GREENE COUNTY METROPOLITAN HOUSING AUTHORITY

GREENE COUNTY, OHIO

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED MARCH 31, 2019

OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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Board of Commissioners
Greene Metropolitan Housing Authority
538 North Detroit Street
Xenia, Ohio 45385

We have reviewed the *Independent Auditor's Report* of the Greene Metropolitan Housing Authority, Greene County, prepared by Bastin & Company, LLC, for the audit period April 1, 2018 through March 31, 2019. 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 Greene Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber

Keith Faber
Auditor of State
Columbus, Ohio

October 24, 2019

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GREENE COUNTY METROPOLITAN HOUSING AUTHORITY

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Bastin & Company, LLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Greene County Metropolitan Housing Authority
538 North Detroit Street
Xenia, OH 45385

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the Greene County Metropolitan Housing Authority, Greene County, Ohio (the Authority), as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Greene County Metropolitan Housing Authority, Greene County, Ohio as of March 31, 2019, and the changes in its financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 14 to the financial statements, during the year ended March 31, 2019, the Authority adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. We did not modify our opinion regarding this matter.

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Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the Authority's basic financial statements taken as a whole. The Financial Data Schedules present additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2019, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Bastin & Company, LLC

Cincinnati, Ohio
September 19, 2019

This Management's Discussion and Analysis (MD&A) of the Greene County Metropolitan Housing Authority (Authority) provides an introduction and overview to the financial statements of the Authority for the fiscal year ended March 31, 2019. The Authority presents this discussion and analysis of its financial performance during the fiscal year ended March 31, 2019, to assist the reader in focusing on significant financial issues.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Authority's financial statements (beginning on page 9).

FINANCIAL HIGHLIGHTS

During the fiscal year ended March 31, 2019:

- The Authority's net position decreased by $737,123, a 10.9 percent decrease from the prior year restated amount.

- The Authority restated beginning Net Position as a result of the implementation of GASB Statement No. 75, outlined in Note 14. The net effect of the restatement was a decrease to the beginning net position of $894,656, making the net position at March 31, 2018 $6,779,878. This was a result of the reporting of OPEB Liabilities on the Authority's financial statements.

- Total liabilities increased by $1,296,374, or 40.9 percent from the prior year restated amount largely due to increased liabilities accrued for the pension and OPEB plans.

- The Authority's total operating revenue decreased by $233,114, or 2.3 percent.

- The Authority's total operating expenses increased by $577,154 or 5.8 percent.

USING THIS ANNUAL REPORT

The following is a list of the basic financial statements included in this report:

Management Discussion and Analysis
Basic Financial Statements:
Statement of Net Position
Statement of Revenues, Expenses and Changes in Net Position
Statement of Cash Flows
Notes to the Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a 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. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The focus of the statement of net position (the "unrestricted" net position) is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net position is reported in three broad categories.

Net Investment in Capital Assets: This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that have been used for the acquisition, construction, or improvement of those assets.

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

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

The *statement of revenues, expenses and changes in net position* is similar to an income statement. This statement includes operating revenues, such as rental income; operating expenses, such as administrative, utilities, maintenance, and depreciation; and non-operating revenue and expenses, such as investment income, gains and losses on capital asset disposals and interest expense.

The focus of the statement of revenues, expenses and changes in net position is the Increase (Decrease) in Net Position, which is similar to Net Income or Loss.

The *statement of cash flows* provides information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating activities, capital and related financing activities and investing activities.

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

The Authority's Programs

The Authority administers several programs that are presented as a single business activity enterprise. 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 an Operating Subsidy to enable the PHA to provide the housing at a rent that is based upon 30 percent of adjusted gross household income.

- ***Section 8 Housing Choice Voucher Program*** - Under the Section 8 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 an administrative fee from HUD to cover the program's operating costs.

- ***Section 8 New Construction*** - The Authority administers Section 8 rental assistance programs where the Department of Housing and Urban Development enters into annual contribution contracts with a private owner. The owner rents housing to eligible low-income families who typically pay rent of 30 percent of adjusted gross income. The remaining portion of the rent for the unit is paid to the owner by HUD through the HAP contract. The Authority acts as the middleman between HUD and the private owner and ascertains that the owner is operating the program in compliance with HUD requirements. The Authority earns an administrative fee for the services rendered.

