Springfield Metropolitan Housing Authority

Financial Statements

September 30, 2015

Board of Commissioners
Springfield Metropolitan Housing Authority
101 West High Street
Springfield, Ohio 45502

We have reviewed the *Independent Auditors' Report* of the Springfield Metropolitan Housing Authority, Clark County, prepared by Salvatore Consiglio, CPA, Inc., for the audit period October 1, 2014 through September 30, 2015. 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 Springfield Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Dave Yost
Auditor of State

June 21, 2016

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SALVATORE CONSIGLIO, CPA, INC.

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Independent Auditors' Report

Board of Commissioners
Springfield Metropolitan Housing Authority

Report on the Financial Statements

I have audited the accompanying financial statements of the business-type activities and the blended presented component units of Springfield Metropolitan Housing Authority, Ohio, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I did not audit the financial statements of the component units of Springfield Metropolitan Housing Authority (see Note 1 for a description), which represent 49% and 5%, respectively, of the total assets and revenues of Springfield Metropolitan Housing Authority. Those statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for the component units, is based solely on the report of such other auditors. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In my opinion, based on my audit and the report of 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 blended presented component units of the Springfield Metropolitan Housing Authority, Ohio, as of September 30, 2015, and the respective change in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended September 30, 2015, the Authority adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. I did not modify my opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 and 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Other auditors and I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My Audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Springfield Metropolitan Housing Authority basic financial statements. The accompanying Schedule of Expenditure of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Government and Non-Profit Organizations* and is not a required part of the financial statements. The combining financial data schedule ("FDS"), the Asset Management Properties Schedules and The PHA Statement of Certificate of Actual Modernization Costs are presented for purposes of additional analysis as required by the Department of Housing and Urban Development 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by me and other auditors. In my opinion, the information is fairly stated in all material respect in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated May 20, 2016, on my consideration of the Springfield Metropolitan Housing Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Springfield Metropolitan Housing Authority's internal control over financial reporting and compliance.

Salvatore Consiglio

Salvatore Consiglio, CPA, Inc.
North Royalton, Ohio
May 20, 2016

As management of the Springfield Metropolitan Housing Authority (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2015. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Overview of the Financial Statements

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

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

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

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

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

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

The *Statement of Revenues, Expenses and Changes in Net Position* includes all of the revenues and expenses of the Authority regardless of when the cash is received or paid.

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

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

Significant programs consist of the following:

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

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

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

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

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

Component Units – Lincoln Park Housing Partnership LP owns and operates 40 units of low-income housing tax credit apartments at Lincoln Park in Springfield, Ohio. Lincoln Park Housing Partnership II LP owns and operates 68 units of low-income housing tax credit apartments at Lincoln Park in Springfield, Ohio. Lincoln Park Housing Partnership III LP owns and operates 24 units of low-income housing tax credit housing at Lincoln Park in Springfield, Ohio. The component units have fiscal year-ends of December 31, 2013.

Financial Highlights

During the fiscal year ending September 30, 2015:

- Total assets increased by $781,672. Current assets increased by $624,763, which was mostly due to an increase in accounts receivable.

- Total liabilities decreased by $216,342, which was mostly due to payment of long term liabilities.

- Total revenues increased by $1,657,612. The increase is due to capital grant funds received from HUD.

- Total expenses decreased by $147,123. The decrease was due to cost saving efforts implemented and decrease in housing assistance payments.

New GASB 68 Reporting

During 2015, the Authority adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Authority's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the Authority's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2 Minus plan assets available to pay these benefits

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

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. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, 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 pension 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 is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

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

As a result of implementing GASB 68, the Authority is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at September 30, 2014, from $34,356,678 to $33,372,427.

Notes to the Financial Statements
The notes to the basic financial statements provide additional information essential to a full understanding of the data provided in the basis financial statements.

Financial Analysis of the Authority - Statement of Net Position

	2015	2014 Restated
Current Assets	$ 3,632,208	$ 2,969,973
Noncurrent Assets	40,972,230	40,866,999
Deferred Outflows of Resources	163,213	149,007
Total Assets	$ 44,767,651	$ 43,985,979
Current Liabilities	$ 837,090	$ 968,220
Noncurrent Liabilities	9,560,120	9,645,332
Total Liabilities	10,397,210	10,613,552
Deferred Inflows of Resources	22,234	-
Net Position		
Investment in Capital Assets	26,413,480	26,033,527
Restricted Net Position	17,424	970,643
Unrestricted Net Position	7,917,303	6,368,257
Total Net Position	34,348,207	33,372,427
Total Liabilities and Net Position	$ 44,767,651	$ 43,985,979

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

The largest portion of the Authority's Net Position (77 percent) reflects its investments in capital assets. The Authority uses these capital assets (land, building, furniture and equipment) to provide housing services to residents and are not readily available for future spending. The unrestricted net position of the Authority is available for future use to provide program services.

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 non-operating revenues and expenses. Condensed information from the Authority's statements of revenue, expenses and changes in net position follows:

	2015	2014
Revenues		
Total Tenant Revenues	$ 1,616,241	$ 1,517,546
Operating Subsidies	8,205,936	8,139,065
Capital Grants	1,939,976	815,209
Investment Income	47,713	46,766
Other Revenues	638,898	272,566
Total Revenues	**12,448,764**	**10,791,152**
Expenses		
Administrative	1,875,622	1,909,028
Tenant Services	199,529	234,878
Utilities	823,382	887,390
Maintenance	1,438,943	1,429,753
Protective Services	-	112
General and Interest Expenses	818,084	462,914
Housing Assistance Payments	4,934,423	5,291,144
Depreciation	1,621,097	1,642,984
Total Expenses	**11,711,080**	**11,858,203**
Net Increases (Decreases)	**$ 737,684**	**$ (1,067,051)**

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amount for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expenses of $149,007 computed under GASB 27. GASB 27 required recognizing pension expense to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expenses of $130,770. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68	$ 11,711,080
Pension expense under GASB 68	(130,770)
2015 Contractually required contribution	62,321
Adjusted 2015 Program Expense	$11,642,631
Total 2014 Program Expenses under GASB 27	$11,858,203
Increased/ (Decreased) in Program Expenses not related to Pension	($ 215,572)

Capital Assets

The following reconciliation summarizes the changes in capital assets:

	2015	2014
Land and Land Rights	$ 3,338,758	$ 3,286,298
Buildings	50,760,836	47,113,245
Equipment	1,992,110	2,280,664
Infrastructure	4,573,900	5,318,102
Construction in Progress	-	651,801
Accumulated Depreciation	(26,944,050)	(25,324,309)
Total	$ 33,721,554	$ 33,325,801

Beginning Balance - September 30, 2014	$ 33,325,801
Current year Additions	2,015,494
Current year Depreciation Expense	(1,621,097)
Adjustment	1,356
Ending Balance - September 30, 2015	$ 33,721,554

Debt Outstanding

The Authority has $1,000,000 of debt outstanding at September 30, 2015, which represents amounts borrowed from the City of Springfield under the HOME Investment Partnership Program. The proceeds from this long-term note were used to make HOME loans to two of the component units. The balance of the debt belongs to the component units. Below is the change during the current fiscal year:

	SMHA	Component Units
Beginning Balance - September 30, 2014	$ 1,000,000	$ 7,297,719
Current Year Accrued Interest Payable	-	290,517
Current Year Debt Retired	-	(107,131)
Ending Balance - September 30, 2015	$ 1,000,000	$ 7,481,105

Economic Factors and Planned Events

Significant economic factors affecting the Authority are as follows:

- ✓ Federal funding is at the discretion of the U.S. Department of Housing and Urban Development (HUD) and the Authority received a funding proration of 88% for low income public housing for the year ending September 30, 2015.

- ✓ The slow economy has an impact on low-income households' ability to pay rent and 2015 modernization activity reduced availability for leases and rental income.

Contact Information

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

Springfield Metropolitan Housing Authority
Statement of Net Position
December 31, 2015

ASSETS	
Current assets	
Cash and cash equivalents	$1,092,881
Restricted cash and cash equivalent	1,055,047
Investments - unrested	850,000
Investments - rested	100,000
Receivables, net	378,457
Inventory, net	51,708
Prepaid expenses and other assets	104,115
Total current assets	**3,632,208**
Noncurrent assets	
Land	3,338,758
Building and equipment, net of depreciation	30,382,796
Notes receivable	6,678,242
Other assets	572,434
Total noncurrent assets	***40,972,230***
Deferred Outflows of Resources	***163,213***
Total assets	**$44,767,651**
LIABILITIES	
Current liabilities	
Accounts payable	$130,393
Accrued liabilities	374,785
Tenant security deposits	86,139
Unearned Revenue	19,230
Other current liabilities	226,543
Total current liabilities	***837,090***

See accompanying notes to the financial statements.

Springfield Metropolitan Housing Authority
Statement of Net Position (Continued)
December 31, 2015

Noncurrent liabilities	
Notes and loans payable	$8,207,242
Accrued compensated absences non-current	127,693
Net pension liability payable	1,155,108
Noncurrent liabilities - other	70,077
Total noncurrent liabilities	***9,560,120***
Total liabilities	**$10,397,210**
Deferred Inflows of Resources	**$22,234**
NET POSITION	
Net investment in capital assets	$26,413,480
Restricted net position	17,424
Unrestricted net position	7,917,303
Total net position	**$34,348,207**

See accompanying notes to the financial statements.

