remained outstanding. Unamortized debt issuance costs totaled \$54,232 at December 31, 2024.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Garden Valley Housing Partnership I, L.P. (Continued)

On November 18, 2009, the Partnership entered into a promissory note with the Authority in the amount of \$1,750,593. The loan is secured by a mortgage on the rental property and is due on its maturity date of April 1, 2062. Interest accrues at a rate of 0.20% per annum. No principal or interest payments are required until its maturity date. At December 31, 2024, \$1,750,593 and \$28,008 in debt and accrued interest payable, respectively, remained outstanding.

On September 23, 2009, the Partnership entered into a Housing Trust Fund Home Investment Partnership loan agreement with the City of Cleveland in the amount of \$2,250,000. The loan is secured and interest accrues at a rate of 0.25% per annum. No principal or interest payments are required until its maturity date of December 31, 2060. At December 31, 2024, \$2,250,000 and \$77,764 in debt and accrued interest payable, respectively, remained outstanding.

Garden Valley Housing Partnership II, L.P.

On March 17, 2010, the Partnership entered into a loan agreement with the Authority in the amount of \$10,209,408. The loan is secured by a second mortgage on the rental property and is due on its maturity date of December 31, 2060. The loan is noninterest bearing and no principal payments are required until its maturity date. At November 30, 2024, \$10,149,451 in debt remained outstanding. Unamortized debt issuance costs totaled \$61,607 at November 30, 2023.

Garden Valley Housing Partnership II, L.P. has a fiscal year-end of November 30. Management believes there are no material transactions that would affect the financial position of operations of the LIHTC Partnership.

Garden Valley Housing Partnership III, L.P.

On September 16, 2010, the Partnership entered into a Capital Competitive Recovery Act Fund Loan Agreement with the Authority in the amount of \$14,953,185. The loan is secured by a mortgage on the rental property and is due 50 years after the first day of the month following construction completion, or January 2062. Interest accrues at a rate of 0.50% per annum. No principal or interest payments are required until its maturity date. At December 31, 2024, \$14,953,185 and \$525,042 in debt and accrued interest payable, respectively, remained outstanding. Unamortized Debt issuance costs totaled \$142,370 at December 31, 2024.

On September 16, 2010, the Partnership entered into a Housing Trust Fund Home Investment Partnership loan agreement with the City of Cleveland in the amount of \$600,000. The loan is secured by the rental property and is noninterest bearing unless the Partnership fails to comply with the requirements set forth in the loan agreement, in which case the loan will bear interest at a rate of 10% per annum. No principal or interest payments are required until its maturity date of December 31, 2061. At December 31, 2024, \$600,000 in debt remained outstanding.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Garden Valley Housing Partnership IV, L.P.

On December 21, 2015, the Partnership entered into an Authority Funds Loan Agreement with the Authority, in the amount not to exceed \$3,870,234. The funds will be used for the development of Heritage View Homes IV, which includes 60 units of housing, all of which will be Rental Assistance Demonstration Project-Based units (RAD). Interest will accrue at 2.75% per annum. Principal and interest will be payable December 21, 2057, the maturity date. At December 31, 2024, \$3,870,234 and \$382,210 in debt and accrued interest, respectively, remained outstanding.

On December 21, 2015, the Partnership entered into a Housing Trust Fund Home Investment Partnership loan agreement with the City of Cleveland in the amount of \$600,000. The loan is secured by the rental property and is noninterest bearing unless the Partnership fails to comply with the requirements set forth in the loan agreement, in which case the loan will bear interest at a rate of 2% per annum. No principal or interest payments are required until its maturity date of May 1, 2057. At December 31, 2024, \$600,000 and \$72,000 in debt and accrued interest, respectively, remained outstanding.

On December 21, 2015, the Partnership entered into a loan agreement with the Ohio Housing Finance Authority in the amount of \$1,500,000. The interest rate is 0.0% and payments of \$375,000 are due in four installments as outlined in the loan agreement. At December 31, 2024, \$375,000 in debt remained outstanding.

On December 21, 2015, the Partnership entered into a loan agreement with the Ohio Housing Finance Authority in the amount of \$1,000,000. This loan is secured by the Project. The loan bears interest at 2.0%. Principal and interest payments are subject to surplus cash and are deferred until its maturity date, December 21, 2055. As of December 31, 2024, the outstanding principal balance was \$1,000,000 and deferred interest as of December 31, 2024 was \$184,304.

On December 23, 2015, the Partnership entered into a loan agreement with Bellwether Enterprise Real Estate Capital, LLC in an amount not to exceed \$2,509,900. The maturity date is March 1, 2057. Principal and interest, at 4.0%, are to be paid monthly; however, only interest is paid through March 1, 2017 with principal payments beginning April 1, 2017. At December 31, 2024, \$2,142,211 and \$7,007 in debt and accrued interest, respectively, remained outstanding, and unamortized debt issuance costs totaled \$136,649.

Miles Pointe Elderly, L.P.

On August 16, 2012, the Partnership entered into an Authority Funds Loan Agreement with the Authority in the amount of \$3,000,000. The loan is secured by a mortgage on the rental property and is due in 45 years. Interest accrues at a rate of 0.25% per annum. No principal or interest payments are required until its maturity date of August 16, 2057. At December 31, 2024, \$2,993,770 and \$37,126 in debt and accrued interest payable, respectively, remained outstanding. Unamortized debt issuance costs totaled \$6,230 at December 31, 2024.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Riverside Park Homes II, L.P.

On March 1, 2019, the Partnership entered into a loan agreement with ORIX Real Estate Capital, LLC in the amount of \$13,750,000. This loan is secured by the Project. The loan bears interest at 4.90%. Principal and interest payments are subject to surplus cash and are deferred until its maturity date, April 1, 2061. On February 1, 2022, the Partnership entered into a modification of the original mortgage loan agreement to reduce the interest rate to 3.90% per annum commencing March 1, 2022. Beginning April 1, 2022, consecutive monthly principal and interest payments of \$56,737 are due. The Partnership included a prepayment penalty of \$1,356,580 related to the interest rate reduction which was reimbursed by the lender resulting in no additional interest expense. As of December 31, 2024, the outstanding principal balance was \$12,832,599. Unamortized debt issuance costs totaled \$382,809 at December 31, 2024.

On March 26, 2019, the Partnership entered into a loan agreement with WRRMC, an affiliate of the General Partner, in the amount of \$1,592,482. The loan is secured by the Property, including improvements and tenant leases. The loan bears interest at a fixed rate of 3.22% per annum. The entire unpaid principal balance and any accrued interest is due on March 26, 2064, the maturity date. As of December 31, 2024, \$1,180,826 has been drawn on the loan. For the year ended December 31, 2024, interest incurred and expensed was \$-0-. As of December 31, 2024, accrued interest totaled \$-0-.

On March 26, 2019, the Partnership entered into a loan agreement with the Ohio Housing Finance Authority in the amount of \$500,000. This loan is secured by the Project. The loan bears interest at 0.0%. Principal payments are subject to surplus cash and are deferred until its maturity date, March 26, 2059. As of December 31, 2024, the outstanding principal balance was \$500,000.

On March 26, 2019, the Partnership entered into a loan agreement with the Ohio Housing Finance Authority in the amount of \$1,000,000. This loan is secured by the Project. The loan bears interest at 2.00%. Principal and interest payments are subject to surplus cash and are deferred until its maturity date, March 26, 2059. As of December 31, 2024, the outstanding principal balance was \$1,000,000.

On March 25, 2019, the Partnership entered into a loan agreement with the Ohio Housing Finance Authority in the amount of \$2,000,000. This loan is secured by the Project. The loan bears interest at 0.00%. Principal and interest payments are subject to surplus cash and are deferred until its maturity date, April 15, 2028. As of December 31, 2024, the outstanding principal balance was \$1,049,345.

Riverside Park Homes III, L.P.

On March 1, 2020, the Partnership entered into a note agreement with The Huntington National Bank in the amount of \$35,000,000. This loan is secured by the Project. The loan bears interest at 1.48%. Principal and interest payments are subject to surplus cash and are deferred until its maturity date, April 1, 2023. As of December 31, 2024, the outstanding principal balance was \$-0- and accrued interest as of December 31, 2024 was \$-0-.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Riverside Park Homes III, L.P. (Continued)

On April 1, 2020, the Partnership entered into a note agreement with ORIX Real Estate Capital, LLC in the amount of \$19,000,000. This loan is secured by the Project. The loan bears interest at 4.03%. Principal and interest payments are not subject to surplus cash and will be due in monthly payments upon construction completion, until its maturity date, July 1, 2062. As of December 31, 2024, the outstanding principal balance was \$18,024,765 and deferred interest was \$-0-. Unamortized debt issuance costs totaled \$490,119 at December 31, 2024.

On April 1, 2020, the Partnership entered into a note agreement with WRRMC in the amount of \$7,405,851. This loan is secured by the Project. The loan bears interest at 4.03%. Principal and interest payments are subject to surplus cash and are deferred until its maturity date, April 1, 2065. As of December 31, 2024, the outstanding principal balance was \$6,665,266.

East Side Neighborhood Homes, LP

The mortgage note payable to the Authority, which is secured by mortgages on property and improvements, is due in 2050 with principal payments deferred until that time. The agreement allows the Partnership to borrow up to \$8,450,000. Interest is accrued at the rate of 0.25 percent per annum, compounded annually. As of December 31, 2024, the principal balance was \$8,450,000. Interest incurred during 2024 was \$22,122. Deferred interest as of December 31, 2024 was \$420,867.

The note payable to Mount Pleasant Now Development Corporation bears interest at 1 percent per annum, compounded annually, and is secured by a mortgage on property and improvements. The note will mature in March 2049 when the entire outstanding principal and interest will be due and payable. As of December 31, 2024, the principal balance was \$300,000. Interest incurred during 2024 was \$3,604. Deferred interest as of December 31, 2024 was \$64,010.

The note payable to CHN bears interest at 2 percent per annum, compounded annually, and is secured by mortgages on property and improvements. This note is due in 2049 and the agreement allows the Partnership to borrow up to \$250,000. On April 30 of each year during the term of the note, the Partnership is to make payments equal to 50% of the Project's cash flow, as defined in the note agreement, to the extent that cash flow exceeds \$10,000. In any year that payment is made on the deferred developer fee, the Project must make a minimum payment of \$500 on the note. As of December 31, 2024, the principal balance was \$235,573. Interest incurred during 2024 was \$5,217. During 2024, there were no payments made on deferred interest. As of December 31, 2024, deferred interest was \$30,492.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Carver Park Phase III, LP

On December 1, 2022, the Partnership entered into a loan agreement with CMHA to obtain tax-exempt Housing Revenue Bonds, Series 2022 totaling \$34,062,000. The Bonds are subject to a Trust Indenture agreement from CMHA and the Huntington National Bank (the Trustee). Interest only payments are made semi-annually in June and December. The Bonds are used to fund construction and development of the Property and are due and payable with any accrued interest to the Trustee on June 1, 2025, the initial mandatory tender date. The Bonds are secured by the Trust Indenture and bear interest at a rate of 4% per annum. For the year ended December 31, 2024, interest incurred on the Bonds was \$1,362,480, of which \$354,192 was capitalized into construction in progress on the accompanying balance sheet and \$1,008,288 was expensed and included in interest expense – mortgage and bonds payable on the accompanying statement of operations. As of December 31, 2024, the outstanding balance of the bonds was \$34,062,000 and accrued interest totaled \$0. Unamortized debt issuance costs totaled \$78,879 at December 31, 2024.

On December 14, 2022, Carver Park Phase III, L.P. entered in a loan agreement with Lument Real Estate Capital, LLC (formerly known as ORIX Real Estate Capital, LLC) in the amount of \$14,010,000. The mortgage is insured by the Federal Housing Administration (FHA) and bears interest at a rate of 6.40% per annum. The mortgage is secured by the Property and all rents and leases of the Property. Commencing January 1, 2023, interest only payments are made on the first day of each month thereafter up to and including April 1, 2025. Beginning May 1, 2025, monthly principal and interest payments of \$81,026 are due, with the unpaid principal due on April 1, 2065, its maturity date. For the year ended December 31, 2024, interest incurred on the mortgage totaled \$99,968, of which \$89,759 was capitalized into construction in progress on the accompanying balance sheet and \$10,209 was expensed and is included in interest expense. As of December 31, 2024, the outstanding balance of the note was \$13,462,826. As of December 31, 2024, accrued interest totaled \$60,795. Unamortized debt issuance costs totaled \$447,174 at December 31, 2024.