- ***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.

- ***Sensible Shelter Inc.*** - Sensible Shelter assumed the assets and liabilities of Wise Manor Partnership which rented townhouses and homes to low income families. The homes were later sold below cost to long term renters who were given credit for time rented. Loans to Wise Manor Partnership were forgiven. The original funding for the loans was made possible by grants to Sensible Shelter, Inc. in prior years. The housing tax credit project was structured this way so that Sensible Shelter, Inc. could assume ownership and sell the homes below market value to the renters.

- ***Business Activities*** - The Authority purchased sixteen single-family homes to preserve affordable housing, which are being rented to low-income families. The Authority also purchased a property located at 514 N. Detroit Street which is adjacent to the current Authority offices.

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FINANCIAL ANALYSIS OF THE AUTHORITY

Statement of Net Position

The following table reflects the condensed Statement of Net Position as of March 31 compared to prior fiscal year.

Table 1 - Condensed Statement of Net Position Compared to Prior Year

Assets	2019	2018 - Restated
Current and Other Assets	$ 3,430,130	$ 3,438,645
Capital Assets	6,361,627	6,588,730
Deferred Outflows of Resources	753,996	333,370
Total Assets and Deferred Outflows of Resources	$10,545,753	$ 10,360,745
Liabilities		
Current Liabilities	$ 346,029	$ 323,915
Long-term Liabilities	4,120,137	2,845,880
Deferred Inflows of Resources	36,832	411,072
Total Liabilities and Deferred Inflows of Resources	4,502,998	3,580,867
Net Position		
Net Investment in Capital Assets	5,988,241	6,150,363
Restricted	148,277	418,236
Unrestricted	(93,763)	211,279
Total Net Position	6,042,755	6,779,878
Total Liabilities and Net Position	$10,545,753	$ 10,360,745

Major Factors Affecting the Statement of Net Position

The notable changes on the Statement of Net Position are to the deferred outflows deferred inflows and liabilities. The 2018 amounts presented above have been restated to reflect the effects of reporting the Ohio Public Employees Retirement System's, Other Post Employment Benefit liability as of December 31, 2018.

After the restatement, the change in long-term liabilities between 2018 and 2019 closely correspond to the change in net pension and OPEB liability of more than $1,309,000. The net pension liability is reported pursuant to the relatively new accounting standard called GASB Statement No. 68 and GASB Statement No. 75 which became effective for the Authority if fiscal year 2019. These liabilities do not truly reflect an operating issue at the Authority but rather reflect changes at the Public Employees Retirement System. GASB Statements No. 68 and 75 require the Authority to report on its financial statements what is determined to be its share of the unfunded pension and OPEB liabilities and related balances of the Ohio Public Employees Retirement System (OPERS). The concept behind the standards is that for OPERS to resolve the unfunded pension and OPEB liability it has, it will have to impose an additional funding burden on the entities that contribute to it. State law mandates that employees of the Authority are participants in OPERS and that the Authority makes retirement and OPEB contributions to OPERS on behalf of all of its employees. So unlike other liabilities the Authority reports at March 31, 2019, the net pension and OPEB liability which does not represent an invoice to be paid by the Authority after March 31, 2019.

Statement of Revenues & Expenses and Changes in Net Position

The following table reflects the condensed Statement of Net Position for the year ended March 31 compared to prior fiscal year.

Table 2 - Condensed Statement of Revenues, Expenses, and Changes in Net Position

Revenues	2019	2018 - Restated
Tenant Revenue	$1,085,229	$ 966,034
Operating Subsidies and Grants	8,894,066	9,269,026
Capital Grants	336,413	398,882
Other Revenues	101,899	77,232
Total Revenues	10,417,607	10,711,174
Expenses		
Administrative	2,149,515	1,791,006
Tenant Services	39,208	35,245
Utilities	129,875	117,673
Maintenance	899,960	870,393
General and Interest Expense	470,538	374,748
Housing Assistance Payments	6,903,333	6,829,223
Depreciation	562,301	590,118
Total Expenses	11,154,730	10,608,406
Change in Net Position	$ (737,123)	$ 102,768

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

Decreases in revenues over the past year were approximately $293,000, while increases in expenses were over $546,000. The largest decreases in revenues were to subsidy for HAP which is funding for the Section 8 Housing Choice Vouchers program. The Capital Fund Program grants that are used to make capital improvements decreased by almost $62,000.