Springfield Metropolitan Housing Authority
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2015

OPERATING REVENUES	
Tenant Revenue	$1,616,241
Government operating grants	8,205,936
Other revenue	638,898
Total operating revenues	**10,461,075**
OPERATING EXPENSES	
Administrative	1,875,622
Tenant Services	199,529
Utilities	823,382
Maintenance	1,438,943
Protective services	0
General	752,187
Housing assistance payment	4,934,423
Depreciation	1,621,097
Total operating expenses	***11,645,183***
Operating income (loss)	**(1,184,108)**
NONOPERATING REVENUES (EXPENSES)	
Capital Grant Revenue	1,939,976
Interest and investment revenue	47,713
Interest expense	(65,897)
Total nonoperating revenues (expenses)	***1,921,792***
Change in net position	737,684
Total net position - beginning, restated	33,610,523
Total net position - ending	**$34,348,207**

See accompanying notes to the financial statements.

Springfield Metropolitan Housing Authority
Statement of Cash Flows
For the Year Ended December 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating grants received	$8,205,936
Tenant revenue received	1,574,592
Other revenue received	179,359
General and administrative expenses paid	(4,409,081)
Housing assistance payments	(4,934,423)
Net cash provided (used) by operating activities	**616,383**
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned	47,713
Transfer to investments	(700,000)
Net cash provided (used) by investing activities	**(652,287)**
CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES	
Capital Grant Funds Received	1,939,976
Debt principal payment	(107,131)
Interest expense paid on debt	(65,897)
Property and equipment purchased	(2,015,494)
Net cash provided (used) by capital and related activities	**(248,546)**
Net increase (decrease) in cash	(284,450)
Cash and cash equivalents - Beginning of year	2,432,378
Cash and cash equivalents - End of year	**$2,147,928**

See accompanying notes to the financial statements.

Springfield Metropolitan Housing Authority
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2015

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Net Operating Income (Loss)	($1,184,108)
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities	
- Depreciation	1,621,097
- (Increases) Decreases in Accounts Receivable	(231,154)
- (Increases) Decreases in Prepaid Assets	(55,811)
- (Increases) Decreases in Inventory	40,280
- (Increases) Decreases in Accrued Interest in Note Receivable	256,782
- (Increases) Decreases in Deferred Outflows	(14,206)
- Increases (Decreases) in Accounts Payable	(63,579)
- Increases (Decreases) in Accrued Liabilities	256,944
- Increases (Decreases) in Other Current Liabilities	(327,150)
- Increases (Decreases) in Tenant Security Deposits	2,464
- Increases (Decreases) in Unearned Revenue	2,253
- Increases (Decreases) in Pension Liability	21,850
- Increases (Decreases) in Accrued Compensated Absences	12,923
- Increases (Decreases) in Deferred Inflows	22,234
- Increases (Decreases) in Accrued Mortgage Interest Payable	290,517
- Increases (Decreases) in Noncurrent Liabilities - Other	(34,953)
Net cash provided (used) by operating activities	**$616,383**

See accompanying notes to the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

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

The accompanying financial statements comply with the provision of GASB Statement 61, the Financial Reporting Entity, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity.

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

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

Basis of Presentation
All activities of the Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and services to the general public on a

continuing basis be financed or recovered primarily though user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management a control, accountability, or other purposes.

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

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statement of net assets. Net assets (i.e., total assets net of total liabilities) are segregated into invested in capital assets, net of related debt, restricted and unrestricted components. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as they are needed.

Fund Accounting

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

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

Proprietary Fund Types

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

Enterprise Fund

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

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

Public Housing – The Public Housing Program includes 781 units of which the Authority owns, operates and maintains 649 units. There are 3 unites added in HUD approved ACC units in 2015. The remaining units are part of the Authority's Blended Component Units. The properties were acquired through bonds and notes guaranteed by HUD and through grants, subject to the terms of an Annual Contributions Contract with HUD. Revenues consist primarily of rents and other fees collected from tenants, and an Operating Subsidy from HUD. Capital funds provided by HUD are used to maintain and improve this Public Housing portfolio. Substantially all additions to land, structures and equipment of Public Housing are accomplished through these modernization grant funds.

Housing Assistance Payments – Section 8 of the Housing and Community Development Act of 1974, provides subsidies (Housing Assistance Payments) on behalf of lower-income families to participating housing owners. Under this program, the landlord-tenant relationship is between a housing owner and a family, rather than the Authority and a family as in Public Housing programs. For existing housing, and in some cases for new construction and substantial rehabilitation, HUD contracts with the Authority to enter into contracts with owners to make assistance payments for the difference between the approval contract rent and the actual rent paid by lower-income families.

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

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

Project Choice – Drug and alcohol prevention programs provided to children residing in the Housing Authority projects

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

Measurement Focus/Basis of Accounting

The proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred. Pursuant to GASB Statement No. 20 *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the Authority follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements. The Authority has elected not to implement any such guidance after such date.

Capital Assets

Capital assets over the Authority's capitalization threshold of $1,000 are recorded at cost and depreciated using the straight-line method over an estimated useful life of the assets. Donated capital assets are recorded at fair market value on the date of receipt. The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend the asset life, are not capitalized. The following are the useful lives used for depreciation purposes:

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

Cash and Cash Equivalents

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

Compensated Absences

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

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

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

Budgetary Accounting

The Authority annually prepares its budget as prescribed by the Department of Housing and Urban Development (HUD). This budget is submitted approved by the Board of the Housing Authority and submitted to HUD.

Estimates

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

Deferred Outflows/Inflows of Resources

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

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

Receivables – net of allowance

Bad debts are provided on the allowance method based on management's evaluation of the collectability of outstanding receivable balances at the end of the year. The allowances for uncollectible tenant receivables were $4,873 and for Housing Choice Voucher Program fraud recovery was $31,519. Total receivable net of allowance was $378,457 at September 30, 2015.

Inventory

Inventory consists of supplies and maintenance parts carried at cost and are expensed as they are consumed. The allowance for obsolete inventory was $30,368 at September 30, 2015.

Accounting and Reporting for Nonexchange Transactions

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

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

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

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

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

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

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

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

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

2. CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION:

For fiscal year 2015, the Authority implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December, 2014:

Net Position - September 30, 2014	$34,356,678
Adjustments:	
Net Pension Liability	(1,133,258)
Deferred Outflows	149,007
Component Unit partners capital contribution	111,294
Adjustment to record expenses not previously recorde	126,802
Restated Net Position - September 30, 2014	$33,610,523

3. CASH AND CASH EQUIVALENTS:

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

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

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

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

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

Deposits – As of September 30, 2015, the carrying amount of the Authority's deposits totaled $2,215,763 and its bank balances were $2,344,222. Based on the criteria described in GASB Statement No. 40, "Deposit and Investment Risk Disclosure," as of September 30, 2015, $1,933,802 was exposed to custodial risk as discussed below, as $410,420 was covered by the Federal Depository Insurance Corporation.

Investments – At September 30, 2015, the Authority held amounts in money market funds and certificates of deposit listed below. Maturity dates of the funds' securities are less than one year. Maturity dates of the certificates of deposit, which are placed in three different institutions, range from six months to two years. The bank balances of the investment (carrying value below) were $950,000.

Description	**Fair Value / Carrying Value**
Huntington Bank Certificates of Deposit	$100,000
Key Bank Certificates of Deposit	$850,000

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. All money market deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the Federal Reserve Banks or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Authority.

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

Blended Component Units – At December 31, 2014, each component unit maintains cash accounts at a single financial institution, respectively, where balances at times may exceed the $250,000 insured limit. The Component Units also have escrows and reserves held by the mortgage lender, and the balances may exceed $250,000. The total carrying value of cash for the component units was $882,165.

4. NOTES RECEIVABLE:

Hope VI Loan – Lincoln Park Phase IA

The Authority executed a HOPE VI Loan Agreement in the amount of $583,529 with Lincoln Park Housing Partnership LP for the development of 40 rental units (Phase IA) on March 22, 2007. The term of the loan promissory note began March 22, 2007 and continues until fifty (50) years from the first day of the month following the Substantial Completion Date as defined in the loan agreement. Each advance under the note bears interest during its term at the rate of 2% per annum, compounded annually. The loan is secured by an Open End Leasehold Mortgage and Security Agreement between Lincoln Park Housing Partnership LP (mortgagor) and the Authority (mortgagee). As a condition to providing funding for the loan, the Authority received the required Completion and Development Deficiency Guarantee from Penrose Properties LLC and Penrose Development LLC, each of whom is an affiliate of the general partner, Penrose GP LLC, of Lincoln Park Housing Partnership LP. Accrued interest receivable on this loan was $103,540 at September 30, 2015.

The Authority executed an additional promissory note with the partnership in December 2008. The total loan amount the Authority agreed to lend LPHPLP is $250,000 under the HOME Investment Partnership program with interest at 1% per annum, compounded annually. No payments are to be made during the term of the loan. The balance of principal and interest are due on March 22, 2047. Accrued interest receivable on this loan was $12,226 at September 30, 2015.

Hope VI Loan – Lincoln Park Phase IB

The Authority executed a HOPE VI Loan Agreement in the amount of $950,000 with Lincoln Park Housing Partnership II LP for the development of 68 rental units (Phase IB) on March 22, 2007. The term of the loan promissory note began on March 22, 2007 and continues until fifty (50) years from the first day of the month following the Substantial Completion Date as defined in the loan agreement. Each advance under the note bears interest during its term at the rate of 1% per annum, compounded annually. The loan is secured by an Open End Leasehold Mortgage and Security Agreement between Lincoln Park Housing Partnership LP (mortgagor) and The Authority (mortgagee). As a condition to providing funding for the loan, the Authority received the required Completion and Development Deficiency Guarantee from Penrose Properties, LLC and Penrose Development LLC, each of whom is an affiliate of the general partner, Penrose GP LLC, of Lincoln Park Housing Partnership II LP. Accrued interest receivable on this loan was $81,250 at September 30, 2015.