On December 14, 2022, Carver Park Phase III, L.P. entered in loan agreements with Ohio Capital Finance Corporation in the amounts of \$13,000,000. The loan is secured by the Limited Partner capital contributions and the partnership interest pledged by the General Partner. The notes bear a variable interest rate per annum. The entire unpaid principal and interest are due on October 14, 2025, its maturity date. As of December 31, 2024, the outstanding balance of the note was \$12,961,099. Unamortized debt issuance costs totaled \$38,901 at December 31, 2024.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13 DEBT OBLIGATIONS – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Wade Park, LP

On November 21, 2021, Wade Park, L.P. entered in a loan agreement with Orix Real Estate Capital, LLC in the amounts of \$9,550,000. The note is secured by the property, including improvements and tenant leases. The notes bear interest at 5.00% per annum. The entire unpaid principal and interest are due on September 1, 2065, its maturity date. As of December 31, 2024, the outstanding balances of the notes were \$6,782,045.

On November 21, 2021, Wade Park, L.P. entered in a loan agreement with Ohio Capital Finance Corporation in the amounts of \$19,000,000. The note is secured by the property, including improvements and tenant leases. The notes bear a variable interest rate per annum. The entire unpaid principal and interest are due on September 1, 2025, its maturity date. As of December 31, 2024, the outstanding balances of the notes were \$14,963,213.

On November 1, 2022, Wade Park, L.P. entered in a loan agreement with Huntington National Bank in the amount of \$36,280,000. The note is secured by the property, including improvements and tenant leases. The note bears interest at 4.75% per annum. The entire unpaid principal and interest are due on June 1, 2026, its maturity date. As of December 31, 2024, the outstanding balance of the note was \$36,524,745.

On November 21, 2022, Wade Park, L.P. entered in a loan agreement with The Authority in the amount of \$1,500,000. The note is secured by the property, including improvements and tenant leases. The note bears interest at 5.00% per annum. The entire unpaid principal and interest are due on November 21, 2077, its maturity date. As of December 31, 2024, the outstanding balance of the note was \$1,500,000.

On November 21, 2022, Wade Park, L.P. entered in a loan agreement with Western Reserve Revitalization and Management Company, Inc. in the amount of \$6,926,198. The note is secured by the property, including improvements and tenant leases. The note bears interest at 3.50% per annum. The entire unpaid principal and interest are due on November 21, 2077, its maturity date. As of December 31, 2024, the outstanding balance of the note was \$4,731,550.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 14 LONG-TERM OBLIGATIONS

Changes in the Authority's long-term obligations for the year ended December 31, 2024 was as follows:

Business-Type Activities					
	January 1, 2023	Increase	Decrease	December 31, 2024	Due Within One Year
Long-Term Debt Obligations	\$ 132,182,246	\$ 114,139	\$ (4,459,505)	\$ 127,836,880	\$ 4,671,400
Compensated Absences	2,964,433	5,570,449	(4,271,527)	4,263,355	3,705,609
Other Noncurrent Liabilities	2,783,480	-	(381,865)	2,401,615	-
Total	<u>\$ 137,930,159</u>	<u>\$ 5,684,588</u>	<u>\$ (9,112,897)</u>	<u>\$ 134,501,850</u>	<u>\$ 8,377,009</u>

Discretely Presented Component Units					
	January 1, 2023	Increase	Decrease	December 31, 2024	Due Within One Year
Long-Term Debt Obligations	\$ 253,784,810	\$ 25,837,775	\$ (1,040,294)	\$ 278,582,291	\$ 63,674,399
Developer Fee Payable	19,851,084	-	-	19,851,084	-
Other Noncurrent Liabilities	3,356,971	19,894,365	-	23,251,336	-
Total	<u>\$ 276,992,865</u>	<u>\$ 45,732,140</u>	<u>\$ (1,040,294)</u>	<u>\$ 321,684,711</u>	<u>\$ 63,674,399</u>

NOTE 15 CONDUIT DEBT OBLIGATIONS

Conduit (no-commitment) debt obligations are certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued and is therefore not reported on the balance sheet.

As of December 31, 2024, CMHA has authorized the issuance of the following Multifamily Housing Revenue Bonds (MHRB) for the Partnerships listed below:

Partnership Name	Original Date of Loan	Bond Name	Balance Outstanding at 12/31/2024
Wade Park Apartments	11/1/2022	MFHRB, Series 2022	\$ 36,870,274
Carver Park Phase III	12/1/2022	MFHRB, Series 2022	34,200,449
Woodhill Center East	12/1/2022	MFHRB, Series 2022	17,000,000
Total			<u>\$ 88,070,723</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 16 RETIREMENT AND OTHER BENEFIT PLANS

Plan Description

The Authority contributes to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiemployer public employee retirement system, which administers three separate pension plans: the Traditional Pension Plan, the Combined Plan, and the Member-Directed Plan. Effective January 1, 2022 the Combined Plan is no longer available for member selection. In October 2023, the legislature approved House Bill 33 which allows for the consolidation of the Combined Plan with the Traditional Pension Plan with the timing of the consolidation at the discretion of OPERS. OPERS is a qualified governmental plan under Section 401(a) of the Internal Revenue Code (IRC) and is administered in accordance with ORC Chapter 145. All state and local retirement systems in Ohio, are member of OPERS. New public employees(those who establish membership in OPERS on or after January 1, 2003) have 180 day from the commencement of employment to select membership in one of the pension plans. Contributions to OEPRS are effective with the first day of the member's employment. Contributions made prior to the member's plan selection are maintained in the Traditional Pension Plan and later transferred to the plan elected by the member, as appropriate.

All public employees in Ohio, except those covered by one of the other state or local retirement systems in Ohio, are members of OPERS. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a publicly available, stand-alone financial report that includes financial statements, required supplemental information, and detailed information about OPERS' fiduciary net position. That report can be obtained on the OPERS website by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Benefits Provided

Traditional Pension Plan – The Traditional Pension Plan is a defined benefit plan in which a member's retirement benefits are calculated on a formula that considers years of service and final average salary. Pension benefits are funded by both member and employer contributions and investment earnings on those contributions.

The Combined Plan – The Combined Plan is a defined benefit plan with elements of a defined contribution plan. Under the Combined Plan, members earn a formula benefit similar to, but at a smaller factor than, the Traditional Pension Plan benefit. This plan is funded by employer contributions and associated investment earnings. Additionally, member contributions are deposited into a defined contribution account in which the member self-directs the investment. Upon retirement or termination, the member may choose a defined contribution retirement distribution that is equal in amount to the member's contributions to the plan and investment earnings (or losses) on those contributions. Members may also elect to use their defined contribution account balances to purchase a defined benefit annuity administered by OPERS.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 16 RETIREMENT AND OTHER BENEFIT PLANS (CONTINUED)

Benefits Provided (Continued)

The Member-Directed Plan – The Member-Directed Plan is a defined contribution plan in which members self-direct the investment of both member and employer contributions. The retirement distribution under this plan is equal to the sum of member and vested employer contributions, plus investment earnings (or losses) on those contributions. Employer contributions and associated investment earnings vest over a five-year period at a rate of 20% per year. Upon retirement or termination, the member may choose a defined contribution retirement distribution or may elect to use his or her defined contribution account balances to purchase a defined benefit annuity administered by OPERS.

Plan benefits, and any benefit increases, are established by legislature pursuant to Chapter 145 of the Ohio Revised Code. The board of trustees, pursuant to Chapter 145, has elected to maintain funds to provide healthcare coverage to eligible Traditional Pension and Combined Plan retirees and survivors of members. Healthcare coverage does not vest and is not required under Chapter 145. As a result, coverage may be reduced or eliminated at the discretion of the board.

Senate Bill (SB) 343 enacted into law new legislation 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. Members who were eligible to retire under law in effect prior to SB 343 or will be eligible to retire no later than five years after January 7, 2013 comprise transition Group A. Members who have 20 years of service credit prior to January 7, 2013, or will be eligible to retire no later than 10 years after January 7, 2013, are included in transition Group B. Group C includes those members who are not in either of the other groups and members who were hired on or after January 7, 2013.

Age and Service Defined Benefits – Benefits in the Traditional Pension Plan for members are calculated on the basis of age, final average salary, and service credit. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343:

Group A	Group B	Group C
Age and Service Requirements:	Age and Service Requirements:	Age and Service Requirements:
Age 60 with 60 months of service credit of age 55 with 25 years for service credit	Age 60 with 60 months of service credit of age 55 with 25 years for service credit	Age 57 with 25 years of service credit of age 62 with 5 years for service credit
Formula:	Formula:	Formula:
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 16 RETIREMENT AND OTHER BENEFIT PLANS (CONTINUED)

Benefits Provided (Continued)

The FAS represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on an 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 benefit receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of annual cost-of-living adjustment.

Benefits in the Combined Plan consist of both an age and service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, final average salary, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan.

The benefit formula for the defined benefit component of the plan for members in transition Groups A and B applies a factor of 1.0% to the member's final average salary for the first 30 years of service. A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's final average salary for the first 35 years of service and a factor of 1.25% is applied to years in excess of 35.

Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions, plus or minus any investment gains or losses on those contributions.

Defined Contribution Benefits – Defined contribution plan benefits are established in the plan documents, which may be amended by the board. The Member-Directed Plan and Combined Plan members who have met the eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan was discussed above. Member-Directed participants must have attained the age of 55, have money on deposit in the defined contribution plan, and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the Member-Directed Plan consists of the member's contributions, vested employer contributions, and investment gains and losses resulting from the member's investment selections. Employer contributions and associated investment earnings vest over a five-year period at a rate of 20% each year.

At retirement, members may select one of several distribution options for payment of the vested balance of their individual OPERS accounts. Options include the purchase of a monthly annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of the entire account balance, net of taxes withheld, or a combination of these options. Additional information on other benefits available can be found in the OPERS ACFR.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 16 RETIREMENT AND OTHER BENEFIT PLANS (CONTINUED)

Funding Policy

The OPERS funding policy provides for periodic employee and employer contributions to all three plans at rates established by the board, subject to limits set in statute. The rates established for member and employer contributions were approved based upon the recommendations of OPERS' external actuary. All contribution rates were within the limits authorized by the Ohio Revised Code. Member and employer contribution rates, as a percent of covered payroll, were the same for each covered group across all three plans for the year ended December 31, 2024. Plan members were required to contribute 10% of covered payroll while the Authority's contribution rate was 14% of covered payroll. The Authority's contractually required contributions to OPERS were \$4,970,078 for the year ended December 31, 2024.

Net Pension Liability

The net pension liability was measured as of December 31, 2023, 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 and Combined plans, due to insignificance of the amounts that related to the Combined Plan.

The Authority reported a net pension liability of \$53,013,759 as its proportionate share of the Traditional Plan and a net pension asset of \$703,138 as its proportionate share for the Combined Plan. The Authority's proportion was 0.202494% for the Traditional Plan and 0.228751% for the Combined Plan for FY 2024. The Authority's proportion was 0.19827% for the Traditional Plan and 0.223077% for the Combined Plan for FY 2023.

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

For the year ended December 31, 2024, the Authority recognized pension expense of \$4.3. At December 31, 2024, 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
Difference Between Expected and Actual Experience	\$ 894,959	\$ 69,546
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	10,814,797	-
Change in Assumptions	26,095	-
Contributions Subsequent to Measurements Date	4,970,078	-
Change in Proportionate Share	585,244	576,092
Total	<u>\$ 17,291,173</u>	<u>\$ 645,638</u>

(1) - Information provided by OPERS

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 16 RETIREMENT AND OTHER BENEFIT PLANS (CONTINUED)

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

The \$4,970,078 reported deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense</u>
2025	\$ 2,496,059
2026	3,789,988
2027	6,913,129
2028	(1,529,120)
2029	6,780
Thereafter	(1,379)
Total	<u>\$ 11,675,457</u>

Actuarial Assumptions

Total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date:	December 31, 2023
Actuarial cost method:	Individual entry age
Cost-of-living adjustments:	3.00% through 2024, then 2.05%
Wage Inflation:	2.75%
Investment rate of return:	6.9%
Experience study date:	Period of 5 years ended December 31, 2020
Mortality basis:	PubNS-2010 Disabled Retiree Mortality Tables

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for both the Traditional Pension Plan and the Combined Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Investment Rate of Return

The allocation of investment assets within the defined benefit portfolio is approved by the board 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.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 16 RETIREMENT AND OTHER BENEFIT PLANS (CONTINUED)

Investment Rate of Return (Continued)

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 real rates of return are developed for each major class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return as of the December 31, 2023, measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the table below:

Asset Class	Target Allocation	Weighted-Average Long-Term Expected Real Rate of Return
Fixed Income	24.00 %	2.85 %
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other Investments	5.00	3.46
Total	100.00 %	32.10 %

Sensitivity of the Authority's Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate

The following table represents the Authority's proportionate share of net pension (asset) liability at the 6.90% discount rate as well as the sensitivity to a 1.00% increase and a 1.00% decrease in the current discount rate:

		1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Plan	Authority's Proportionate Share of the Net Pension Liability	\$ 83,457,902	\$ 53,013,759	\$ 27,693,079
Combined Plan	Authority's Proportionate Share of the Net Pension Asset	(425,477)	(703,138)	(921,867)

Source: OPERS 2023 ACFR multiplied by Authority's proportionate share

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 17 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

OPERS is a cost-sharing, multiple-employer public employee retirement system comprised of three separate pension plans; the Traditional Pension Plan; a defined benefit plan; the Combined Plan, a hybrid defined benefit/defined contribution plan; and the Member-Directed Plan, a defined contribution plan. Effective January 1, 2022 the Combined Plan is no longer available for member selection. In October 2023, the legislature approved House Bill 33 which allows for the consolidation of the Combined Plan with the Traditional Pension Plan with the timing of the consolidation at the discretion of OPERS. OPERS is a qualified governmental plan under Section 401(a) of the Internal Revenue Code (IRC) and is administered in accordance with ORC Chapter 145. All state and local retirement systems in Ohio, are member of OPERS. New public employees(those who establish membership in OPERS on or after January 1, 2003) have 180 day from the commencement of employment to select membership in one of the pension plans. Contributions to OEPRS are effective with the first day of the member's employment. Contributions made prior to the member's plan selection are maintained in the Traditional Pension Plan and later transferred to the plan elected by the member, as appropriate.