The largest increases in expenses were to administrative. Contributing to the change in administrative expense was recognizing approximately $387,000 of pension and OPEB expense in excess of required contributions to the pension and OPEB plans during fiscal year 2019. Again, these additional expenses do not truly reflect an operating expense at the Authority but rather reflect changes at the Public Employees Retirement System. GASB Statements No. 68 and 75 require the Authority to report on its financial statements what is determined to be its share of the pension and OPEB expense.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of March 31, 2019, the Authority's capital assets were $6,361,627 (capital assets net of accumulated depreciation) as reflected in the following schedule.

Table 3 - Capital Assets at Year End (Net of Depreciation)

Land	$ 2,457,666
Buildings	22,885,985
Furniture and Equipment - Dwellings	240,484
Furniture and Equipment - Administrative	488,318
Leasehold Improvements	2,271,880
	28,344,333
Accumulated Depreciation	(21,982,706)
Capital Assets, Net of Accumulated Depreciation	$ 6,361,627

Net capital assets decreased by $227,103 from March 31, 2018, when net capital assets were $6,588,730. Depreciation of $562,301 and disposals of $14,680 were offset by the additions from capital grants and non-federal capitalizations of $349,878.

See Note 4 of the notes to the financial statements for detailed information.

Debt

As of March 31, 2019, the Authority had one outstanding loan totaling $373,386, of which $38,820 is due within one year. The following is a summary:

Table 4 - Debt Outstanding at Year End

US Bank Loan for Quail Run Single Homes Project	$ 373,386

See Note 10 of the notes to the financial statements for detailed information.

ECONOMIC CONDITIONS

Significant economic factors affecting the Authority are as follows:

- Federal funding is at the discretion of the Department of Housing and Urban Development.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and, therefore, the amount of rental income.
- Inflationary pressure on health insurance, property insurance and utility rates affect the cost of operating the programs.

CONTACTING THE AUTHORITY

Questions concerning any of the information provided in this report, or requests for additional information should be addressed to: Ms. Brenda Smallwood, Executive Director, Greene Metropolitan Housing Authority, 538 North Detroit Street, Xenia, Ohio 45385, or call (937) 376-2908.

GREENE METROPOLITAN HOUSING AUTHORITY
GREENE COUNTY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
MARCH 31, 2019

Assets	
Current Assets	
Cash and Cash Equivalents	$ 2,790,915
Restricted Cash and Cash Equivalents	255,817
Receivables - Net of Allowance	79,465
Inventory	22,589
Prepaid Expenses and Other Assets	83,034
Total Current Assets	3,231,820
Property and Equipment	
Non-Depreciable Capital Assets	2,457,666
Depreciable Capital Assets, Net	3,903,961
Total Capital Assets	6,361,627
Other Assets	
Assets Held for Resale	198,310
Total Noncurrent Assets	6,559,937
Deferred Outflows of Resources	753,996
Total Assets and Deferred Outflows of Resources	$ 10,545,753
Liabilities	
Current Liabilities	
Accounts Payable	$ 34,106
Accrued Compensated Absences	24,569
Tenant Security Deposits	107,540
Unearned Revenue	19,236
Accrued Wages and Payroll Taxes	33,521
Intergovernmental Payable	88,237
Current Portion of Long-Term Debt	38,820
Total Current Liabilities	346,029
Noncurrent Liabilities	
Accrued Compensated Absences - Net of Current Portion	148,540
Long-Term Debt - Net of Current Portion	334,566
Net Pension Liability	2,519,967
Net OPEB Liability	1,117,064
Total Noncurrent Liabilities	4,120,137
Total Liabilities	4,466,166
Deferred Inflows of Resources	36,832
Net Position	
Net Investment in Capital Assets	5,988,241
Restricted	148,277
Unrestricted	(93,763)
Total Net Position	6,042,755
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 10,545,753