The Authority executed an additional promissory note with the partnership in December 2008. The total loan amount the Authority agreed to lend LPHPIILP is $750,000 under the HOME Investment Partnership program with interest at 1% per annum, compounded annually. No payments are to be made during the term of the loan. The balance of principal and interest are due on March 22, 2047. Accrued interest receivable on this loan was $31,104 at September 30, 2015.

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

The Authority's permanent loan $4,251,152 bear's interest at 0.25% per year with a 50-year term beginning upon the completion of construction, and requiring debt service due out of cash flow pursuant to a Regulatory and Operating Agreement. Proceeds of the loan are provided for Bond Loan repayment and are secured by a leasehold mortgage on the Development having second priority during construction until bonds are repaid and thereafter being a first priority leasehold mortgage. The balance due from the partnership at September 30, 2032 was $4,144,713. Accrued interest receivable on this loan was $50,009 at September 30, 2015.

5. CAPITAL ASSETS:

The following is a summary of changes in the Authority's capital assets for the year ended September 30, 2015:

	Balance 09/30/14	Adjustment	Additions	Deletions	Balance 09/30/15
Capital Assets Not Being Depreciated					
Land	$ 3,286,298	$ -	$ 52,460	$ -	$ 3,338,758
Construction in Progress	651,801	(651,801)	-	-	-
Total Capital Assets Not Being Depreciated	3,938,099	(651,801)	52,460	-	3,338,758
Capital Assets Being Depreciated					
Buildings	47,113,245	1,684,557	1,963,034	-	50,760,836
Furnt, Mach. And Equip.	2,280,664	(288,554)	-	-	1,992,110
Infrastructure	5,318,102	(744,202)	-	-	4,573,900
Total Capital Assets Being Depreciated	54,712,011	651,801	1,963,034	-	57,326,846
Accumulated Depreciation:					
Buildings	(21,061,875)	1,356	(966,720)	-	(22,027,239)
Furnt, Mach. And Equip.	(1,309,535)	-	(153,005)	-	(1,462,540)
Infrastructure	(2,952,899)	-	(501,372)	-	(3,454,271)
Total Accumulated Depreciation:	(25,324,309)	1,356	(1,621,097)	-	(26,944,050)
Total Capital Assets Being Depreciated, Net	29,387,702	653,157	341,937	-	30,382,796
Total Capital Assets, Net	$ 33,325,801	$ 1,356	$ 394,397	$ -	$ 33,721,554

The depreciation expense for the year ended September 30, 2015 was $1,621,097.

6. LONG-TERM LIABILITIES:

The Authority borrowed $1,000,000 from the City of Springfield under the HOME Investment Partnership program with interest at 1% per annum, compounded annually. No payments are to be made during the term of the loan. The balance of principal and interest are due on March 22, 2047. Funds from this loan were used to make HOME loans to the Blended Component Units, as described in Note 4.

Long-term debt is as follows for the Blended Component Units as of December 31, 2014:

	LPHPLP	**LPHPIILP**	**LPHIIILP**	**TOTAL Component Units**
First mortgage notes (A)	$583,529	$950,000	$4,144,714	$5,678,243
Second mortgage notes (A)	250,000	750,000	0	1,000,000
Third mortgage notes (B)	802,862	0	0	802,862
Total long-term dbt	$1,636,391	$1,700,000	$4,144,714	$7,481,105

(A) Amounts due the Authority (see Note 4)

(B) The Ohio Housing Finance Agency has committed to lend a principal sum up to $1,000,000 with interest at 2% per annum. The loan will be amortized over a ten year period with annual principal and interest payments of $111,294. Accrued interest as of December 31, 2014 is $173,031. The outstanding principal balance as of December 31, 2013 was $629,831.

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

Changes in long-term liabilities are as follows for the periods ended September 30, 2015 and December 31, 2014, respectively:

Description	Balance 12/31/14	Issued	Retired	Balance 12/31/15	Due Within One Year
Primary Government:					
Loan Payable	$ 1,000,000	$ -	$ -	$ 1,000,000	$ -
Compensated Absences	153,026	17,231	-	170,257	42,564
Other - FSS Escrow	128,073	-	57,996	70,077	-
Net Pension Liability	1,133,258	21,850	-	1,155,108	-
Total	$ 2,414,357	$ 39,081	$ 57,996	$ 2,395,442	$ 42,564
Component Units:					
Long-term Debt, restated	$ 7,297,719	$ 290,517	$ 107,131	$ 7,481,105	$ 273,863

7. DEFINED BENEFIT PENSION PLANS:

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

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

Ohio Revised Code limits the Authority's obligation for this liability to annually required payments. The Authority cannot control benefit terms or the manner in which pensions are financed; however, the Authority does receive the benefit of employees' services in exchange for compensation including pension. GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

Plan Description - Public Employees Retirement System (PERS)

All full-time employees of Authority participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provide retirement, disability and survivor benefits, and annual costs-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issue a publicly available financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-PERS.

Ohio Public Employees Retirement System administers three separate pension plans as described below:

1 The Traditional Pension Plan – A cost sharing, multiple-employer defined benefit pension plan.

2 The Member-Directed Plan – A defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per

year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions, plus any investment earnings.

3 The Combined Plan – A cost sharing, multiple-employer defined pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefits similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations and the employer contribution rate was 14.0 percent during fiscal year 2015. The contribution rates are determined actuarially. The Authority's contractual required contribution for the year ended September 30, 2015 was $152,475.

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

The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	Traditional	Combined	Total
Proportionate Share of Net Pension Liability	$1,161,124	($6,016)	$1,155,108
Proportion of the Net Pension Liability	0.009605%	0.015625%	
Pension Expense	$126,772	$3,998	$130,770

At December 31, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional	Combined	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$100,892	$0	$100,892
Authority contributions subsequent to the measurement date	61,954	367	62,321
Total Deferred Outflows of Resouces	$162,846	$367	$163,213
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$20,398	$1,836	$22,234

$62,321reported as deferred outflows of resources related to pension resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Traditional	Combine	Total
Fiscal Year Ending September 30:			
2016	$15,545	($218)	$15,327
2017	15,545	(218)	15,327
2018	15,545	(218)	15,327
2019	15,545	(218)	15,327
2020	15,545	(218)	15,327
There After	2,769	(746)	2,023
Total	$80,494	($1,836)	$78,658

Actuarial Assumptions – PERS

PERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2014, are presented below:

Wage Inflation	3.75%
Future Salary Increases, including inflation	4.25 - 10.05%
Cost-of-Living Adjustment	3% Simple
Investment Rate of Return	8%

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed December 31, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building block approach and assumes a time horizon, as defined in PERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

Asset Class	Target Allocation for 2014	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	23.00%	2.31%
Domestic Equities	19.90%	5.84%
Real Estate	10.00%	4.25%
Private Equity	10.00%	9.25%
International Equities	19.10%	7.40%
Other Investments	18.00%	4.59%
TOTAL	100.00%	5.28%

Discount Rate The total pension liability was calculated using the discount rate of 8.0 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute.

Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (8.0 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.0 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.0 percent), or one percentage point higher (9.0 percent) than the current rate.

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
Authority's proportionate share of the net pension liability			
- Traditional Pension Plan	$2,131,253	$1,161,124	$339,153
- Combine Plan	$781	($6,016)	($11,406)

8. POSTEMPLOYMENT BENEFITS:

A. Plan Description

The Public Employees Retirement System of Ohio (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the

Combined Plan – a cost sharing, multiple-employer defined pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issue a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

B. Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-employment health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, the Authority contributed at a rate of 14.00 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00 percent of covered payroll for state and local employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 2.0% during calendar year 2014. Effective January 1, 2015, the portion of employer contributions allocated to healthcare was raised to 2 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. Actual Authority contributions for the year ended September 30, 2015, 2014 and 2013, which were used to fund post-employment benefits, were $30,406, $54,968 and $15,674 respectively.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

9. RISK MANAGEMENT:

The Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents, vehicles and other liability insurance. Vehicle policies include liability coverage for bodily injury and property damage. There was no significant reduction in coverage and no settlements exceeded insurance coverage during the past three years.

10. CONTINGENT LIABILITIES:

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

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

11. CONCENTRATIONS:

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

12. BLENDED COMPONENT UNITS

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

Lincoln Park Housing Partnership LP (LPHPLP)

The Authority executed a Limited Partnership Agreement with Penrose GP LLC and the Ohio Equity Fund for Housing Limited Partnership XVI to form the Lincoln Park Housing Partnership LP on March 27, 2007. The Authority is a Special Limited Partner with a .001% ownership interest in this organization which developed, owns and operates 40 units of Low-Income

Housing tax Credit housing at Lincoln Park. Under the terms of the Limited Partnership Agreement, no Limited Partner shall be personally liable for any loss or liability of the Partnership beyond the amount of such Limited Partner's agreed-upon Capital Contributions and no Limited Partner shall participate in the operation, management or control of the Partnership's business, transact any business in the Partnership's name or have any power to sign documents for or otherwise bind the Partnership. The Authority made Capital Contributions to the Partnership totaling $1,032,500 through September 30, 2015 in HOPE VI funds for the development of 40 rental units. Lincoln Park Housing Partnership LP has executed a long-term Ground Lease, a HOPE VI Loan Agreement (see note 3), a Regulatory and Operating Agreement and various other documents with the Authority for the purpose of financing, owning and operating the rental development commonly known as Lincoln Park Phase IA.