The OPERS health care plans are reported as cost-sharing, multiple-employer other post-employment benefit plans (OPEB) based on the criteria established by the Governmental Accounting Standards Board (GASB). OEPRS Maintains one healthcare trust, the 115 Health Care Trust (115 Trust), which was established in 2024 to fund healthcare for the Traditional Pension, Combined and Member-Directed plans. Health care coverage is neither guaranteed nor statutorily required.

OPERS is not part of the state of Ohio financial-reporting entity, nor is OPERS a component unit of the state of Ohio. Responsibility for the organization is vested in the OPERS Board of Trustees; there is no financial interdependency with the state of Ohio. The Board is the governing body of OPERS, with responsibility for administration and management. Of the Board, seven members are elected by the group they represent: the retirees(two representatives), employees of the state, employees of counties, employees of municipalities, non-teaching employees of state colleges and universities, and miscellaneous employees. The remaining four members are appointed or designated by position. The Governor, General Assembly and the Treasurer of the state of Ohio each appoint an investment expert Board member. The Director of the Ohio Department of Administrative Services completes the Board.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#ACFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 17 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Funding Policy

With the assistance of the System's actuary and Board approval, a portion of each employer's contribution to OPERS may be set aside for the funding of postemployment health care coverage. The portion of Traditional Pension Plan employer contributions allocated to health care was 0.0% for 2024. The employer contribution as a percent of covered payroll deposited for the Combined Plan and Member-Directed Plan health care programs in 2023 was 2.0% and 4.0% respectively. Interest is credited to Member-Directed Plan member accounts based on the investment performance of the stable value fund, not to exceed 4.0%.

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

As of December 31, 2024, the Authority reported an asset of \$1,795,961 for its proportionate share of the net OPEB asset. The net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The Authority's proportion of the net OPEB asset was based on a projection of the Authority's share of contributions to the retirement system relative to the contributions of all participating entities. On December 31, 2023, the Authority's proportion was 0.198993% of the total net OPEB asset.

At December 31, 2024, 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
Difference Between Expected and Actual Experience	\$ -	\$ (255,617)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,078,575	-
Change in Assumptions	462,370	(772,029)
Change in Proportionate Share	-	(27,987)
Total	<u>\$ 1,540,945</u>	<u>\$ (1,055,633)</u>

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ (64,911)
2026	74,846
2027	839,576
2028	(364,199)
Total	<u>\$ 485,312</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 17 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions – OPERS

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

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. The total OPEB asset was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The actuarial valuation used the following actuarial assumptions applied to all periods included in the measurement:

Valuation date:	December 31, 2022 (rolled forward to December 31, 2023)
Actuarial cost method:	Individual entry age normal
Wage Inflation:	2.75%
Projected Salary Increases	2.75%-10.75% (includes wage inflation at 2.75%)
Health Care Cost Trend Rate	5.50% initial, 3.50% ultimate in 2038
Investment rate of return:	6.00%
Experience study date:	Period of five years ended December 31, 2020
Mortality basis:	PubG-2010 Retiree Mortality Tables

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% 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% 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.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 17 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions – OPERS (Continued)

A single discount rate of 5.70% was used to measure the total OPEB liability on the measurement date of December 31, 2023. 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) a 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 the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. 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 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, the duration of the projection period through which projected health care payments are fully funded.

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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted-Average Long-Term Expected Real Rate of Return
Fixed Income	37.00 %	2.82 %
Domestic Equity	25.00	4.27
Real Estate	5.00	4.68
International Equity	25.00	5.16
Risk Parity	3.00	4.38
Other Investments	5.00	2.43
Total	100.00 %	23.74 %

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 17 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

The following table presents the Authority's proportionate share of the net OPEB liability calculated using the current period discount rate assumption of 5.70%, as well as what the Authority's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
Net OPEB Liability/(Asset)	\$ 987,005	\$ (1,795,959)	\$ (4,101,246)

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

	1% Decrease (4.50%)	Current Health Care Cost Trend Rate (5.50%)	1% Increase (6.50%)
Net OPEB Liability/(Asset)	\$ (1,870,534)	\$ (1,795,959)	\$ (1,711,340)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued OPERS ACFR.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 18 INSURANCE COVERAGE AND RISK RETENTION

The Authority adheres to a Risk Management Policy adopted by the board of commissioners that seeks to incorporate risk management principles into the management and operation of business activities and through purposefully making risk management a valued aspect of the organization. The Executive Team oversees the Authority's implementation of an effective system of risk management, compliance and control through purposefully integrating risk principles with business decisions. These principles include value creation, continuous improvement, transparency, inclusiveness, responsiveness to change, and explicit consideration of uncertainty. The Office of Legal Affairs/Risk Management is responsible for serving as the lead resource for the Authority's risk program and acting as a consultant to all constituent groups. This is accomplished by developing consensus with leadership to reduce exposures and losses, reviewing the effectiveness of existing risk management practices, controls, and compliance systems, and through crafting innovative approaches to manage the Authority's risks.

The Authority is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees.

The Authority is a member of HARRG, which is a risk retention group operated as a joint venture by its more than 1,000 public housing authority members. Through HARRG, the Authority carries \$5,000,000 of general liability coverage, with a \$25,000 deductible, and \$2,000,000 of public officials' liability coverage, with a \$25,000 deductible.

The Authority is also a member of HAPI, which is a property insurance group operated as a joint venture by its more than 1,000 public housing authority members. Through HAPI, the Authority carries coverage with a per occurrence loss limit of \$100,000,000 and with a \$10,000 deductible.

The Authority's commercial automobile coverage includes liability insurance with a combined single limit of \$2,000,000 per accident with a \$1,000 deductible. The Authority is self-insured for the following risks:

Workers' Compensation Benefits – The Authority is self-insured for workers' compensation benefits provided to its employees. An excess liability policy provides coverage for individual claims that are greater than \$500,000 per individual occurrence with a \$10,000,000 limit in the aggregate. The Authority has recorded a \$550,291 liability for self-insured workers' compensation claims in its Central Office Cost Center and is fully funded at December 31, 2024. \$400,000 of this amount is recorded as a current liability in accrued expenses on the Statement of Net Position, while the remaining \$150,291 is reported as a noncurrent liability.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 18 INSURANCE COVERAGE AND RISK RETENTION (CONTINUED)

The changes in the Authority's self-insured funds' unpaid claims liability in fiscal years 2024, 2023, and 2022 are presented below:

	Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payouts	End of Year	Expected Amount Due Within One Year
2024	\$ 550,291	\$ 162,269	\$ (162,269)	\$ 550,291	\$ 400,000
2023	740,678	96,180	(286,567)	550,291	400,000
2022	848,869	144,075	(252,266)	740,678	400,000

The liabilities above represent the Authority's best estimates based upon available information and include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic factors. The Authority strictly adheres to a Risk Control Work Plan policy that incorporates nine standards for risk management. The policy, passed by resolution of the Board of Commissioners and supported by HARRG, seeks to implement risk management activities that include the assignment of a full-time risk control administrator, establishment of an active risk control committee, together with a formal self-inspection and preventive maintenance program. Other standards include conducting on-site risk control training and education, the development of emergency action plans and property conservation programs, and the establishment of an accident and incident investigation program. During 2024, there were no significant reductions in the Authority's insurance coverage.

Settled claims have not exceeded the Authority's insurance coverage in any of the past three years.

NOTE 19 CONTINGENCIES

The Authority is a defendant in several lawsuits, including construction claims. Where possible, estimates have been made and reflected in the financial statements for the effect, if any, of such contingencies. The ultimate outcome of these matters is not presently determinable.

NOTE 20 COMMITMENTS – BUSINESS-TYPE ACTIVITIES

In 2019, the Authority entered into a five-year put contract to purchase retail electric service from 2022 through 2026 in an amount not to exceed \$25,000,000.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 20 COMMITMENTS – BUSINESS-TYPE ACTIVITIES (CONTINUED)

Construction Commitments

Project Type:	
Masonry	\$ 10,514,719
Roofs	5,352,814
Elevators	10,325,353
Common Areas	1,542,675
Mechanical Upgrades	1,698,971
Parking Lots	472,054
Electrical Upgrades	788,331
Fire Alarm Systems	3,636,314
Generators	338,283
Total Construction Commitments	<u><u>\$ 34,669,514</u></u>

NOTE 21 RESTRICTED NET POSITION – BUSINESS-TYPE ACTIVITIES AND DISCRETELY PRESENTED COMPONENT UNITS

Below is a summary of restricted net position at December 31, 2024:

	Business-Type Activities	Discretely Presented Component Units
Restricted Reserves and Deposits	\$ 46,766,102	\$ 93,032,850
Housing Choice Voucher Restricted Reserves	976,874	-
Section 8 Moderate Rehabilitation Reserves	346,140	-
Emergency Housing Voucher Restricted Reserves	122,999	-
Restricted Cash for Development Activities	2,591,989	-
Net Pension and OPEB Assets	2,499,097	
Total Restricted Net Position at December 31, 2024	<u><u>\$ 53,303,201</u></u>	<u><u>\$ 93,032,850</u></u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 22 BLENDED COMBINING SCHEDULE