Lincoln Park Housing Limited Partnership II LP (LPHPIILP)

The Authority executed an Amended and Restated Limited Partnership Agreement with Penrose GP LLC and the Ohio Equity Fund for Housing Limited Partnership XVI to form the Lincoln Park Housing Partnership II LP on March 27, 2007. The Authority is a Special Limited Partner with a .001% ownership interest in this organization which developed, owns and operates 68 units of Low-Income Housing Tax Credit housing at Lincoln Park. Under the terms of the Limited Partnership Agreement, no Limited Partner shall be personally liable for any loss or liability of the Partnership beyond the amount of such Limited Partner's agreed-upon Capital Contributions and no Limited Partner shall participate in the operation, management or control of the Partnership's business, transact any business in the partnership's name or have any power to sign document for or otherwise bind the Partnership. The Authority made Capital Contributions to the Partnership totaling $6,197,387 through September 30, 2015 in HOPE VI funds for the development of 68 rental units. Lincoln Park Housing Partnership II LP has executed a long-term Ground Lease, a HOPE VI Loan Agreement (see note 3), a Regulatory and Operating Agreement and various other documents with the Authority for the purpose of financing, owning and operating the rental development commonly known as Lincoln Park Phase IB.

Lincoln Park Housing Limited Partnership III LP (LPHPIIILP)

The Authority executed an Amended and Restated Limited Partnership Agreement with Penrose GP LLC and the Ohio Equity Fund for Housing Limited Partnership XVIII to form the Lincoln Park Housing Partnership III LP on December 22, 2008. The Authority is a Special Limited Partner with a .001% ownership interest in this organization which developed, owns and operates 24 units of Low-Income Housing Tax Credit housing at Lincoln Park. Under the terms of the Limited Partnership Agreement, no Limited Partner shall be personally liable for any loss or liability of the Partnership beyond the amount of such Limited Partner's agreed-upon Capital Contributions and no Limited Partner shall participate in the operation, management or control of the Partnership's business, transact any business in the partnership's name or have any power to sign document for or otherwise bind the Partnership. The Authority will make a Capital Contribution to the Partnership in the amount of $277,605, equal to the amount of the developer's fee, for the development of 24 rental units. Lincoln Park Housing Partnership III LP has executed a long-term Ground Lease, a HOPE VI Loan Agreement (see note 3), a Regulatory and Operating Agreement and various other documents with the Authority for the purpose of financing, owning and operating the rental development commonly known as Lincoln Park Phase II.

Additional Partnership Provisions

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

13. CONDENCE FINANCIAL STATEMENTS OF COMPONENT UNITS:

The following are a condense summary of the blended component units' financial statements as of December 31, 2014:

	Lincoln Park Housing Partnership LP	Lincoln Park Housing Partnership II LP	Lincoln Park Housing Partnership III LP	Total
Balance Sheet				
Current Assets	$178,308	$473,251	$273,004	$924,563
Capital and Other Assets	5,791,684	9,936,874	5,257,509	20,986,067
Current Liabilities	156,605	186,592	92,831	436,028
Non-Current Liabilities	1,362,528	1,700,000	4,144,714	7,207,242
Net Position	$4,450,859	$8,523,533	$1,292,968	$14,267,360
Revenue, Expenses and Change in Net Position				
Operating Revenue	$171,652	$283,276	$113,111	$568,039
Operating Expenses	216,528	315,733	144,570	676,831
Net Operating Revenue / (Expenses)	(44,876)	(32,457)	(31,459)	(108,792)
Total Non-Operating Revenue / (Expenses)	(227,645)	(366,886)	(177,393)	(771,924)
Excess Revenue over Expenses	($272,521)	($399,343)	($208,852)	($880,716)

14. SCHEDULE OF EXPENDITURE OF FEDERAL AWARD:

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the Authority's federal awards programs. The schedule has been prepared on the accrual basis of accounting prescribed by the U.S. Department of Housing and Urban Development.

15. PRIOR PERIOD ADJUSTMENT:

In addition to the prior period adjustment for the implantation of GASB 68 to record pension liability and deferred outflows, the financial statement reflected a prior period adjustments for the following:

-	Component Units – Adjustment to record partners' capital contribution	$111,294
-	Public Housing – Adjustment to record prior expenses not previously recorded	126,802
	Total Prior Period Adjustment	$238,096

16. SUBSEQUENT EVENTS:

Generally accepted accounting principles define subsequent events as events or transactions that occur after the statement of financial position date, but before the financial statements as issued or are available to be issued. Management has evaluated subsequent events through May 20, 2016, the date on which the financial statements were available to be issued.

FDS Line Item	Account Description	All AMP Total Total	14.871 Section 8 Vouchers Total	14.239 TBRA Funds Total	14.238 Shelter Plus Care Total	14.879 Mainstream Vouchers Total	93.959 Project Choice Total	14.896 Service Coordinator Total
111	Cash-unrestricted	$ 362,207	$ 182,909	$ 6,988	$ 30,096	$ 1,324	$ 703	$ -
112	Cash-restricted-modernization and development	-	-	-	-	-	-	-
113	Cash-other restricted	17,528	67,653	-	-	-	-	-
114	Cash-tenant security deposits	65,668	-	-	-	-	-	-
115	Cash - Restricted for current liability	1,798	1,505	-	-	-	-	-
100	**Total Cash**	**447,201**	**252,067**	**6,988**	**30,096**	**1,324**	**703**	**-**
122	Accounts receivable - HUD other projects	-	6,034	-	-	-	-	10,993
124	Account receivable - other government	-	-	-	-	-	-	-
125	Account receivable - miscellaneous	-	-	-	-	-	-	-
126	Accounts receivable - tenants	36,650	-	-	-	-	-	-
126.1	Allowance for doubtful accounts - tenants	(4,873)	-	-	-	-	-	-
128	Fraud recovery	-	31,519	-	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	(31,519)	-	-	-	-	-
129	Accrued interest receivable	186	-	-	-	-	-	-
120	**Total accounts receivables**	**31,963**	**6,034**	**-**	**-**	**-**	**-**	**10,993**
131	Investments - unrestricted	291,000	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	52,805	4,772	-	-	562	-	679
143	Inventories	82,076	-	-	-	-	-	-
143.1	Allowance for obsolete inventories	(30,368)	-	-	-	-	-	-
144	Inter program - due from	-	-	-	-	-	-	-
150	**Total Current Assets**	**874,677**	**262,873**	**6,988**	**30,096**	**1,886**	**703**	**11,672**
161	Land	1,952,171	-	-	-	-	-	-
162	Buildings	23,526,024	-	-	-	-	-	-
163	Furniture and equipment - dwellings	742,805	-	-	-	-	-	-
164	Furniture and equipment - administration	279,563	14,050	-	-	-	-	-
165	Leasehold improvements	4,025,507	-	-	-	-	-	-
166	Accumulated depreciation	(20,963,876)	(14,050)	-	-	-	-	-
167	Construction in progress	-	-	-	-	-	-	-
168	Infrastructure	2,214,535	-	-	-	-	-	-
160	**Total capital assets, net**	**11,776,729**	**-**	**-**	**-**	**-**	**-**	**-**
171	Notes – Non-current	-	-	-	-	-	-	-
174	Other assets	-	-	-	-	-	-	-
176	Investment in joint venture	-	-	-	-	-	-	-
180	**Total Non-current Assets**	**11,776,729**	**-**	**-**	**-**	**-**	**-**	**-**
200	**Deferred Outflow of Resources**	-	-	-	-	-	-	-
290	**Total Assets and Deferred Outflow of Resources**	**$ 12,651,406**	**$ 262,873**	**$ 6,988**	**$ 30,096**	**$ 1,886**	**$ 703**	**$ 11,672**

Springfield Metropolitan Housing Authority
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Statement of Net Positions
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FDS Line Item	Account Description	14.875 Neigborhood Networks Total	14.877 PH Self-Sufficiency Total	Blended Comp Units Total	Business Activities Total	14.866 HOPE VI Total	COCC Total	Elimination	Total
111	Cash-unrestricted	$ -	$ -	$ 68,250	$ -	$ -	$ 440,404	$ -	$ 1,092,881
112	Cash-restricted-modernization and development	-	-	-	-	-	-	-	-
113	Cash-other restricted	-	-	794,044	-	86,380	-	-	965,605
114	Cash-tenant security deposits	-	-	19,871	600	-	-	-	86,139
115	Cash - Restricted for current liability	-	-	-	-	-	-	-	3,303
100	**Total Cash**	**-**	**-**	**882,165**	**600**	**86,380**	**440,404**	**-**	**2,147,928**
122	Accounts receivable - HUD other projects	-	11,396	-	-	-	-	-	28,423
124	Account receivable - other government	-	-	-	-	-	-	-	-
125	Account receivable - miscellaneous	-	-	8,011	-	-	6,330	-	14,341
126	Accounts receivable - tenants	-	-	1,350	-	-	-	-	38,000
126.1	Allowance for doubtful accounts - tenants	-	-	-	-	-	-	-	(4,873)
128	Fraud recovery	-	-	-	-	-	-	-	31,519
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-	(31,519)
129	Accrued interest receivable	-	-	-	-	302,011	369	-	302,566
120	**Total accounts receivables**	**-**	**11,396**	**9,361**	**-**	**302,011**	**6,699**	**-**	**378,457**
131	Investments - unrestricted	-	-	-	-	-	559,000	-	850,000
132	Investments - restricted	-	-	-	-	100,000	-	-	100,000
142	Prepaid expenses and other assets	-	1,352	33,037	-	-	10,908	-	104,115
143	Inventories	-	-	-	-	-	-	-	82,076
143.1	Allowance for obsolete inventories	-	-	-	-	-	-	-	(30,368)
144	Inter program - due from	-	-	-	-	-	-	-	-
150	**Total Current Assets**	**-**	**12,748**	**924,563**	**600**	**488,391**	**1,017,011**	**-**	**3,632,208**
161	Land	-	-	1,034,121	-	197,229	155,237	-	3,338,758
162	Buildings	-	-	23,209,305	-	-	-	-	46,735,329
163	Furniture and equipment - dwellings	-	-	524,824	-	-	2,869	-	1,270,498
164	Furniture and equipment - administration	-	-	-	-	66,941	361,058	-	721,612
165	Leasehold improvements	-	-	-	-	-	-	-	4,025,507
166	Accumulated depreciation	-	-	(4,354,617)	-	(1,246,069)	(365,438)	-	(26,944,050)
167	Construction in progress	-	-	-	-	-	-	-	-
168	Infrastructure	-	-	-	-	2,359,365	-	-	4,573,900
160	**Total capital assets, net**	**-**	**-**	**20,413,633**	**-**	**1,377,466**	**153,726**	**-**	**33,721,554**
171	Notes – Non-current	-	-	-	-	6,678,242	-	-	6,678,242
174	Other assets	-	-	572,434	-	-	-	-	572,434
176	Investment in joint venture	-	-	-	-	-	-	-	-
180	**Total Non-current Assets**	**-**	**-**	**20,986,067**	**-**	**8,055,708**	**153,726**	**-**	**40,972,230**
200	**Deferred Outflow of Resources**	-	-	**-**	**-**	**-**	**163,213**	**-**	163,213
290	**Total Assets and Deferred Outflow of Resources**	**$ -**	**$ 12,748**	**$ 21,910,630**	**$ 600**	**$ 8,544,099**	**$ 1,333,950**	**$ -**	**$ 44,767,651**

Springfield Metropolitan Housing Authority
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Statement of Net Positions
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FDS Line Item	Account Description	All AMP Total	14.871 Section 8 Vouchers	14.239 TBRA Funds	14.238 Shelter Plus Care	14.879 Mainstream Vouchers	93.959 Project Choice	14.896 Service Coordinator
311	Bank overdraft	$ 7,535	$ -	$ -	$ -	$ -	$ -	$ 9,550
312	Accounts payable <= 90 days	2,173	189	-	-	114	-	65
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	45,099	9,705	-	-	1,157	1,514	-
322	Accrued compensated absences - current	22,751	9,810	-	-	705	-	514
325	Accrued interest payable	-	-	-	-	-	-	-
331	Accounts payable - HUD	-	-	-	-	-	-	-
341	Tenant security deposits	65,668	-	-	-	-	-	-
342	Unearned revenue	16,750	-	-	-	-	-	-
343	Current portion of long-term debt - capital projects/mortgage r	-	-	-	-	-	-	-
344	Current portion of long-term debt - operating borrowings	-	-	-	-	-	-	-
345	Other current liabilities	2,206	1,505	-	-	-	-	-
346	Accrued liabilities - other	72,000	-	-	-	-	-	-
347	Inter program - due to	-	-	-	-	-	-	-
310	**Total Current Liabilities**	**234,182**	**21,209**	**-**	**-**	**1,976**	**1,514**	**10,129**
351	Capital Debt - Long Term	-	-	-	-	-	-	-
353	Non-current liabilities - other	19,848	50,229	-	-	-	-	-
354	Accrued compensated absences- Non-current	68,253	29,431	-	-	2,115	-	1,543
355	Loan liability – Non-current	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-
357	Accrued Pension and OPEB Liability	-	-	-	-	-	-	-
350	**Total Non-current liabilities**	**88,101**	**79,660**	**-**	**-**	**2,115**	**-**	**1,543**
300	**Total Liabilities**	**322,283**	**100,869**	**-**	**-**	**4,091**	**1,514**	**11,672**
400	**Deferred Inflow of Resources**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
508.1	Net investment in capital assets	11,776,729	-	-	-	-	-	-
511.1	Restricted net position	-	17,424	-	-	-	-	-
512.1	Unrestricted net position	552,394	144,580	6,988	30,096	(2,205)	(811)	-
513	**Total net position**	**12,329,123**	**162,004**	**6,988**	**30,096**	**(2,205)**	**(811)**	**-**
600	**Total liabilities and net position**	**$ 12,651,406**	**$ 262,873**	**$ 6,988**	**$ 30,096**	**$ 1,886**	**$ 703**	**$ 11,672**

Springfield Metropolitan Housing Authority
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Statement of Net Positions
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FDS Line Item	Account Description	14.875 Neigborhood Networks	14.877 PH Self-Sufficiency	Blended Comp Units	Business Activities	14.866 HOPE VI	COCC	Elimination	Total
311	Bank overdraft	$ -	$ 9,621	$ -	$ 10,303	$ -	$ -	$ -	$ 37,009
312	Accounts payable <= 90 days	-	-	89,814	-	-	1,029	-	93,384
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	-	3,143	-	-	834	27,406	-	88,858
322	Accrued compensated absences - current	-	437	-	-	-	8,347	-	42,564
325	Accrued interest payable	-	-	173,031	-	70,332	-	-	243,363
331	Accounts payable - HUD	-	-	-	-	-	-	-	-
341	Tenant security deposits	-	-	19,871	600	-	-	-	86,139
342	Unearned revenue	-	-	2,480	-	-	-	-	19,230
343	Current portion of long-term debt - capital projects/mortgage re	-	-	100,832	-	-	-	-	100,832
344	Current portion of long-term debt - operating borrowings	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	50,000	-	-	-	-	53,711
346	Accrued liabilities - other	-	-	-	-	-	-	-	72,000
347	Inter program - due to	-	-	-	-	-	-	-	-
310	**Total Current Liabilities**	**-**	**13,201**	**436,028**	**10,903**	**71,166**	**36,782**	**-**	**837,090**
351	Capital Debt - Long Term	-	-	7,207,242	-	-	-	-	7,207,242
353	Non-current liabilities - other	-	-	-	-	-	-	-	70,077
354	Accrued compensated absences- Non-current	-	1,310	-	-	-	25,041	-	127,693
355	Loan liability – Non-current	-	-	-	-	1,000,000	-	-	1,000,000
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-
357	Accrued Pension and OPEB Liability	-	-	-	-	-	1,155,108	-	1,155,108
350	**Total Non-current liabilities**	**-**	**1,310**	**7,207,242**	**-**	**1,000,000**	**1,180,149**	**-**	**9,560,120**
300	**Total Liabilities**	**-**	**14,511**	**7,643,270**	**10,903**	**1,071,166**	**1,216,931**	**-**	**10,397,210**
400	**Deferred Inflow of Resources**		**-**	**-**	**-**	**-**	**22,234**	**-**	22,234
508.1	Net investment in capital assets	-	-	13,105,559	-	1,377,466	153,726	-	26,413,480
511.1	Restricted net position	-	-	-	-	-	-	-	17,424
512.1	Unrestricted net position	-	(1,763)	1,161,801	(10,303)	6,095,467	(58,941)	-	7,917,303
513	**Total net position**	**-**	**(1,763)**	**14,267,360**	**(10,303)**	**7,472,933**	**94,785**	**-**	**34,348,207**
600	**Total liabilities and net position**	**$ -**	**$ 12,748**	**$ 21,910,630**	**$ 600**	**$ 8,544,099**	**$ 1,333,950**	**$ -**	**$ 44,767,651**

Springfield Metropolitan Housing Authority
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Statement of Revenue, Expenses and Change in Net Positions
September 30, 2015

FDS Line Item	Account Description	All AMP Total Total	14.871 Section 8 Vouchers Total	14.239 TBRA Funds Total	14.238 Shelter Plus Care Total	14.879 Mainstream Vouchers Total	93.959 Project Choice Total	14.896 Service Coordinator Total
70300	Net tenant rental revenue	$ 1,309,769	$ -	$ -	$ -	$ -	$ -	$ -
70400	Tenant revenue - other	75,084	-	-	-	-	-	-
70500	**Total Tenant Revenue**	**1,384,853**	**-**	**-**	**-**	**-**	**-**	**-**
70600	HUD PHA operating grants	2,485,961	5,276,200	-	89,225	140,873	-	66,838
70610	Capital grants	1,939,976	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-	-
70800	Other government grants	-	14,092	36,022	14,863	-	34,560	-
71100	Investment income - unrestricted	772	47	-	-	-	-	-
71200	Mortgage interest income	-	-	-	-	-	-	-
71400	Fraud recovery	-	6,167	-	-	-	-	-
71500	Other revenue	72,612	1,549	-	-	-	22,261	-
71600	Gain or loss on sale of capital assets	22	-	-	-	-	-	-
72000	Investment income - restricted	-	3	-	-	-	-	-
70000	**Total Revenue**	**5,884,196**	**5,298,058**	**36,022**	**104,088**	**140,873**	**56,821**	**66,838**
91100	Administrative salaries	266,465	137,875	-	-	16,741	-	712
91200	Auditing fees	11,177	5,102	-	-	-	-	-
91300	Management Fee	512,288	145,038	3,936	10,158	-	-	-
91310	Book-Keeping Fee	70,325	90,448	-	1,719	-	-	-
91400	Advertising and Marketing	1,316	30	-	-	-	248	-
91500	Employee benefit contributions - admin	83,848	40,721	-	-	10,553	655	3,511
91600	Office Expenses	65,841	6,807	-	-	-	993	-
91700	Legal Expense	19,289	-	-	-	-	-	-
91800	Travel	105	-	-	-	-	-	-
91900	Other	153,251	38,335	-	-	1,931	551	-
92000	Asset Management Fee	39,533	-	-	-	-	-	-
92100	Tenant services - salaries	-	13,531	-	-	-	22,501	53,498
92300	Employee benefit contributions - ten svcs	-	8,133	-	-	-	2,772	5,542
92400	Tenant services - other	5,682	24,906	-	-	-	1,716	1,308
93100	Water	105,444	48	-	-	-	-	-
93200	Electricity	284,979	3,803	-	-	-	-	-
93300	Gas	139,284	1,694	-	-	-	-	-
93600	Sewer	157,435	170	-	-	-	-	-
93800	Other utilities expense	-	-	-	-	-	-	-
94100	Ord maintenance & op - labor	369,675	5	-	-	-	-	-
94200	Ord maintenance & op - materials	124,816	1,751	-	-	-	-	-
94300	Ord maintenance & op - contract	422,295	6,759	-	-	-	-	-
94500	Employee benefit contribution - ord maint	160,129	-	-	-	-	-	-
95200	Protective services - other contract costs	-	-	-	-	-	-	-
96110	Property Insurance	-	-	-	-	-	-	-
96120	Liability Insurance	-	3,485	-	-	-	-	-
96130	Workmen's Compensation	5,535	1,682	-	-	110	693	210
96140	All other Insurance	129,835	-	-	-	-	-	-
96200	Other general expenses	361,514	1,974	-	-	-	-	-
96210	Compensated absences	-	-	-	-	-	-	2,057
96400	Bad debt - tenant rents	46,969	-	-	-	-	-	-
96710	Interest expense	-	-	-	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-
96900	**Total Operating Expenses**	**3,537,030**	**532,297**	**3,936**	**11,877**	**29,335**	**30,129**	**66,838**
97000	**Excess Revenue Over Operating Expenses**	**$ 2,347,166**	**$ 4,765,761**	**$ 32,086**	**$ 92,211**	**$ 111,538**	**$ 26,692**	**$ -**