	Western Reserve Revitalization and Management Company, Inc.											
	Western Reserve Revitalization and Management Company, Inc.	1701 Holdings, LLC	Severance Redevelopment LLC	Ambleside Redevelopment LLC	Quarrytown Redevelopment LLC	Riverside Park Homes LP	Cuyahoga Housing and Development Inc.	2045 Transformation, LLC and Subsidiaries	Eliminations	Total Blended	Primary Government	Total
ASSETS AND DEFERRED OUTFLOWS												
Current Assets	\$ 9,681,195	\$ 292,568	\$ 1,499,545	\$ 1,772,637	\$ 868,549	\$ 905,550	\$ -	\$ 71,248,467	\$ -	\$ 86,268,511	\$ 52,364,069	\$ 138,632,580
Capital Assets	58,607	1,549,036	5,129,827	3,523,374	3,801,054	10,657,471	-	61,302,520	-	86,021,889	108,864,166	194,886,055
Other Assets	67,384,170	-	32,777	6,194	2,228	579	7,773,213	811,696	(10,748,279)	65,262,578	94,902,974	160,165,552
Deferred Outflow of Resources	-	-	-	-	-	-	-	-	-	-	18,832,118	18,832,118
Total Assets and Deferred Outflows	\$ 77,123,972	\$ 1,841,604	\$ 6,662,149	\$ 5,302,205	\$ 4,671,831	\$ 11,563,600	\$ 7,773,213	\$ 133,362,683	\$ (10,748,279)	\$ 237,552,978	\$ 274,963,327	\$ 512,516,305
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION												
Current Liabilities	\$ 1,153,501	\$ 597,091	\$ 568,333	\$ 701,919	\$ 961,381	\$ 747,332	\$ -	\$ 11,742,429	\$ -	\$ 16,471,986	\$ 36,034,950	\$ 52,506,936
Noncurrent Liabilities	-	-	4,867,440	5,431,187	3,501,347	2,132,664	-	74,354,639	-	90,307,277	88,981,615	179,288,892
Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	3,667,809	3,667,809
Net Position	75,970,471	1,244,513	1,206,376	(830,901)	209,103	8,683,604	7,773,213	47,265,615	(10,748,279)	130,773,715	146,278,953	277,052,668
Total Liabilities, Deferred Inflows and Net Position	\$ 77,123,972	\$ 1,841,604	\$ 6,662,149	\$ 5,302,205	\$ 4,671,831	\$ 11,563,600	\$ 7,773,213	\$ 133,362,683	\$ (10,748,279)	\$ 237,552,978	\$ 274,963,327	\$ 512,516,305
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION												
Operating Revenues	\$ 17,240,202	\$ 272,928	\$ 2,554,627	\$ 2,633,362	\$ 1,710,868	\$ 824,803	\$ -	\$ 30,256,467	\$ -	\$ 55,493,257	\$ 222,126,291	\$ 277,619,548
Operating Expenses	(2,050,645)	(112,522)	(2,424,650)	(2,680,538)	(2,085,866)	(1,753,191)	-	(36,103,223)	-	(47,210,635)	(237,572,229)	(284,782,864)
Operating Income (Loss)	15,189,557	160,406	129,977	(47,176)	(374,998)	(928,388)	-	(5,846,756)	-	8,282,622	(15,445,938)	(7,163,316)
Nonoperating Revenues	45,872	-	19,502	16,499	9,084	4,438	-	1,187,534	-	1,282,929	27,595,105	28,878,034
Nonoperating Expenses	-	-	(146,747)	(163,906)	(104,428)	(84,746)	-	(2,069,381)	-	(2,569,208)	(1,863,250)	(4,432,468)
Change in Net Position	15,235,429	160,406	2,732	(194,583)	(470,342)	(1,008,696)	-	(6,728,603)	-	6,996,343	10,285,907	17,282,250
Beginning Net Position	60,066,707	435,442	1,203,644	(636,318)	679,445	9,692,300	7,773,213	42,372,873	-	121,587,306	138,183,112	259,770,418
Capital Contributions (Distributions)	668,335	648,665	-	-	-	-	-	11,621,345	-	12,938,345	(12,938,345)	-
Prior Period Adjustment/Equity Transfer	-	-	-	-	-	-	-	-	(10,748,279)	(10,748,279)	10,748,279	-
Ending Net Position	\$ 75,970,471	\$ 1,244,513	\$ 1,206,376	\$ (830,901)	\$ 209,103	\$ 8,683,604	\$ 7,773,213	\$ 47,265,615	\$ (10,748,279)	\$ 130,773,715	\$ 146,278,953	\$ 277,052,668
CASH FLOWS												
Net Cash Provided (Used) By												
Operating Activities	\$ (183,272)	\$ 164,998	\$ 306,452	\$ 293,634	\$ 145,496	\$ 54,092	\$ -	\$ (926,839)	\$ -	\$ (145,439)	\$ (6,438,966)	\$ (6,584,405)
Investing Activities	(1,905,212)	-	(961,632)	(451,216)	(381,809)	(10,803)	-	(22,721,725)	-	(26,432,397)	4,731,883	(21,700,514)
Financing Activities	451,367	-	(139,641)	(158,460)	(82,216)	(49,262)	-	9,741,838	-	9,763,626	(18,584,453)	(8,820,827)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,637,117)	164,998	(794,821)	(316,042)	(318,529)	(5,973)	-	(13,906,726)	-	(16,814,210)	(20,291,536)	(37,105,746)
Cash and Cash Equivalents - Beginning of Year	7,303,275	110,132	2,213,380	1,949,636	1,149,816	881,664	-	65,334,694	-	78,942,597	51,299,040	130,241,637
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 5,666,158	\$ 275,130	\$ 1,418,559	\$ 1,633,594	\$ 831,287	\$ 875,691	\$ -	\$ 51,427,968	\$ -	\$ 62,128,387	\$ 31,007,504	\$ 93,135,891

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 23 DISCRETELY PRESENTED COMPONENT UNIT COMBINING SCHEDULE

	Garden Valley Housing Partnership I, LP	Garden Valley Housing Partnership II, LP	Garden Valley Housing Partnership III, LP	Garden Valley Housing Partnership IV, LP	Euclid-Lee Senior, LP	Miles Point Elderly, LP	Fairfax Intergenerational Housing, LP
ASSETS							
Current Assets	\$ 1,555,101	\$ 899,332	\$ 1,065,845	\$ 1,147,096	\$ 474,597	\$ 236,615	\$ 433,133
Capital Assets	11,416,421	6,269,053	12,242,018	9,353,809	12,623,645	6,665,807	8,150,314
Other Assets	420,111	280,380	389,470	290,726	23,383	23,222	161,556
Total Assets	\$ 13,391,633	\$ 7,448,765	\$ 13,697,333	\$ 10,791,631	\$ 13,121,625	\$ 6,925,644	\$ 8,745,003
Current Liabilities	\$ 332,928	\$ 318,668	\$ 182,304	\$ 953,249	\$ 118,792	\$ 88,526	\$ 411,808
Noncurrent Liabilities	15,955,496	10,160,979	16,627,908	8,314,230	12,383,844	3,031,897	7,228,634
Total Liabilities	16,288,424	10,479,647	16,810,212	9,267,479	12,502,636	3,120,423	7,640,442
Net Position	(2,896,791)	(3,030,882)	(3,112,879)	1,524,152	618,989	3,805,221	1,104,561
Total Liabilities and Net Position	\$ 13,391,633	\$ 7,448,765	\$ 13,697,333	\$ 10,791,631	\$ 13,121,625	\$ 6,925,644	\$ 8,745,003
Operating Revenues	\$ 1,295,496	\$ 545,063	\$ 894,794	\$ 644,767	\$ 1,579,362	\$ 723,986	\$ 544,761
Operating Expenses	(2,000,870)	(1,203,859)	(1,613,833)	(1,054,090)	(1,285,628)	(796,807)	(1,064,841)
Operating Income (Loss)	\$ (705,374)	\$ (658,796)	\$ (719,039)	\$ (409,323)	\$ 293,734	\$ (72,821)	\$ (520,080)
Nonoperating Revenues	\$ 22,396	\$ 16,705	\$ 12,478	\$ 19,807	\$ 10,499	\$ 4,542	\$ 9,725
Nonoperating Expenses	(9,032)	(1,650)	(3,871)	(131,969)	-	(1,591)	(43,709)
Income (Loss) Before Capital Contributions	(692,010)	(643,741)	(710,432)	(521,485)	304,233	(69,870)	(554,064)
Capital Contributions/Syndication Costs	-	-	-	-	-	-	-
Beginning Net Position	(2,204,781)	(2,387,141)	(2,402,447)	2,045,637	314,756	3,875,091	1,658,625
Ending Net Position	\$ (2,896,791)	\$ (3,030,882)	\$ (3,112,879)	\$ 1,524,152	\$ 618,989	\$ 3,805,221	\$ 1,104,561

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 23 DISCRETELY PRESENTED COMPONENT UNIT COMBINING SCHEDULE (CONTINUED)

	Bohn Tower Redevelopment, LP	Carver Park I, LP	Carver Park II, LP	Carver Park III, LP	Wade Park, LP	Riverside Park Phase II, LP	Riverside Park Phase III, LP	East Side Neighborhood Homes, LP	Total
ASSETS									
Current Assets	\$ 3,066,434	\$ 4,207,490	\$ 909,994	\$ 37,159,207	\$ 43,015,265	\$ 2,504,262	\$ 1,317,393	\$ 883,162	\$ 98,874,926
Capital Assets	18,726,788	26,393,098	13,710,863	49,881,444	40,139,004	30,171,324	43,682,263	8,001,215	297,427,066
Other Assets	1,697,705	18,986,500	5,039,422	15,263,728	15,137,513	12,288,396	14,335,995	-	84,338,107
Total Assets	<u>\$ 23,490,927</u>	<u>\$ 49,587,088</u>	<u>\$ 19,660,279</u>	<u>\$ 102,304,379</u>	<u>\$ 98,291,782</u>	<u>\$ 44,963,982</u>	<u>\$ 59,335,651</u>	<u>\$ 8,884,377</u>	<u>\$ 480,640,099</u>
Current Liabilities	\$ 2,016,687	\$ 2,198,501	\$ 1,035,176	\$ 51,929,779	\$ 20,452,908	\$ 2,254,035	\$ 1,127,069	\$ 145,235	\$ 83,565,665
Noncurrent Liabilities	16,186,576	34,365,286	15,528,963	39,273,145	73,040,853	32,788,668	43,995,232	9,500,942	338,382,653
Total Liabilities	<u>18,203,263</u>	<u>36,563,787</u>	<u>16,564,139</u>	<u>91,202,924</u>	<u>93,493,761</u>	<u>35,042,703</u>	<u>45,122,301</u>	<u>9,646,177</u>	<u>421,948,318</u>
Net Position	5,287,664	13,023,301	3,096,140	11,101,455	4,798,021	9,921,279	14,213,350	(761,800)	58,691,781
Total Liabilities and Net Position	<u>\$ 23,490,927</u>	<u>\$ 49,587,088</u>	<u>\$ 19,660,279</u>	<u>\$ 102,304,379</u>	<u>\$ 98,291,782</u>	<u>\$ 44,963,982</u>	<u>\$ 59,335,651</u>	<u>\$ 8,884,377</u>	<u>\$ 480,640,099</u>
Operating Revenues	\$ 2,788,338	\$ 3,997,291	\$ 942,981	\$ 6,105,370	\$ 4,710,972	\$ 3,252,222	\$ 2,690,403	\$ 803,082	\$ 31,518,888
Operating Expenses	(3,518,745)	(7,805,736)	(2,012,149)	(1,381,900)	(2,801,634)	(4,734,031)	(5,215,259)	(1,137,372)	(37,626,754)
Operating Income (Loss)	<u>\$ (730,407)</u>	<u>\$ (3,808,445)</u>	<u>\$ (1,069,168)</u>	<u>\$ 4,723,470</u>	<u>\$ 1,909,338</u>	<u>\$ (1,481,809)</u>	<u>\$ (2,524,856)</u>	<u>\$ (334,290)</u>	<u>\$ (6,107,866)</u>
Nonoperating Revenues	\$ 31,559	\$ 32,016	\$ 6,675	\$ 804,641	\$ 660,181	\$ 4,915	\$ 19,076	\$ 449	\$ 1,655,664
Nonoperating Expenses	(452,839)	(408,118)	(204,767)	(1,624,695)	(1,050,825)	(573,833)	(1,072,588)	(30,943)	(5,610,430)
Income (Loss) Before Capital Contributions	<u>(1,151,687)</u>	<u>(4,184,547)</u>	<u>(1,267,260)</u>	<u>3,903,416</u>	<u>1,518,694</u>	<u>(2,050,727)</u>	<u>(3,578,368)</u>	<u>(364,784)</u>	<u>(10,062,632)</u>
Capital Contributions/Syndication Costs	-	-	-	-	-	-	-	-	-
Beginning Net Position	<u>6,439,351</u>	<u>17,207,848</u>	<u>4,363,400</u>	<u>7,198,039</u>	<u>3,279,327</u>	<u>11,972,006</u>	<u>17,791,718</u>	<u>(397,016)</u>	<u>68,754,413</u>
Ending Net Position	<u>\$ 5,287,664</u>	<u>\$ 13,023,301</u>	<u>\$ 3,096,140</u>	<u>\$ 11,101,455</u>	<u>\$ 4,798,021</u>	<u>\$ 9,921,279</u>	<u>\$ 14,213,350</u>	<u>\$ (761,800)</u>	<u>\$ 58,691,781</u>

REQUIRED SUPPLEMENTARY INFORMATION

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS (1)(2)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability										
Traditional Plan	0.202494%	0.198276%	0.214691%	0.240571%	0.246808%	0.259005%	0.283163%	0.317163%	0.308500%	0.312972%
Combined Plan	0.228751%	0.223077%	0.223981%	0.239890%	0.268190%	0.322611%	0.362293%	0.404353%	0.427760%	0.377704%
Authority's Proportionate Share of the Net Pension Liability (Asset), Net	\$ 52,310,621	\$ 58,045,048	\$ 17,796,489	\$ 34,930,853	\$ 48,224,034	\$ 70,575,466	\$ 43,929,587	\$ 71,797,274	\$ 53,436,109	\$ 37,602,496
Authority's Covered Payroll (3)	\$ 34,346,593	\$ 29,261,327	\$ 32,094,379	\$ 35,968,721	\$ 36,924,914	\$ 37,352,579	\$ 40,722,840	\$ 44,241,700	\$ 40,192,267	\$ 39,751,167
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	152.30%	198.37%	55.45%	97.11%	130.60%	188.94%	107.87%	162.28%	132.95%	94.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability										
Traditional Plan	79.01%	75.74%	92.62%	86.88%	86.88%	74.70%	77.25%	77.25%	81.08%	86.45%
Combined Plan	144.55%	137.14%	169.88%	152.09%	157.67%	126.64%	116.55%	116.55%	116.90%	114.83%

Source: OPERS information with exception of covered payroll which was derived from the Authority's financial records.

(1) Information presented based on fiscal years ended December 31.

(2) Covered payroll broken down by plan (Traditional vs. Combined) was not available.

See accompanying Notes to Required Supplementary Information.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS (1)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contributions (2)	\$ 4,970,078	\$ 4,808,523	\$ 4,096,586	\$ 4,493,213	\$ 5,035,621	\$ 5,169,488	\$ 5,229,361	\$ 5,580,777	\$ 5,309,004	\$ 4,823,072	\$ 4,770,140
Contributions in Relation to the Contractually Required Contributions	<u>(4,970,078)</u>	<u>(4,808,523)</u>	<u>(4,096,586)</u>	<u>(4,493,213)</u>	<u>(5,035,621)</u>	<u>(5,169,488)</u>	<u>(5,229,361)</u>	<u>(5,580,777)</u>	<u>(5,309,004)</u>	<u>(4,823,072)</u>	<u>(4,770,140)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority Covered Payroll	\$ 35,500,557	\$ 34,346,593	\$ 29,261,327	\$ 32,094,379	\$ 35,968,721	\$ 36,924,914	\$ 37,352,579	\$ 42,929,054	\$ 44,241,700	\$ 40,192,267	\$ 39,751,167
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%

Source: Authority's financial records.

(1) Information broken down by plan type (Traditional vs. Combined) was not available.

See accompanying Notes to Required Supplementary Information.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Authority's Proportion of the Net OPEB Liability (Asset)	0.19899%	0.19513%	0.21075%	0.23743%	0.24469%	0.25752%
Authority's Proportionate Share of the Net OPEB Liability (Asset)	\$ (1,795,959)	\$ 1,230,332	\$ (6,600,918)	\$ (4,230,023)	\$ 48,224,034	\$ 33,574,529
Authority's Covered-Employee Payroll	\$ 34,346,593	\$ 29,261,327	\$ 32,094,379	\$ 35,968,721	\$ 36,924,914	\$ 43,578,011
Authority's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered-Employee Payroll	-5.23%	4.20%	-20.57%	-11.76%	130.60%	77.04%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	107.76	94.79%	128.23%	115.57%	47.80%	46.33%

Source: OPERS information with exception of covered employee payroll which was derived from the Authority's financial records.

See accompanying Notes to Required Supplementary Information.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority Covered-Employee Payroll	\$ 35,500,557	\$ 34,346,593	\$ 29,261,327	\$ 32,094,379	\$ 35,968,721	\$ 36,924,914
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: OPERS decides on the allocation of contributions to the OPEB plan after contributions are collected from CMHA. This amount was taken from the Schedule of Employer Allocations - Defined Benefit - Pension and is reported in the Contributions Subsequent to Measurement Date for the Pension Plan.

See accompanying Notes to Required Supplementary Information.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024

NOTE 1 PENSION

Ohio Public Employees Retirement System (OPERS)

Changes in Benefit Terms

There were no changes in benefit terms from the amounts reported.

Changes in Assumptions

There was no change in methods and assumptions used in the calculation of actuarial determined contributions for 2022. See the notes to the basic financials for the methods and assumptions in this calculation.

NOTE 2 OPEB

Ohio Public Employees Retirement System (OPERS)

Changes in Benefit Terms

See the notes to the financial statements for the change in benefit terms.

Changes in Assumptions

There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2022. See the notes to the basic financials for the methods and assumptions in this calculation.

SUPPLEMENTARY INFORMATION

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE BALANCE SHEET
DECEMBER 31, 2024

Line Item#	Accounts Description	Project Total	EFA FSS	Emergency Housing Voucher	Multifamily Property Disposition	ROSS	HCVP	Mainstream Vouchers	Blended Component Unit	Choice Neighborhoods Implementation	Sect 8 NC/SR Programs
CURRENT ASSETS											
Cash:											
111	Unrestricted	\$ 10,598,034	\$ -	\$ 54,080	\$ -	\$ -	\$ 4,235,262	\$ 470,270	\$ 15,398,896	\$ -	\$ -
112	Restricted - modernization and development	2,529,980	-	-	-	-	-	-	-	-	-
113	Other restricted	60,401	67,072	411,978	-	-	1,887,209	-	45,437,926	-	-
114	Tenant security deposits	603,232	-	-	-	-	-	-	780,639	-	-
100	Total cash	13,791,647	67,072	466,058	-	-	6,122,471	470,270	61,617,461	-	-
Accounts and notes receivable:											
121	Accounts Receivable - PHA Projects	-	-	-	-	-	53,095	-	-	-	-
122	HUD other projects	6,912,026	-	-	-	66,834	1,000	-	397,517	1,796,165	-
124	Other Government	-	-	-	-	-	-	-	-	-	-
125	Miscellaneous	403,364	-	-	-	-	449,635	-	4,754,098	-	-
126	Tenants	5,408,994	-	24,296	-	-	631,094	984	1,877,215	-	-
126.1	Allowance for doubtful accounts - tenants	(3,947,344)	-	-	-	-	-	-	-	-	-
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	(143,948)	-	-	-	-
127	Notes, loans, & mortgages receivable - current	254,353	-	-	-	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	285,644	12,657	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	(285,613)	(1,998)	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for uncollectibles	9,031,393	-	24,296	-	66,834	990,907	11,643	7,028,830	1,796,165	-
131	Investments - unrestricted	1,443,778	-	-	-	-	-	-	17,112,213	-	-
132	Investments - restricted	-	-	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	301,017	-	-	-	287	164,790	-	505,614	62	-
143	Inventories	132,699	-	-	-	-	411	-	4,393	-	-
144	Inter-program - due from	-	-	-	-	-	-	-	-	-	-
150	Total current assets	24,700,534	67,072	490,354	-	67,121	7,278,579	481,913	86,268,511	1,796,227	-
NONCURRENT ASSETS											
Fixed assets:											
161	Land	16,067,993	-	-	-	-	-	-	11,162,165	-	620,597
162	Buildings	387,910,266	-	-	-	-	-	-	99,843,458	-	-
163	Furniture, equipment & mach - dwellings	7,677,866	-	-	-	-	-	-	665,567	-	-
164	Furniture, equipment & mach - admin.	20,855	-	-	-	-	1,180,261	-	1,404,985	-	-
165	Leasehold Improvements	20,554	-	-	-	-	-	-	-	-	-
166	Accumulated depreciation	(361,597,771)	-	-	-	-	(1,153,161)	-	(32,865,835)	-	-
167	Construction in progress	26,156,535	-	-	-	-	-	-	5,811,549	-	-
160	Total fixed assets, net of accumulated depreciation	76,256,298	-	-	-	-	27,100	-	86,021,889	-	620,597
171	Notes, loans and mortgages receivable-noncurrent	61,673,528	-	-	1,400,000	-	-	-	24,838,976	2,474,675	-
174	Other assets	1,290,297	-	-	-	-	311,669	-	33,951,047	-	-
176	Investments in Joint Ventures	-	-	-	-	-	-	-	6,472,555	-	-
180	Total noncurrent assets	139,220,123	-	-	1,400,000	-	338,769	-	151,284,467	2,474,675	620,597
200	Deferred Outflow of Resources	9,723,107	-	-	-	-	2,348,607	-	-	-	-
290	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 173,643,764</u>	<u>\$ 67,072</u>	<u>\$ 490,354</u>	<u>\$ 1,400,000</u>	<u>\$ 67,121</u>	<u>\$ 9,965,955</u>	<u>\$ 481,913</u>	<u>\$ 237,552,978</u>	<u>\$ 4,270,902</u>	<u>\$ 620,597</u>

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE BALANCE SHEET (CONTINUED)
DECEMBER 31, 2024

Accounts Description	2 State/Local	Business Activities	Sect 8 Mod Rehab	Public Safety Partnership and Community Policing Grants	Lead-Based Paint Capital Fund Program Grant	14,896 PIH Family Self-Sufficiency Program	Income Housing Assistance Program Section 8 Moderate	COCC	Elimination	Total Entity	Discretely Presented Component Unit
CURRENT ASSETS											
Cash:											
Unrestricted	\$ 481,574	\$ 6,391,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 876,190	\$ -	\$ 38,505,824	\$ 559,862
Restricted - modernization and development	-	-	-	-	-	-	-	-	-	2,529,980	-
Other restricted	-	2,502,770	346,140	-	-	-	-	2,720	-	50,716,216	21,717,806
Tenant security deposits	-	-	-	-	-	-	-	-	-	1,383,871	400,955
Total cash	481,574	8,894,288	346,140	-	-	-	-	878,910	-	93,135,891	22,678,623
Accounts and notes receivable:											
Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	53,095	-
HUD other projects	-	-	16,349	-	21,450	9,103	-	-	-	9,220,444	3,354,334
Other Government	-	265,236	-	-	-	-	-	-	-	265,236	-
Miscellaneous	10,240	1,219,730	-	-	-	-	-	653,532	-	7,490,599	153,941
Tenants	-	-	-	-	-	-	-	-	-	7,942,583	899,071
Allowance for doubtful accounts - tenants	-	-	-	-	-	-	-	-	-	(3,947,344)	-
Allowance for doubtful accounts - other	-	-	-	-	-	-	-	-	-	(143,948)	-
Notes, loans, & mortgages receivable - current	-	2,906,633	-	-	-	-	-	-	(2,906,633)	254,353	-
Fraud recovery	-	-	1,466	-	-	-	-	-	-	299,767	-
Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-	-	-	(287,611)	-
Accrued interest receivable	-	3,334,890	-	-	-	-	-	-	-	3,334,890	-
Total receivables, net of allowances for uncollectibles	10,240	7,726,489	17,815	-	21,450	9,103	-	653,532	(2,906,633)	24,482,064	4,407,346
Investments - unrestricted	-	-	-	-	-	-	-	-	-	18,555,991	-
Investments - restricted	-	-	-	-	-	-	-	719,494	-	719,494	71,261,091
Prepaid expenses and other assets	8	2	-	-	-	-	-	-	-	971,780	517,693
Inventories	-	-	-	-	-	-	-	629,857	-	767,360	10,173
Inter-program - due from	-	38,958	-	-	-	-	-	-	(38,958)	-	-
Total current assets	491,822	16,659,737	363,955	-	21,450	9,103	-	2,881,793	(2,945,591)	138,632,580	98,874,926
NONCURRENT ASSETS											
Fixed assets:											
Land	-	3,149,255	-	-	-	-	-	4,910,053	-	35,910,063	276,397
Buildings	-	12,685,814	-	-	-	-	-	19,233,306	-	519,672,844	322,105,821
Furniture, equipment & mach - dwellings	-	383,537	-	-	-	-	-	-	-	8,726,970	3,903,680
Furniture, equipment & mach - admin.	-	7,795	-	-	-	-	-	7,157,389	-	9,771,285	-
Leasehold Improvement	-	-	-	-	-	-	-	-	-	20,554	20,352,431
Accumulated depreciation	-	(955,089)	-	-	-	-	-	(15,915,018)	-	(412,486,874)	(80,032,026)
Construction in progress	-	-	-	-	-	-	-	1,303,129	-	33,271,213	30,820,763
Total fixed assets, net of accumulated depreciation	-	15,271,312	-	-	-	-	-	16,688,859	-	194,886,055	297,427,066
Notes, loans and mortgages receivable - noncurrent	-	47,302,973	-	-	-	-	-	-	(22,561,332)	115,128,820	-
Other assets	-	255,279	-	-	-	-	-	2,859,009	(103,124)	38,564,177	84,338,107
Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	6,472,555	-
Total noncurrent assets	-	62,829,564	-	-	-	-	-	19,547,868	(22,664,456)	355,051,607	381,765,173
Deferred Outflow of Resources	-	-	-	-	-	-	-	6,760,404	-	18,832,118	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 491,822	\$ 79,489,301	\$ 363,955	\$ -	\$ 21,450	\$ 9,103	\$ -	\$ 29,190,065	\$ (25,610,047)	\$ 512,516,305	\$ 480,640,099

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE BALANCE SHEET (CONTINUED)
DECEMBER 31, 2024