Springfield Metropolitan Housing Authority
Supplemental Financial Data Schedule
Statement of Revenue, Expenses and Change in Net Positions
September 30, 2015

FDS Line Item	Account Description	14.875 Neigborhood Networks Total	14.877 PH Self-Sufficiency Total	Blended Comp Units Total	Business Activities Total	14.866 HOPE VI Total	COCC Total	Elimination	Total
70300	Net tenant rental revenue	$ -	$ -	$ 211,947	$ 3,724	$ -	$ -	$ -	$ 1,525,440
70400	Tenant revenue - other	-	-	15,682	35	-	-	-	90,801
70500	**Total Tenant Revenue**	**-**	**-**	**227,629**	**3,759**	**-**	**-**	**-**	**1,616,241**
70600	HUD PHA operating grants	-	47,302	-	-	-	-	-	8,106,399
70610	Capital grants	-	-	-	-	-	-	-	1,939,976
70700	Total Fee Revenue	-	-	-	-	-	884,805	(884,805)	-
70800	Other government grants	-	-	-	-	-	-	-	99,537
71100	Investment income - unrestricted	-	-	1,462	-	-	647	-	2,928
71200	Mortgage interest income	-	-	-	-	44,764	-	-	44,764
71400	Fraud recovery	-	-	-	-	-	-	-	6,167
71500	Other revenue	-	-	340,410	76	2,018	193,783	-	632,709
71600	Gain or loss on sale of capital assets	-	-	-	-	-	-	-	22
72000	Investment income - restricted	-	-	-	-	18	-	-	21
70000	**Total Revenue**	**-**	**47,302**	**569,501**	**3,835**	**46,800**	**1,079,235**	**(884,805)**	**12,448,764**
91100	Administrative salaries	-	8,192	85,705	-	778	323,077	-	839,545
91200	Auditing fees	-	-	20,241	-	-	24,110	-	60,630
91300	Management Fee	-	-	-	-	-	-	(671,420)	-
91310	Book-Keeping Fee	-	-	-	-	-	11,360	(173,852)	-
91400	Advertising and Marketing	-	-	2,541	-	343	1,134	-	5,612
91500	Employee benefit contributions - admin	-	-	15,369	-	14,211	226,113	-	394,981
91600	Office Expenses	-	-	28,975	-	1,214	66,876	-	170,706
91700	Legal Expense	-	-	3,553	-	-	4,934	-	27,776
91800	Travel	-	-	13,931	-	-	3,763	-	17,799
91900	Other	-	-	9,213	10	74,360	80,922	-	358,573
92000	Asset Management Fee	-	-	-	-	-	-	(39,533)	-
92100	Tenant services - salaries	-	31,165	-	-	-	-	-	120,695
92300	Employee benefit contributions - ten svcs	-	7,135	-	-	-	-	-	23,582
92400	Tenant services - other	-	-	-	-	21,640	-	-	55,252
93100	Water	-	-	20,447	493	-	3,567	-	129,999
93200	Electricity	-	-	11,154	1,735	-	23,780	-	325,451
93300	Gas	-	-	8,121	1,161	-	16,605	-	166,865
93600	Sewer	-	-	34,347	794	-	5,745	-	198,491
93800	Other utilities expense	-	-	1,306	-	-	1,270	-	2,576
94100	Ord maintenance & op - labor	-	-	57,391	-	-	4,013	-	431,084
94200	Ord maintenance & op - materials	-	-	73,480	-	4,719	3,937	-	208,703
94300	Ord maintenance & op - contract	-	-	142,029	2,200	4,023	51,423	-	628,729
94500	Employee benefit contribution - ord maint	-	-	10,298	-	-	-	-	170,427
95200	Protective services - other contract costs	-	-	-	-	-	-	-	-
96110	Property Insurance	-	-	45,411	-	-	-	-	45,411
96120	Liability Insurance	-	-	-	-	-	-	-	3,485
96130	Workmen's Compensation	-	826	2,396	-	488	(6,630)	-	5,310
96140	All other Insurance	-	-	3,744	-	-	10,532	-	144,111
96200	Other general expenses	-	-	78,228	7,745	-	978	-	450,439
96210	Compensated absences	-	1,747	-	-	-	9,967	-	13,771
96400	Bad debt - tenant rents	-	-	8,951	-	-	-	-	55,920
96710	Interest expense	-	-	55,225	-	-	-	-	55,225
96720	Interest on Notes Payable (Short and Long Term)	-	-	-		10,672	-	-	10,672
96730	Amortization of Bond Issue Costs	-	-	33,740	-	-	-	-	33,740
96900	**Total Operating Expenses**	**-**	**49,065**	**765,796**	**14,138**	**132,448**	**867,476**	**(884,805)**	**5,155,560**
97000	**Excess Revenue Over Operating Expenses**	**$ -**	**$ (1,763)**	**$ (196,295)**	**$ (10,303)**	**$ (85,648)**	**$ 211,759**	**$ -**	**$ 7,293,204**

FDS Line Item	Account Description	All AMP Total Total	14.871 Section 8 Vouchers Total	14.239 TBRA Funds Total	14.238 Shelter Plus Care Total	14.879 Mainstream Vouchers Total	93.959 Project Choice Total	14.896 Service Coordinator Total
97200	Casualty losses- Non-capitalized	$ -	$ -	$ -	$ -	$ -	$ -	$ -
97300	Housing assistance payments	-	4,674,147	29,501	91,046	139,729	-	-
97400	Depreciation expense	774,630	-	-	-	-	-	-
90000	**Total Expenses**	**4,311,660**	**5,206,444**	**33,437**	**102,923**	**169,064**	**30,129**	**66,838**
10010	Operating transfer in	128,471	-	-	-	13,000	-	-
10020	Operating transfer out	(128,471)	(13,000)	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	39,200	-	-	-	-	-	-
10092	Inter Project Excess Cash Transfer Out	(39,200)	-	-	-	-	-	-
10100	**Total other financing sources (uses)**	-	(13,000)	-	-	13,000	-	-
10000	**Excess (Deficiency) of Revenue Over (Under) Expenses**	**1,572,536**	**78,614**	**2,585**	**1,165**	**(15,191)**	**26,692**	**-**
11030	Beginning Net Position	10,640,743	83,390	4,403	28,931	12,986	(27,503)	(11,389)
11040	Equity Transfers	115,844	-	-	-		-	11,389
	Ending Net Position	**$ 12,329,123**	**$ 162,004**	**$ 6,988**	**$ 30,096**	**$ (2,205)**	**$ (811)**	**$ -**

FDS Line Item	Account Description	14.875 Neigborhood Networks Total	14.877 PH Self-Sufficiency Total	Blended Comp Units Total	Business Activities Total	14.866 HOPE VI Total	COCC Total	Elimination	Total
97200	Casualty losses- Non-capitalized	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
97300	Housing assistance payments	-	-	-	-	-	-	-	4,934,423
97400	Depreciation expense	-	-	684,421	-	161,874	172		1,621,097
90000	**Total Expenses**	**-**	**49,065**	**1,450,217**	**14,138**	**294,322**	**867,648**	**(884,805)**	**11,711,080**
10010	Operating transfer in	-	-	-	-	-	-	(141,471)	-
10020	Operating transfer out	-	-	-	-	-	-	141,471	-
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-	(39,200)	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-	39,200	-
10100	**Total other financing sources (uses)**	-	-	-	-	-	-	-	-
10000	**Excess (Deficiency) of Revenue Over (Under) Expenses**	**(10,303)**	**(1,763)**	**(880,716)**	**(10,303)**	**(247,522)**	**211,587**	**-**	737,684
11030	Beginning Net Position	-	-	15,036,782	431	7,720,455	867,449	-	34,356,678
11040	Equity Transfers	-	-	111,294	(431)	-	(984,251)	-	(746,155)
	Ending Net Position	**$ (10,303)**	**$ (1,763)**	**$ 14,267,360**	**$ (10,303)**	**$ 7,472,933**	**$ 94,785**	**$ -**	**$ 34,348,207**

Springfield Metropolitan Housing Authority
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Statement of Net Positions
Asset Management Properties
September 30, 2015

FDS Line Item	Account Description	OH 021-22	OH 021-023	OH 021-024	OH 021-025	OH 021-026	OH 021-027	OH 021-028	Other Project	Total
111	Cash-unrestricted	$ 76,017	$ -	$ 96,791	$ 157,964	$ -	$ -	$ -	$ 31,435	$ 362,207
113	Cash-other restricted	-	4,122	6,701	6,705	-	-	-	-	17,528
114	Cash-tenant security deposits	12,738	17,434	18,505	16,991	-	-	-	-	65,668
115	Cash - Restricted for current liability	-	308	745	745	-	-	-	-	1,798
100	**Total Cash**	**88,755**	**21,864**	**122,742**	**182,405**	**-**	**-**	**-**	**31,435**	**447,201**
122	Accounts receivable - HUD other projects	-	-	-	-	-	-	-	-	-
125	Account receivable - miscellaneous	-	-	-	-	-	-	-	-	-
126	Accounts receivable - tenants	10,234	9,135	5,301	11,980	-	-	-	-	36,650
126.1	Allowance for doubtful accounts - tenants	(2,016)	(535)	-	(2,322)	-	-	-	-	(4,873)
129	Accrued interest receivable	-	100	-	86	-	-	-	-	186
120	**Total accounts receivables**	**8,218**	**8,700**	**5,301**	**9,744**	**-**	**-**	**-**	**-**	**31,963**
	Capital Debt - Long Term									
131	Investments - unrestricted	-	191,000	-	100,000	-	-	-	-	291,000
142	Prepaid expenses and other assets	14,770	14,866	12,619	10,550	-	-	-	-	52,805
143	Inventories	6,872	25,650	33,823	15,731	-	-	-	-	82,076
143.1	Allowance for obsolete inventories	(2,543)	(9,490)	(12,515)	(5,820)	-	-	-	-	(30,368)
144	Inter program - due from	-	-	-	-	-	-	-	-	-
150	**Total Current Assets**	**116,072**	**252,590**	**161,970**	**312,610**	**-**	**-**	**-**	**31,435**	**874,677**
161	Land	210,838	404,648	759,463	577,222	-	-	-	-	1,952,171
162	Buildings	6,176,899	5,487,092	5,637,953	6,224,080	-	-	-	-	23,526,024
163	Furniture and equipment - dwellings	523,915	93,910	110,930	14,050	-	-	-	-	742,805
164	Furniture and equipment - administration	45,720	41,403	96,499	81,010	-	-	-	14,931	279,563
166	Accumulated depreciation	(5,780,287)	(4,649,816)	(5,415,549)	(5,103,296)	-	-	-	(14,928)	(20,963,876)
167	Construction in progress	-	-	-	-	-	-	-	-	-
168	Infrastructure	-	644,763	1,154,210	415,562	-	-	-	-	2,214,535
160	**Total capital assets, net**	**3,108,168**	**2,873,804**	**2,967,721**	**2,817,208**	**-**	**-**	**-**	**9,828**	**11,776,729**
171	Notes – Non-current	-	-	-	-	-	-	-	-	-
174	Other assets	-	-	-	-	-	-	-	-	-
180	**Total Non-current Assets**	**3,108,168**	**2,873,804**	**2,967,721**	**2,817,208**	**-**	**-**	**-**	**9,828**	**11,776,729**
190	**Total Assets**	**$ 3,224,240**	**$ 3,126,394**	**$ 3,129,691**	**$ 3,129,818**	**$ -**	**$ -**	**$ -**	**$ 41,263**	**$ 12,651,406**

Springfield Metropolitan Housing Authority
Supplemental Financial Data Schedule
Statement of Net Positions
Asset Management Properties
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Line Item	Account Description	OH 021-22	OH 021-023	OH 021-024	OH 021-025	OH 021-026	OH 021-027	OH 021-028	Other Project	Total
311	Bank overdraft	$0	$0	$0	$0	$0	$0	$0	$7,535	$7,535
312	Accounts payable <= 90 days	$ 312	$ 627	$ 657	$ 577	$ -	$ -	$ -	$ -	$ 2,173
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	8,677	14,903	13,446	8,073	-	-	-	-	45,099
322	Accrued compensated absences - current	2,153	6,427	4,972	9,199	-	-	-	-	22,751
325	Accrued interest payable	-	-	-	-	-	-	-	-	-
341	Tenant security deposits	12,738	17,434	18,505	16,991	-	-	-	-	65,668
342	Deferred revenue	1,836	6,907	5,704	2,303	-	-	-	-	16,750
343	Current portion of long-term debt - capital projects/mortga	-	-	-	-	-	-	-	-	-
344	Current portion of long-term debt - operating borrowings	-	-	-	-	-	-	-	-	-
345	Other current liabilities	258	458	745	745	-	-	-	-	2,206
346	Accrued liabilities - other	72,000	-	-	-	-	-	-	-	72,000
347	Inter program - due to	-	-	-	-	-	-	-	-	-
310	**Total Current Liabilities**	**97,974**	**46,756**	**44,029**	**37,888**	**-**	**-**	**-**	**7,535**	**234,182**
351	Capital Debt - Long Term	-	-	-	-	-	-	-	-	-
353	Non-current liabilities - other	2,320	4,122	6,701	6,705	-	-	-	-	19,848
354	Accrued compensated absences- Non-current	6,459	19,280	14,917	27,597	-	-	-	-	68,253
350	**Total Non-current liabilities**	**8,779**	**23,402**	**21,618**	**34,302**	**-**	**-**	**-**	**-**	**88,101**
300	**Total Liabilities**	**106,753**	**70,158**	**65,647**	**72,190**	**-**	**-**	**-**	**7,535**	**322,283**
508.1	Net invested in capital assets	3,108,168	2,873,804	2,967,721	2,817,208	-	-	-	9,828	11,776,729
511.1	Restricted net position	-	-	-	-	-	-	-	-	-
512.1	Unrestricted net position	9,319	182,432	96,323	240,420	-	-	-	23,900	552,394
513	**Total net position**	**3,117,487**	**3,056,236**	**3,064,044**	**3,057,628**	**-**	**-**	**-**	**33,728**	**12,329,123**
600	**Total liabilities and net position**	**$ 3,224,240**	**$ 3,126,394**	**$ 3,129,691**	**$ 3,129,818**	**$ -**	**$ -**	**$ -**	**$ 41,263**	**$ 12,651,406**

Springfield Metropolitan Housing Authority
Supplemental Financial Data Schedule
Statement of Revenue, Expenses and Change in Net Positions
Asset Management Properties
September 30, 2014

FDS Line Item	Account Description	OH 021-022 AMP Total	OH 021-023 AMP Total	OH 021-024 AMP Total	OH 021-025 AMP Total	OH 021-026 AMP Total	OH 021-027 AMP Total	OH 021-028 AMP Total	Other Project AMP Total	Total AMP Total
70300	Net tenant rental revenue	$ 222,537	$ 348,700	$ 371,668	$ 366,864	$ -	$ -	$ -	$ -	$ 1,309,769
70400	Tenant revenue - other	16,001	16,795	24,470	17,818	-	-	-	-	75,084
70500	**Total Tenant Revenue**	**238,538**	**365,495**	**396,138**	**384,682**	**-**	**-**	**-**	**-**	**1,384,853**
70600	HUD PHA operating grants	491,916	580,705	534,189	484,425	129,195	191,953	73,578	-	2,485,961
70610	Capital grants	893,752	556,479	281,425	198,495	3,275	3,275	3,275	-	1,939,976
71100	Investment income - unrestricted	31	597	22	106	5	8	3	-	772
71500	Other revenue	37,254	-	31,340	994	1,381	1,161	504	-	72,634
70000	**Total Revenue**	**1,661,491**	**1,503,276**	**1,243,114**	**1,068,702**	**133,856**	**196,397**	**77,360**	**-**	**5,884,196**
91100	Administrative salaries	41,864	90,570	90,344	43,690	-	-	-	(3)	266,465
91200	Auditing fees	2,453	2,804	2,598	2,566	250	263	243	-	11,177
91300	Management Fee	115,015	134,016	123,712	121,989	5,185	8,987	3,384	-	512,288
91310	Book-Keeping Fee	13,186	15,420	14,228	14,452	-	-	-	13,039	70,325
91400	Advertising and Marketing	826	170	161	159	-	-	-	-	1,316
91500	Employee benefit contributions - admin	6,035	33,654	33,495	10,664	-	-	-	-	83,848
91600	Office Expenses	13,245	15,756	22,235	14,305	100	100	100	-	65,841
91700	Legal Expense	2,327	4,193	7,858	4,911	-	-	-	-	19,289
91800	Travel	-	-	-	-	35	35	35	-	105
91900	Other	21,621	14,670	17,312	22,889	56,582	7,014	13,156	7	153,251
92000	Asset Management Fee	-	20,880	-	18,653	-	-	-	-	39,533
92400	Tenant services - other	-	598	4,900	184	-	-	-	-	5,682
93100	Water	20,600	27,627	35,206	21,844	-	-	(1)	168	105,444
93200	Electricity	69,761	73,357	67,654	74,207	-	-	-	-	284,979
93300	Gas	50,498	32,158	26,150	30,478	-	-	-	-	139,284
93600	Sewer	33,857	40,658	49,370	33,550	-	-	-	-	157,435
94100	Ord maintenance & op - labor	89,316	113,788	74,308	92,263	-	-	-	-	369,675
94200	Ord maintenance & op - materials	33,675	34,505	32,940	23,696	-	-	-	-	124,816
94300	Ord maintenance & op - contract	71,927	133,385	111,874	103,489	-	-	-	1,620	422,295
94500	Employee benefit contribution - ord maint	27,128	49,949	44,709	38,343	-	-	-	-	160,129
95200	Protective services - other contract costs	-	-	-	-	-	-	-	-	-
96110	Property Insurance	-	-	-	-	-	-	-	-	-
96130	Workmen's Compensation	1,093	933	1,708	1,801	-	-	-	-	5,535
96140	All other Insurance	30,750	35,830	33,699	29,556	-	-	-	-	129,835
96200	Other general expenses	(10,935)	30,303	-	178	-	-	(3)	341,971	361,514
96210	Compensated absences	-	-	-	-	-	-	-	-	-
96400	Bad debt - tenant rents	11,519	10,223	12,583	12,644	-	-	-	-	46,969
96710	Interest expense	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-
96900	**Total Operating Expenses**	**645,761**	**915,447**	**807,044**	**716,511**	**62,152**	**16,399**	**16,914**	**356,802**	**3,537,030**
97000	**Excess Revenue Over Operating Expenses**	**$ 1,015,730**	**$ 587,829**	**$ 436,070**	**$ 352,191**	**$ 71,704**	**$ 179,998**	**$ 60,446**	**$ (356,802)**	**$ 2,347,166**