Line Item#	Accounts Description	Project Total	EFA - FSS	Emergency Housing Voucher	Multifamily Property Disposition	ROSS	HCVP	CARES Act HCVP	Mainstream Vouchers	CARES Act Mainstream Vouchers	Blended Component Unit	Choice Neighborhoods Implementation	Sect 8 NC/SR Programs
CURRENT LIABILITIES													
312	Accounts payable <= 90 days	\$ 3,559,779	\$ -	\$ -	\$ -	\$ 975	\$ 369,441	\$ -	\$ -	\$ -	\$ 9,445,250	\$ 49	\$ -
313	Accounts payable > 90 days	-	-	-	-	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	760,619	-	-	-	40,470	139,004	-	-	-	353,287	4,247	-
322	Accrued compensated absences - current	886,046	-	-	-	-	230,288	-	-	-	-	-	-
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-	-	-	-
325	Accrued interest payable	151,786	-	-	-	-	-	-	-	-	-	-	-
331	Accounts payable - HUD	-	-	-	-	-	424,174	-	-	-	-	-	-
332	Accounts Payable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-
341	Tenant security deposits	581,164	-	-	-	-	-	-	-	-	663,407	-	-
342	Unearned revenues	1,266,576	-	288,979	-	-	11,237	-	-	-	1,373,462	-	-
343	Current portion of LT debt - capital projects	2,367,640	-	-	-	-	-	-	-	-	4,550,393	-	-
344	Current portion of LT debt- Operating	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-	64	-	-	-	86,187	-	-
346	Other liabilities	8,834,921	-	7,971	-	-	735,537	-	1,492	-	-	1,784,320	-
347	Interprogram - due to	-	-	-	-	25,676	-	-	-	-	-	7,611	-
310	Total current liabilities	18,408,531	-	296,950	-	67,121	1,909,745	-	1,492	-	16,471,986	1,796,227	-
NONCURRENT LIABILITIES													
351	Long-term debt, net of current - capital	8,588,758	-	-	-	-	-	-	-	-	90,107,471	-	-
352	Long-term debt, net of current - operating	-	-	-	-	-	-	-	-	-	-	-	-
353	Noncurrent liabilities - other	680,200	-	5,440	-	-	487,981	-	-	-	199,806	-	-
354	Accrued compensated absences - noncurrent	121,776	-	-	-	-	32,826	-	-	-	-	-	-
355	Loan Liability - Noncurrent	-	-	-	-	-	-	-	-	-	-	-	-
357	Accrued Pension and OPEB Liabilities	27,371,244	-	-	-	-	6,611,496	-	-	-	-	-	-
350	Total noncurrent liabilities	36,761,978	-	5,440	-	-	7,132,303	-	-	-	90,307,277	-	-
300	Total liabilities	55,170,509	-	302,390	-	67,121	9,042,048	-	1,492	-	106,779,263	1,796,227	-
400	Deferred Inflow of Resources	2,844,911	-	-	-	-	212,170	-	-	-	-	-	-
	Total Liabilities and Deferred Inflow of Resources	58,015,420	-	302,390	-	67,121	9,254,218	-	1,492	-	106,779,263	1,796,227	-
NET POSITION													
508.4	Net investment in capital assets	65,299,900	-	-	-	-	27,100	-	-	-	(8,635,975)	-	620,597
511.4	Restricted net position	2,951,089	67,072	122,999	-	-	976,874	-	-	-	45,355,352	-	-
512.4	Unrestricted net position	47,377,355	-	64,965	1,400,000	-	(292,237)	-	480,421	-	94,054,338	2,474,675	-
513	Total net position	115,628,344	67,072	187,964	1,400,000	-	711,737	-	480,421	-	130,773,715	2,474,675	620,597
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 173,643,764	\$ 67,072	\$ 490,354	\$ 1,400,000	\$ 67,121	\$ 9,965,955	\$ -	\$ 481,913	\$ -	\$ 237,552,978	\$ 4,270,902	\$ 620,597

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE BALANCE SHEET (CONTINUED)
DECEMBER 31, 2024**

Accounts Description	2 State/Local	Business Activities	Sect 8 Mod Rehab	Public Safety Partnership and Community Policing Grants	Lead-Based Paint Capital Fund Program Grant	14.896 PIH Family Self-Sufficiency Program	14.855b Lower Income Housing Assistance Program_Section 8 Moderate	COCC	Elimination	Total Entity	Discretely Presented Component Unit
CURRENT LIABILITIES											
Accounts payable <= 90 days	\$ 5,983	\$ 14,420	\$ 441	\$ -	\$ 21,450	\$ 48	\$ -	\$ 1,548,671	\$ -	\$ 14,966,507	\$ 18,356,174
Accounts payable > 90 days	-	-	-	-	-	-	-	-	-	-	-
Accrued wage/payroll taxes payable	3,970	124,641	38	-	-	3,384	-	1,151,519	-	2,581,179	-
Accrued compensated absences - current	-	-	-	-	-	-	-	2,589,275	-	3,705,609	-
Accrued contingency liability	-	-	-	-	-	-	-	-	-	-	-
Accrued interest payable	-	53,333	-	-	-	-	-	45,155	-	250,274	303,388
Accounts payable - HUD	-	-	104,061	-	-	-	-	-	-	528,235	-
Accounts Payable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-
Tenant security deposits	-	-	-	-	-	-	-	-	-	1,244,571	347,002
Unearned revenues	484,459	956,492	-	-	-	-	-	-	-	4,381,205	288,433
Current portion of LT debt - capital projects	-	-	-	-	-	-	-	-	(2,906,633)	4,011,400	63,674,399
Current portion of LT debt - operating	-	-	-	-	-	-	-	660,000	-	660,000	-
Other current liabilities	-	-	-	-	-	-	-	-	-	86,251	91,638
Other liabilities	2,209	9,564	2,702	-	-	-	-	8,712,989	-	20,091,705	504,631
Interprogram - due to	-	-	-	-	-	5,671	-	-	(38,958)	-	-
Total current liabilities	496,621	1,158,450	107,242	-	21,450	9,103	-	14,707,609	(2,945,591)	52,506,936	83,565,665
NONCURRENT LIABILITIES											
Long-term debt, net of current - capital	-	-	-	-	-	-	-	-	(22,561,332)	76,134,897	214,907,892
Long-term debt, net of current - operating	-	32,000,000	-	-	-	-	-	15,030,584	-	47,030,584	-
Noncurrent liabilities - other	-	449,700	-	-	-	-	-	831,903	(103,124)	2,551,906	123,474,761
Accrued compensated absences - noncurrent	-	-	-	-	-	-	-	403,144	-	557,746	-
Loan Liability - Noncurrent	-	-	-	-	-	-	-	-	-	-	-
Accrued Pension and OPEB Liabilities	-	-	-	-	-	-	-	19,031,019	-	53,013,759	-
Total noncurrent liabilities	-	32,449,700	-	-	-	-	-	35,296,650	(22,664,456)	179,288,892	338,382,653
Total liabilities	496,621	33,608,150	107,242	-	21,450	9,103	-	50,004,259	(25,610,047)	231,795,828	421,948,318
Deferred Inflow of Resources	-	-	-	-	-	-	-	610,728	-	3,667,809	-
Total Liabilities and Deferred Inflow of Resources	496,621	33,608,150	107,242	-	21,450	9,103	-	50,614,987	(25,610,047)	235,463,637	421,948,318
NET POSITION											
Net investment in capital assets	-	15,271,312	-	-	-	-	-	16,688,859	-	89,271,793	210,528,321
Restricted net position	-	2,053,070	346,140	-	-	-	-	1,430,605	-	53,303,201	93,032,850
Unrestricted net position	(4,799)	28,556,769	(89,427)	-	-	-	-	(39,544,386)	-	134,477,674	(244,869,390)
Total net position	(4,799)	45,881,151	256,713	-	-	-	-	(21,424,922)	-	277,052,668	58,691,781
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 491,822</u>	<u>\$ 79,489,301</u>	<u>\$ 363,955</u>	<u>\$ -</u>	<u>\$ 21,450</u>	<u>\$ 9,103</u>	<u>\$ -</u>	<u>\$ 29,190,065</u>	<u>\$ (25,610,047)</u>	<u>\$ 512,516,305</u>	<u>\$ 480,640,099</u>

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
DECEMBER 31, 2024**

Line Item#	Accounts Description	Project Total	EFA FSS	Emergency Housing Voucher	Multifamily Property Disposition	ROSS	HCVP	Mainstream Vouchers	Blended Component Unit	Choice Neighborhoods Implementation	Sect 8 NC/SR Programs
REVENUE											
70300	Net tenant rental revenue	\$ 8,119,576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,456,917	\$ -	\$ -
70400	Tenant revenue - other	14,044	-	-	-	-	-	-	-	-	-
70500	Total tenant revenue	8,133,620	-	-	-	-	-	-	10,456,917	-	-
70600	HUD PHA operating grants	55,094,219	-	3,675,701	-	557,456	150,492,343	1,240,211	25,715,988	-	-
706.10	Capital grants	15,150,100	-	-	-	-	-	-	-	9,945,791	-
70710	Management fee	-	-	-	-	-	-	-	-	-	-
70720	Asset Management fee	-	-	-	-	-	-	-	-	-	-
70730	Bookkeeping fee	-	-	-	-	-	-	-	-	-	-
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-	-
70750	Other fees	-	-	-	-	-	-	-	-	-	-
70800	Other governmental grants	-	-	-	-	-	-	-	880,551	-	-
71100	Investment income - unrestricted	106,061	-	500	-	-	500	500	1,260,566	-	-
71400	Fraud recovery	-	-	-	-	-	72,384	-	-	-	-
71500	Other revenue	2,223,427	53,621	-	-	-	-	-	18,439,801	-	-
71600	Gain or loss on sale of capital assets	(732,202)	-	-	-	-	-	-	-	-	-
72000	Investment Income - Restricted	17,988	343	-	-	-	-	-	22,363	-	-
70000	Total revenue	79,993,213	53,964	3,676,201	-	557,456	150,565,227	1,240,711	56,776,186	9,945,791	-
EXPENSES											
Administrative:											
91100	Administrative salaries	2,278,326	-	226,116	-	-	2,696,027	53,406	1,339,777	79,348	-
91200	Auditing fees	140,164	-	10,000	-	-	48,408	-	40,541	-	-
91300	Management fee	4,550,377	-	-	-	-	2,345,722	-	393,894	-	-
91310	Bookkeeping fee	333,513	-	-	-	-	1,227,510	-	124,263	-	-
91400	Advertising and Marketing	44,712	-	2,500	-	-	17,421	-	4,785	-	-
91500	Employee benefit contributions - admin	1,519,813	-	101,792	-	-	1,100,603	11,984	-	20,863	-
91600	Office expense	4,271,993	-	255,937	-	14,135	4,393,155	164,628	509,198	10,576	-
91700	Legal expense	535,404	-	50,000	-	-	146,238	-	86,101	-	-
91800	Travel	13,643	-	20,810	-	7,212	3,762	-	-	279	-
91900	Other	7,523	-	11,900	-	-	16,529	-	10,270,901	-	-
	Total administrative	13,695,468	-	679,055	-	21,347	11,995,375	230,018	12,769,460	111,066	-
92000	Asset Management Fee	528,510	-	-	-	-	-	-	-	-	-
Tenant services:											
92100	Salaries	565,045	-	-	-	336,914	-	-	-	-	-
92200	Relocation costs	55,267	-	-	-	-	-	-	-	79,534	-
92300	Employee benefit contributions	183,467	-	-	-	153,019	-	-	-	-	-
92400	Other	435,456	4,805	-	-	-	-	-	-	728,156	-
	Total tenant services	1,239,235	4,805	-	-	489,933	-	-	-	807,690	-

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY (CONTINUED)
DECEMBER 31, 2024**

Line Item#	Accounts Description	2 State/Local	Business Activities	S8MR	Public Safety Partnership and Community Policing Grants	Lead-Based Paint Capital Fund Program Grant	14.896 PIH Family Self- Sufficiency Program	14.856 Lower Income Housing Assistance Program_Sectio n 8 Moderate	COCC	Elimination	Total Entity	Discretely Presented Component Unit
REVENUE												
70300	Net tenant rental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,576,493	\$ 5,181,134
70400	Tenant revenue - other	-	-	-	-	-	-	-	-	-	14,044	975
70500	Total tenant revenue	-	-	-	-	-	-	-	-	-	18,590,537	5,182,109
70600	HUD PHA operating grants	-	-	368,288	-	-	62,135	-	-	(1,003,149)	236,203,192	-
70610	Capital grants	-	-	-	-	238,220	-	-	-	-	25,334,111	-
70710	Management fee	-	-	-	-	-	-	-	9,842,748	(9,842,748)	-	-
70720	Asset Management fee	-	-	-	-	-	-	-	570,159	(570,159)	-	-
70730	Bookkeeping fee	-	-	-	-	-	-	-	1,951,148	(1,951,148)	-	-
70740	Front Line Service fee	-	-	-	-	-	-	-	1,045,234	(1,045,234)	-	-
70750	Other Service Fees	-	-	-	-	-	-	-	-	-	-	-
70800	Other governmental grants	288,364	-	-	-	-	-	-	-	-	1,168,915	16,769,975
71100	Investment income - unrestricted	-	459,845	500	-	-	-	-	19,220	-	1,847,692	1,655,664
71400	Fraud recovery	-	-	-	-	-	-	-	-	-	72,384	-
71500	Other revenue	-	76,888	-	-	-	-	-	790,783	-	21,584,520	9,566,804
71600	Gain or loss on sale of capital assets	-	-	-	-	-	-	-	22,853	-	(709,349)	-
72000	Investment Income - Restricted	-	817,045	-	-	-	-	-	443,418	-	1,301,157	-
70000	Total revenue	288,364	1,353,778	368,788	-	238,220	62,135	-	14,685,563	(14,412,438)	305,393,159	33,174,552
EXPENSES												
Administrative:												
91100	Administrative salaries	-	503	10,681	-	-	-	-	7,617,664	-	14,301,848	1,686,677
91200	Auditing fees	-	-	-	-	-	-	-	44,692	-	283,805	-
91300	Management fee	-	-	-	-	-	-	-	-	(7,289,993)	-	847,049
91310	Bookkeeping fee	-	-	-	-	-	-	-	-	(1,685,286)	-	-
91400	Advertising and Marketing	-	404	-	-	-	-	-	49,785	-	119,607	-
91500	Employee benefit contributions - admin	-	134	2,398	-	-	-	-	2,800,369	-	5,557,956	-
91600	Office expense	18,936	345,515	-	-	-	1,210	-	1,435,965	-	11,421,248	-
91700	Legal expense	-	-	-	-	-	-	-	251,577	(1,045,234)	24,086	-
91800	Travel	421	-	-	-	-	514	-	68,733	-	115,374	-
91900	Other	-	23	-	-	-	-	-	48,764	(2,860,266)	7,495,374	8,628,028
	Total administrative	19,357	346,579	13,079	-	-	1,724	-	12,317,549	(12,880,779)	39,319,298	11,161,754
92000	Asset Management Fee	-	-	-	-	-	-	-	-	(528,510)	-	-
Tenant services:												
92100	Salaries	106,219	-	-	-	-	45,714	-	45,584	-	1,099,476	30,983
92200	Relocation costs	-	-	-	-	-	-	-	-	-	134,801	-
92300	Employee benefit contributions	-	-	-	-	-	12,102	-	-	-	348,588	-
92400	Other	71,561	79,009	-	-	-	-	-	3,176	-	1,322,163	-
	Total tenant services	177,780	79,009	-	-	-	57,816	-	48,760	-	2,905,028	30,983

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY (CONTINUED)
DECEMBER 31, 2024**

Line Item#	Accounts Description	Project Total	EFA FSS	Emergency Housing Voucher	Multifamily Property Disposition	ROSS	HCVP	Mainstream Vouchers	Blended Component Unit	Choice Neighborhoods Implementation	Sect 8 NC/SR Programs
EXPENSES (Continued)											
Utilities:											
93100	Water	\$ 2,689,958	\$ -	\$ -	\$ -	\$ -	\$ 3,860	\$ -	\$ 272,663	\$ -	\$ -
93200	Electricity	2,719,112	-	-	-	-	83,443	-	482,593	-	-
93300	Gas	1,322,987	-	-	-	-	523	-	77,558	-	-
93600	Sewer	5,494,356	-	-	-	-	9,594	-	627,605	-	-
93800	Other utilities expense	-	-	-	-	-	-	-	5,487,512	-	-
	Total utilities	12,226,413	-	-	-	-	97,420	-	6,947,931	-	-
Ordinary maintenance & operations:											
94100	Labor	6,237,714	-	5,000	-	-	41,325	-	530,017	-	-
94200	Materials and other	2,687,869	-	-	-	-	1,187	-	722,673	-	-
94300	Contracts	13,495,282	-	-	-	-	13,467	-	15,653,647	-	-
94500	Employee benefits contribution	1,929,466	-	-	-	-	17,409	-	-	-	-
	Total ordinary maintenance & operations	24,350,331	-	5,000	-	-	73,388	-	16,906,337	-	-
Protective services:											
95100	Labor	2,326,616	-	-	-	-	16,332	-	-	-	-
95200	Other contract costs	318,215	-	-	-	-	-	-	487,415	-	-
95300	Other	75,740	-	-	-	-	-	-	-	-	-
95500	Employee benefit contributions	634,402	-	-	-	-	5,744	-	-	-	-
95000	Total protective services	3,354,973	-	-	-	-	22,076	-	487,415	-	-
96110	Property insurance	962,282	-	-	-	-	-	-	274,878	-	-
96120	Liability insurance	405,506	-	-	-	-	58,554	-	-	-	-
96130	Workmen's Compensation	108,658	-	-	-	-	36,798	-	16,830	-	-
96140	All other insurance	116,817	-	-	-	524	12,897	-	4,428,097	241	-
96100	Total insurance premiums	1,593,263	-	-	-	524	108,249	-	4,719,805	241	-
General expenses:											
96200	Other general expenses	4,662,053	-	413	-	52	47,061	130	2,947	14	-
96210	Compensated absences	1,220,749	-	-	-	45,600	415,749	-	-	13,373	-
96400	Bad debt - tenant rents	2,795,593	-	-	-	-	-	-	579,486	-	-
96600	Bad debt - other	-	-	-	-	-	-	-	-	-	-
96000	Total general expenses	8,678,395	-	413	-	45,652	462,810	130	582,433	13,387	-

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY (CONTINUED)
DECEMBER 31, 2024**

Line Item#	Accounts Description	2 State/Local	Business Activities	S8MR	Public Safety Partnership and Community Policing Grants	Lead-Based Paint Capital Fund Program Grant	14.896 PIH Family Self- Sufficiency Program	Income Housing Assistance Program_Sectio n 8 Moderate	COC	Elimination	Total Entity	Discretely Presented Component Unit
EXPENSES (Continued)												
Utilities:												
93100	Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,741	\$ -	\$ 2,984,222	\$ -
93200	Electricity	-	-	-	-	-	-	-	151,450	-	3,436,598	-
93300	Gas	-	-	-	-	-	-	-	12,030	-	1,413,098	-
93600	Sewer	-	-	-	-	-	-	-	35,133	-	6,166,688	-
93800	Other utilities expense	-	-	-	-	-	-	-	-	-	5,487,512	4,105,659
	Total utilities	-	-	-	-	-	-	-	216,354	-	19,488,118	4,105,659
Ordinary maintenance & operations:												
94100	Labor	-	-	-	-	-	-	-	263,160	-	7,077,216	-
94200	Materials and other	-	155	-	-	-	-	-	75,999	-	3,487,883	8,366,109
94300	Contracts	-	797	-	-	238,220	-	-	304,854	-	29,706,267	-
94500	Employee benefits contribution	-	-	-	-	-	-	-	88,217	-	2,035,092	-
	Total ordinary maintenance & operations	-	952	-	-	238,220	-	-	732,230	-	42,306,458	8,366,109
Protective services:												
95100	Labor	95,753	-	-	-	-	-	-	-	-	2,438,701	-
95200	Other contract costs	-	-	-	-	-	-	-	-	-	805,630	-
95300	Other	-	-	-	-	-	-	-	2,386	-	78,126	495,105
95500	Employee benefit contributions	-	-	-	-	-	-	-	-	-	640,146	-
95000	Total protective services	95,753	-	-	-	-	-	-	2,386	-	3,962,603	495,105
96110	Property insurance	-	-	-	-	-	-	-	17,320	-	1,254,480	-
96120	Liability insurance	-	-	-	-	-	-	-	-	-	464,060	-
96130	Workmen's Compensation	-	2	-	-	-	-	-	115,024	-	277,312	-
96140	All other insurance	251	22	-	-	-	-	-	62,111	-	4,620,960	2,504,406
96100	Total insurance premiums	251	24	-	-	-	-	-	194,455	-	6,616,812	2,504,406
General expenses:												
96200	Other general expenses	22	40	-	-	-	-	-	29,228	-	4,741,960	599,937
96210	Compensated absences	-	-	-	-	-	2,595	-	2,573,461	-	4,271,527	-
96400	Bad debt - tenant rents	-	-	-	-	-	-	-	-	-	3,375,079	307,217
96600	Bad debt - other	-	-	-	-	-	-	-	-	-	-	-
96000	Total general expenses	22	40	-	-	-	2,595	-	2,602,689	-	12,388,566	907,154

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY (CONTINUED)
DECEMBER 31, 2024**

Line Item#	Accounts Description	Project Total	EFA FSS	Emergency Housing Voucher	Multifamily Property Disposition	ROSS	HCVP	Mainstream Vouchers	Blended Component Unit	Choice Neighborhoods Implementation	Sect 8 NC/SR Programs
EXPENSES (Continued)											
96710	Interest of mortgage payable	\$ 658,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,569,208	\$ -	\$ -
96720	Interest on notes payable	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-
96700	Total interest expense and amortization	658,240	-	-	-	-	-	-	2,569,208	-	-
96900	Total operating expenses	66,324,828	4,805	684,468	-	557,456	12,759,318	230,148	44,982,589	932,384	-
97000	Excess of operating revenue over operating expenses	13,668,385	49,159	2,991,733	-	-	137,805,909	1,010,563	11,793,597	9,013,407	-
97100	Extraordinary maintenance	-	-	-	-	-	-	-	-	6,538,732	-
97200	Casualty Losses- Non-capitalized	118,955	-	-	-	-	-	-	-	-	-
97300	Housing assistance payments	1,003,149	-	3,027,828	-	-	137,414,126	1,110,133	-	-	-
97350	HAP Portability-in	-	-	-	-	-	-	-	-	-	-
97400	Depreciation expense	3,794,465	-	-	-	-	3,015	-	4,795,800	-	-
90000	Total expenses	71,241,397	4,805	3,712,296	-	557,456	150,176,459	1,340,281	49,778,389	7,471,116	-
Other financing sources (uses):											
10010	Operating transfer in	4,425,525	-	-	-	-	-	-	-	-	-
10020	Operating transfer out	(4,425,525)	-	-	-	-	-	-	-	-	-
10070	Extraordinary Items (Net Gain/Loss)	570,220	-	-	-	-	137,735	-	-	-	-
10080	Special Items (Pension/OPEB Allocation)	-	-	-	-	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	2,888,097	-	-	-	-	-	-	-	-	-
10092	Inter Project Excess Cash Transfer Out	(2,888,097)	-	-	-	-	-	-	-	-	-
10100	Total other financing sources (uses)	570,220	-	-	-	-	137,735	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ 9,322,036	\$ 49,159	\$ (36,095)	\$ -	\$ -	\$ 526,503	\$ (99,570)	\$ 6,997,797	\$ 2,474,675	\$ -
Memo Account Information											
11020	Required annual debt principal payments	\$ 2,276,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning equity	118,210,282	17,913	224,059	1,400,000	-	(14,798)	579,991	110,837,573	-	620,597
11040	Prior period adjustments, equity transfers	(11,903,974)	-	-	-	-	200,032	-	12,938,345	-	-
11170	Administrative fee equity	-	-	-	-	-	(265,137)	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	976,874	-	-	-	-
11190	Unit months available	56,800	-	4,044	-	-	189,096	2,040	40,804	-	-
11210	Number of unit months leased	48,073	-	3,110	-	-	163,668	1,894	39,238	-	-
11620	Building purchases	12,477,518	-	-	-	-	-	-	-	-	-
13510	CFFP debt services payments	2,964,821	-	-	-	-	-	-	-	-	-

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL DATA SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY (CONTINUED)
DECEMBER 31, 2024**

Line Item#	Accounts Description	2 State/Local	Business Activities	S8MR	Public Safety Partnership and Community Policing Grants	Lead-Based Paint Capital Fund Program Grant	14.896 PIH Family Self-Sufficiency Program	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC	Elimination	Total Entity	Discretely Presented Component Unit
EXPENSES (Continued)												
96710	Interest of mortgage payable	\$ -	\$ 640,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 565,020	\$ -	\$ 4,432,468	\$ 5,610,430
96720	Interest on notes payable	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-
96700	Total interest expense and amortization	-	640,000	-	-	-	-	-	565,020	-	4,432,468	5,610,430
96900	Total operating expenses	293,163	1,066,604	13,079	-	238,220	62,135	-	16,679,443	(13,409,289)	131,419,351	33,181,600
97000	Excess of operating revenue over operating expenses	(4,799)	287,174	355,709	-	-	-	-	(1,993,880)	(1,003,149)	173,973,808	(7,048)
97100	Extraordinary maintenance	-	-	-	-	-	-	-	-	-	6,538,732	-
97200	Casualty Losses- Non-capitalized	-	-	-	-	-	-	-	7,740	-	126,695	-
97300	Housing assistance payments	-	-	314,364	-	-	-	-	-	(1,003,149)	141,866,451	-
97350	HAP Portability-in	-	-	-	-	-	-	-	-	-	-	-
97400	Depreciation expense	-	173	-	-	-	-	-	670,650	-	9,264,103	10,055,584
90000	Total expenses	293,163	1,066,777	327,443	-	238,220	62,135	-	17,357,833	(14,412,438)	289,215,332	43,237,184
Other financing sources (uses):												
10010	Operating transfer in	-	-	-	-	-	-	-	-	(4,425,525)	-	-
10020	Operating transfer out	-	-	-	-	-	-	-	-	4,425,525	-	-
10070	Extraordinary Items (Net Gain/Loss)	-	-	-	-	-	-	-	396,468	-	1,104,423	-
10080	Special Items (Pension/OPEB Allocation)	-	-	-	-	-	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-	-	-	(2,888,097)	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-	-	-	2,888,097	-	-
10100	Total other financing sources (uses)	-	-	-	-	-	-	-	396,468	-	1,104,423	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ (4,799)	\$ 287,001	\$ 41,345	\$ -	\$ -	\$ -	\$ -	\$ (2,275,802)	\$ -	\$ 17,282,250	\$ (10,062,632)
Memo Account Information												
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,276,322	\$ -
11030	Beginning equity	-	45,594,150	215,368	-	-	-	-	(17,914,717)	-	259,770,418	68,754,413
11040	Prior period adjustments, equity transfers	-	-	-	-	-	-	-	(1,234,403)	-	-	-
11170	Administrative fee equity	-	-	-	-	-	-	-	-	-	(265,137)	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	-	988,054	-
11190	Unit months available	-	-	684	-	-	-	-	-	-	304,658	21,769
11210	Number of unit months leased	-	-	443	-	-	-	-	-	-	267,636	18,929
11620	Building purchases	-	-	-	-	-	-	-	-	-	12,489,138	-
13510	CFFP debt services payments	-	-	-	-	-	-	-	-	-	2,978,331	-