Springfield Metropolitan Housing Authority
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Statement of Revenue, Expenses and Change in Net Positions
Asset Management Properties
September 30, 2014

FDS Line Item	Account Description	OH 021-022 AMP Total	OH 021-023 AMP Total	OH 021-024 AMP Total	OH 021-025 AMP Total	OH 021-026 AMP Total	OH 021-027 AMP Total	OH 021-028 AMP Total	Other Project AMP Total	Total AMP Total
97200	Casualty losses- Non-capitalized	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
97300	Housing assistance payments	-	-	-	-	-	-	-	-	-
97350	HAP Portability-in	-	-	-	-	-	-	-	-	-
97400	Depreciation expense	213,042	192,329	182,811	186,448	-	-	-	-	774,630
97500	Fraud losses	-	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-	-
90000	**Total Expenses**	**858,803**	**1,107,776**	**989,855**	**902,959**	**62,152**	**16,399**	**16,914**	**356,802**	**4,311,660**
10010	Operating transfer in	30,228	34,604	32,018	31,621	-	-	-	-	128,471
10020	Operating transfer out	(30,228)	(34,604)	(32,018)	(31,621)	-	-	-	-	(128,471)
10091	Inter Project Excess Cash Transfer In	-	-	-	-	39,200	-	-	-	39,200
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	(29,120)	(10,080)	-	(39,200)
10100	**Total other financing sources (uses)**	**-**	**-**	**-**	**-**	**39,200**	**(29,120)**	**(10,080)**	**-**	**-**
10000	**Excess (Deficiency) of Revenue Over (Under)**	**802,688**	**395,500**	**253,259**	**165,743**	**110,904**	**150,878**	**50,366**	**(356,802)**	**1,572,536**
11030	Beginning Net Position	2,314,368	2,660,736	2,695,372	2,891,885	-	1	-	78,382	10,640,743
11040	Equity Transfers	431	-	115,413	-	-	-	-	-	115,844
	Ending Net Position	**$ 3,117,487**	**$ 3,056,236**	**$ 3,064,044**	**$ 3,057,628**	**$ 110,904**	**$ 150,879**	**$ 50,366**	**$ (278,420)**	**$ 12,329,123**

Springfield Metropolitan Housing Authority
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2015

Federal Grantor/Program Title	Federal CFDA Number		Federal Expenditures
U.S. Department of Housing and Urban Development:			
PHA Owned Housing:			
Public and Indian Housing	14.850	$	2,236,220
Public Housing Capital Fund	14.872		2,189,717
PIH Family Self-Sufficency	14.896		66,838
ROSS	14.877		47,302
			4,540,077
Housing Assistance Payments: Annual Contribution			
Housing choice vouchers	14.871		5,290,292
Mainstream vouchers	14.879		140,873
Total Housing Choice Voucher - Cluster			5,431,165
Shelter Plus Care	14.238		89,225
			5,520,390
Passed through City of Springfield:			
Shelter Plus Care	14.238		14,863
HOME Investment Partnership Program	14.239		36,022
			50,885
Total U.S. Department of Housing and Urban Development			**10,111,352**
U.S. Department of Health and Human Services:			
Passed through Ohio Department Alcohol, Drug Addiction Services			
Passed through Mental Health and Recovery Board of Clark, Madison and Greene Counties:			
Block Grant for Prevention and Treatment of Substance Abuse	93.959		34,560
Total - all programs		**$**	**10,145,912**

Note to the Schedule of Expenditures of Federal Awards:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Springfield Metropolitan Housing Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* . Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of , the basic financial statements.

Springfield Metropolitan Housing Authority
PHA's Statement of Cetification of Actual Modernization Costs
September 30, 2015

Capital Fund Program Number (OH16P021501-11)

1. The Program Costs are as follows:

Funds Approved	$	945,113
Funds Expended		945,113
Excess (Deficiency) of Funds Approved	$	-

Funds Approved	$	945,113
Funds Expended		945,113
Excess (Deficiency) of Funds Approved	$	-

2. All Costs have been p[aid and there are no outstanding obliogations.

3. The Final Financial Status Report was signed and filed on April 16, 2015.

4. The Final Costs on the Certification agrees with the Authority's records.

Springfield Metropolitan Housing Authority
PHA's Statement of Cetification of Actual Modernization Costs
September 30, 2015

Capital Fund Program Number (OH16P021501-12)

1. The Program Costs are as follows:

Funds Approved	$	822,941
Funds Expended		822,941
Excess (Deficiency) of Funds Approved	$	-
Funds Approved	$	822,941
Funds Expended		822,941
Excess (Deficiency) of Funds Approved	$	-

2. All Costs have been p[aid and there are no outstanding obliogations.

3. The Final Financial Status Report was signed and filed on November 20, 2015.

4. The Final Costs on the Certification agrees with the Authority's records.

Springfield Metropolitan Housing Authority
Required Supplementary Information
Schedule of Springfield Metropolitan Housing Authority's
Proportionate Share of the Net Pension Liability
For the Fiscal Years Ended September 30, 2015 and 2014

Traditional Plan	2015	2014
Authority's Proportion of the Net Pension Liability / Asset	0.009605%	0.009605%
Authority's Proportionate Share of the Net Pension Liability	$1,155,108	$1,133,258
Authority's Covered-Employee Payroll	$1,270,823	$1,258,926
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	90.89%	90.02%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information prior to 2014 is not available.

Springfield Metropolitan Housing Authority
Required Supplementary Information
Schedule of Springfield Metropolitan Housing Authority's
PERS Schedule of Ten Year Contributions
For the Fiscal Years Ended December 31, 2015 and 2006

	2015	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**
Contractually Required Contribution	$152,475	$151,204	$203,848	$171,371	$209,309	$182,009	$167,674	$156,694	$147,756	$182,436
Contributions in Relation to the Contractually Required Contribution	$152,475	$151,204	$203,848	$171,371	$209,309	$182,009	$167,674	$156,694	$147,756	$182,436
Authority's Covered-Employee Payroll	$1,270,823	$1,258,926	$1,556,092	$1,680,108	$2,052,049	$2,022,322	$2,020,169	$2,206,958	$1,738,306	$2,004,791
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.20%	13.10%	10.20%	10.20%	9.00%	8.30%	7.10%	8.50%	9.10%

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INDEPENDENT AUDITOR'S 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

Board of Commissioners
Springfield Metropolitan Housing Authority

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Springfield Metropolitan Housing Authority, Ohio, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise Springfield Metropolitan Housing Authority, Ohio's basic financial statements, and have issued my report thereon dated May 20, 2016, wherein I noted that the Authority adopted Governmental Accounting Standard Board Statement No. 68, *Accounting and Reporting for Pensions – an amendment of GASB Statement No. 27* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date.* My report includes a reference to other auditors who audited the financial statements of Lincoln Park Housing Partnership LP, Lincoln Park Housing Partnership II LP and Lincoln Park Housing Partnership III LP, as described in my report on the Springfield Metropolitan Housing Authority 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.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Salvatore Consiglio

Salvatore Consiglio, CPA, Inc.
North Royalton, Ohio
May 20, 2016

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Commissioners
Springfield Metropolitan Housing Authority

Report on Compliance for Each Major Federal Program

I have audited Springfield Metropolitan Housing Authority's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Springfield Metropolitan Housing Authority's major federal programs for the year ended September 30, 2015. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of Springfield Metropolitan Housing Authority's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In my opinion, Springfield Metropolitan Housing Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2015.

Report on Internal Control over Compliance

Management of the Springfield Metropolitan Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Salvatore Consiglio

Salvatore Consiglio, CPA, Inc.
North Royalton, Ohio
May 20, 2016

1. SUMMARY OF AUDITOR'S RESULTS

Type of Financial Statement Opinion	Unmodified
Were there any material weakness reported at the financial statement level (GAGAS)?	No
Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?	No
Was there any reported non-compliance at the financial statement level (GAGAS)?	No
Were there any material internal control weakness reported for any major federal programs?	No
Were there any other significant internal control deficiency reported for the major federal programs?	No
Type of report issued on compliance for major programs	Unmodified
Are there any reportable findings under § .510?	No
Major Programs (list):	14.871 Housing Choice Voucher 14.879 Mainstream Vouchers
Dollar Threshold: Type A/B Programs	Type A: > $300,000 Type B: All Others
Low Risk Auditee?	Yes

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

There are no Findings or questioned costs for the year ended September 30, 2015.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There are no Findings or questioned costs for the year ended September 30, 2015.

The following is the status of prior year audit findings:

Finding Number	Finding Summary	Fully Corrected	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2011-SMHA-2	Cash Management	Yes	Corrected – Current year financial statements properly eliminated the Interprogram due to/from.

SPRINGFIELD METROPOLITAN HOUSING AUTHORITY

CLARK COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 5, 2016

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