OTHER INFORMATION

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
OTHER INFORMATION
SCHEDULE OF RESTRICTED AND NONRESTRICTED NET REVENUES
DECEMBER 31, 2024**

Schedule of Restricted and Nonrestricted Net Revenues

Nonrestricted Revenues				Nonrestricted Operating Expenses Excluding Depreciation and Debt Service		
	COCC	Business Activities	Component Unit Blended	COCC	Business Activities	Component Unit Blended
2019	\$ 18,297,572	\$ 2,370,204	\$ 8,295,637	\$ 9,663,581	\$ 1,587,954	\$ 1,044,484
2020	15,905,501	1,035,153	7,988,071	14,942,527	254,818	2,039,592
2021	15,302,927	270,769	14,239,391	13,116,080	86,361	1,750,031
2022	14,815,094	170,330	39,361,966	24,141,207	159,653	22,191,183
2023	14,110,825	1,009,343	35,056,136	15,244,231	208,201	29,067,452
2024	14,685,563	536,733	40,843,893	16,114,423	268,788	40,340,337

Restricted Revenues				Restricted Operating Expenses Excluding Depreciation and Debt Service		
	COCC	Business Activities	Component Unit Blended	COCC	Business Activities	Component Unit Blended
2019	\$ -	\$ 205,094	\$ 6,351,669	\$ -	\$ 300,241	\$ 4,370,597
2020	-	2,291,788	8,295,324	-	416,450	7,434,869
2021	-	1,344,048	10,307,374	-	1,254,641	8,459,026
2022	-	759,788	5,955,007	-	559,001	233,365
2023	-	1,007,496	2,805,710	-	231,005	2,147,025
2024	-	817,045	15,932,293	-	157,816	2,074,498

Revenues per FDS				Operating Expenses Excluding Depreciation and Debt Service per FDS		
	COCC	Business Activities	Component Unit Blended	COCC	Business Activities	Component Unit Blended
2019	\$ 18,297,572	\$ 2,575,298	\$ 14,647,306	\$ 9,663,581	\$ 1,888,195	\$ 5,415,081
2020	15,905,501	3,326,941	16,283,395	14,942,527	671,268	9,474,461
2021	15,302,927	1,614,817	24,546,765	13,116,080	1,341,002	10,209,057
2022	14,815,094	930,118	45,316,973	24,141,207	718,654	22,424,548
2023	14,110,825	2,016,839	37,861,846	15,244,231	439,206	31,214,477
2024	14,685,563	1,353,778	56,776,186	16,114,423	426,604	42,414,835

Revenues per FDS line 70000

Expenses per FDS line 96900 less line 967000

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
OTHER INFORMATION
SCHEDULE OF UNRESTRICTED NET INCOME
DECEMBER 31, 2024**

Schedule of Unrestricted Net Income

	Authority Revenues Nonrestricted	Nonrestrictive Operating Expenses Excluding Depreciation and Debt Service	Net Income (Loss)
2019	\$ 28,963,413	\$ 12,296,019	\$ 16,667,394
2020	24,928,725	17,236,937	7,691,788
2021	29,813,087	14,952,472	14,860,615
2022	54,347,390	46,492,043	7,855,347
2023	50,176,304	44,519,884	5,656,420
2024	56,066,189	56,723,548	(657,359)

	Authority Revenues Nonrestricted	Nonrestrictive Operating Expenses Excluding Depreciation and Debt Service	Net Income (Loss)
2019	\$ 29.0	\$ 12.3	\$ 16.7
2020	24.9	17.2	7.7
2021	29.8	15.0	14.8
2022	54.4	46.5	7.9
2023	50.2	44.5	5.7
2024	56.1	56.7	(0.6)

SINGLE AUDIT REPORT



**INDEPENDENT AUDITORS' 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**

Members of the Board
Cuyahoga Metropolitan Housing Authority
Cleveland, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of Cuyahoga Metropolitan Housing Authority (the Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Cuyahoga Metropolitan Housing Authority's basic financial statements, and have issued our report thereon dated June 27, 2025. Our report includes a reference to other auditors who audited the financial statements of the blended component units of Quarrytown Redevelopment, LLC, Severance Redevelopment, LLC, Ambleside Redevelopment, LLC, Riverside Park Homes, L.P. and 2045 Transformation, LLC. Our report also includes a reference to other auditors who audited the financial statements of the 15 aggregate discretely presented component units as described in our report on the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of 2045 Transformation, LLC., Garden Valley Housing Partnership I, L.P., Garden Valley Housing Partnership II, L.P., Garden Valley Housing Partnership III, L.P., Euclid-Lee Senior, L.P., Miles Pointe Elderly Limited Partnership, Fairfax Intergenerational Housing, L.P., Riverside Park Phase II, L.P., Riverside Park Phase III, L.P., and East Side Neighborhood Homes, L.P. were not performed in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances or reportable noncompliance associated of these entities.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cuyahoga Metropolitan Housing 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 Cuyahoga Metropolitan Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Cuyahoga Metropolitan Housing 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cuyahoga Metropolitan Housing 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*.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Maumee, Ohio
June 27, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Members of the Board
Cuyahoga Metropolitan Housing Authority
Cleveland, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cuyahoga Metropolitan Housing Authority's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Cuyahoga Metropolitan Housing Authority's major federal program for the year ended December 31, 2024. Cuyahoga Metropolitan Housing Authority's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Cuyahoga Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

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* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cuyahoga Metropolitan Housing 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 Cuyahoga Metropolitan Housing Authority's compliance with the compliance requirements referred to above.

Other Matter – Federal Expenditures Not included in the Compliance Audit

The Authority's basic financial statements include the operations of the discretely presented component units which may have received federal awards, and which are not included in the schedule of expenditures of federal awards for the year ended December 31, 2024. Our audit, described below, did not include the operations of the aggregate discretely presented component units because other auditors were engaged to perform audits of compliance.

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 Cuyahoga Metropolitan Housing Authority's federal programs.

Auditors' 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 Cuyahoga Metropolitan Housing 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 Cuyahoga Metropolitan Housing 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 Cuyahoga Metropolitan Housing 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 Cuyahoga Metropolitan Housing 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 Cuyahoga Metropolitan Housing 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the noncompliance findings identified in our compliance audit 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 compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024f-001, to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Cuyahoga Metropolitan Housing Authority's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Cuyahoga Metropolitan Housing Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



CliftonLarsonAllen LLP

Maumee, Ohio
June 27, 2025

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development (HUD)				
Direct Awards:				
Public and Indian Housing	14.850	N/A	\$ -	\$ 47,356,589
Public Housing Capital Fund Program	14.872	N/A	-	22,887,730
Resident Opportunity and Supportive Services	14.870	N/A	-	557,456
Choice Neighborhood Implementation Grant	14.866	N/A	-	7,471,116
Section 8 Project-Based Cluster				
Moderate Rehabilitation	14.856	N/A	-	327,443
New Construction and Substantial Rehabilitation	14.182	N/A	-	25,715,988
Total Section 8 Project-Based Cluster				<u>26,043,431</u>
Housing Voucher Cluster:				
Mainstream Vouchers	14.879	N/A	-	1,340,281
Housing Choice Vouchers	14.871	N/A	-	150,176,459
Emergency Housing Vouchers	14.871	N/A	-	3,712,296
Total Housing Choice Vouchers				<u>153,888,755</u>
Total Housing Voucher Cluster				<u>155,229,036</u>
Family Self-Sufficiency	14.896	N/A	-	62,135
Lead-Based Paint Capital Fund Grant	14.888	N/A	-	<u>238,220</u>
Total Expenditures of Federal Awards				<u><u>\$ 259,845,713</u></u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CUYAHOGA METROPOLITAN HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal financial assistance programs of the Cuyahoga Metropolitan Housing Authority (the Authority) for the year ended December 31, 2024. The Authority's reporting entity is defined in Note 1 to the Authority's financial statements. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

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

NOTE 4 NONCASH FEDERAL ASSISTANCE

The Authority did not receive any noncash federal assistance for the year ended December 31, 2024.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

ALN Number(s)

14.871/14.879

Name of Federal Program or Cluster

Housing Voucher Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 3,000,000

Auditee qualified as low-risk auditee?

 x yes _____ no

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Federal Award Findings and Questioned Costs

2024 – 001

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: Housing Voucher Cluster - Section 8 Housing Choice Vouchers / Mainstream Vouchers

Assistance Listing Number: 14.871/14.879

Federal Award Identification Number and Year: OH003 - 2024

Award Period: January 1, 2024 through December 31, 2024

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria or specific requirement: Housing Quality Standard (HQS) Quality Control inspections must be drawn from recently completed HQS inspections (i.e. performed during the three months preceding reinspection) (24 CFR 982.405(b)).

Condition: During our testing of 22 quality control reinspections, we noted that two quality control reinspections were performed more than three months after the initial inspection.

Questioned costs: Unknown

Context: Testing of 22 Housing Voucher Cluster tenant files identified an exception in two files. In these instances, the quality control reinspections were not drawn from recently completed HQS inspections.

Cause: We have revised our QC inspection instance generation process to ensure the 90-day window does not calculate based on the batch scheduling date but rather on the actual date of the inspection being reviewed. Going forward, any QC-related inspection that is conducted outside of the three-month compliance period will be excluded from sampling.

Effect: The Authority is not in compliance with HUD guidelines for HQS requirements.

Repeat Finding: No

Recommendation: We recommend the Authority review their process for scheduling quality control reinspections to ensure they are performed timely.

Views of responsible officials: CMHA would like to note that the 2024 sample size for QC for SEMAP compliance is approximately 95-100 inspections. Nonetheless, CMHA's contracted vendor conducted over 170 QC inspections in 2024 and scheduled nearly double that amount. We are on track to far exceed the volume required by SEMAP sampling again this year. The team continues to review our inspections processes to ensure compliance with HQS guidelines and requirements.

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2024**

U.S. Department of Housing and Urban Development

The Cuyahoga Metropolitan Housing Authority (the Authority) respectfully submits the following corrective action plan for the year ended December 31, 2024.

Audit period: January 1, 2024 through December 31, 2024

The finding from the schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Housing and Urban Development

2024-001 Housing Voucher Cluster – Assistance Listing No. 14.871/14.879

Recommendation: We recommend the Authority review their process for scheduling quality control reinspections to ensure they are performed timely.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: CMHA would like to note that the 2024 sample size for QC for SEMAP compliance is approximately 95-100 inspections. Nonetheless, CMHA's contracted vendor conducted over 170 QC inspections in 2024 and scheduled nearly double that amount. We are on track to far exceed the volume required by SEMAP sampling again this year. The team continues to review our inspections processes to ensure compliance with HQS guidelines and requirements.

Name of the contact person responsible for corrective action: Claire Russ, Chief of Agency Analytics, Inspections and Technology

Planned completion date for corrective action plan: December 31, 2025

If the U.S. Department of Housing and Urban Development has questions regarding this plan, please call Bo Truett at 216-348-5000.



COMMITMENT ACCOUNTABILITY RESPECT EXCELLENCE SAFETY

**CUYAHOGA METROPOLITAN HOUSING AUTHORITY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2024**

U.S. Department of Housing and Urban Development

The Cuyahoga Metropolitan Housing Authority respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2024.

Audit period: January 1, 2023 through December 31, 2023

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2023 – 001 Section 8 Moderate Rehabilitation Annual Inspections

Condition: During our testing of 40 tenant files for housing quality standard (HQS) requirements, we noted that 5 tenants selected did not have a HQS inspection performed annually.

Status: This finding was corrected in the current year.

If the U.S. Department of Housing and Urban Development has questions regarding this schedule, please call Bo Truett, Director of Finance at 216-348-5000.

OHIO AUDITOR OF STATE KEITH FABER



CUYAHOGA METROPOLITAN HOUSING AUTHORITY

CUYAHOGA 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 12/2/2025

65 East State 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