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

GREENE METROPOLITAN HOUSING AUTHORITY
GREENE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Operating Revenues	
Government Grants	$ 8,894,066
Tenant Revenue	1,085,229
Other Revenue	97,000
Total Operating Revenues	10,076,295
Operating Expenses	
Administrative	2,149,515
Tenant Services	39,208
Utilities	129,875
Maintenance	899,960
General	448,689
Housing Assistance Payments	6,903,333
Total Operating Expenses Before Depreciation	10,570,580
Income (Loss) Before Depreciation	(494,285)
Depreciation	562,301
Operating Income (Loss)	(1,056,586)
Non-Operating Revenues (Expenses)	
Interest and Investment Revenue	4,899
Interest Expense	(21,849)
Total Non-Operating Revenue (Expenses)	(16,950)
Income (Loss) Before Capital Grants	(1,073,536)
Capital Grants	336,413
Change in Net Position	(737,123)
Total Net Position, Beginning of Year	7,674,534
Prior Period Adjustment	(894,656)
Total Net Position, End of Year	$ 6,042,755

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

GREENE METROPOLITAN HOUSING AUTHORITY
GREENE COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018

Cash Flows From Operating Activities	
Operating Grants Received	$ 8,921,888
Tenant Revenue Received	1,097,429
Other Revenue Received	97,000
Administrative Expenses	(1,581,384)
Other Operating Expenses	(1,513,816)
Housing Assistance Payments	(6,903,333)
Net Cash Provided (Used) by Operating Activities	117,784
Cash Flows From Capital And Related Financing Activities	
Capital Grants Received	336,413
Principal and Interest on Debt	(86,987)
Assets Held for Resale	(2,611)
Property and Equipment Purchased	(335,198)
Net Cash Provided (Used) by Capital and Related Financing Activities	(88,383)
Cash Flows From Investing Activities	
Interest Earned	4,899
Investment Sold	209,409
Net Cash Provided (Used) by Investing Activities	214,308
Net Increase (Decrease) in Cash and Cash Equivalents	243,709
Cash And Cash Equivalents, Beginning of Year	2,803,023
Cash And Cash Equivalents, End of Year	$ 3,046,732
Reconciliation of Operating Income (Loss) To Net Cash Provided (Uses) by Operating Activities	
Net Operating (Loss)	$ (1,056,586)
Adjustments To Reconcile Operating Loss To Net Cash Provided By Operating Activities	
Depreciation	562,301
(Increase)Decrease in:	
Accounts Receivable	40,861
Prepaid Assets	2,758
Inventory	1,807
Deferred Outflows	(420,626)
Increase (Decrease) in:	
Accounts Payable	6,482
Accrued Expenses	15,080
Unearned Revenue	(839)
Intergovernmental Payable	20,299
Tenant Security Deposits	3,916
Compensated Absences	6,660
Net Pension Liability	1,106,002
Net OPEB Liability	203,909
Deferred Inflows	(374,240)
Net Cash Provided (Used) By Operating Activities	$ 117,784

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Entity

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

The accompanying financial statements comply with the provision of Governmental Accounting Standards Board (GASB) Statement 14 (as amended by GASB Statement No. 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.

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

Basis of Presentation

The basic financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Pursuant to GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance, contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the Authority follows GASB guidance as applicable to enterprise funds.

The Authority's financial statements consist of a statement of net position, a statement of revenue, expenses and changes in net position, and a statement of cash flows.

The Authority uses a single enterprise fund to maintain its financial records on an accrual basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Enterprise fund reporting focuses on the determination of the change in net position, financial position, and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods and services.

Measurement Focus and Basis of Accounting

The enterprise fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the Authority are included on the Statement of Net Position. The Statement of Changes in Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the Authority finances and meets the cash flow needs of its enterprise activity.

Enterprise 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's enterprise fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the enterprise fund include the costs of facility maintenance, housing assistance payments, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Cash Equivalents

The Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Capital Assets

Capital assets are recorded at cost. Costs that materially add to the productive capacity or extend the life of an asset are capitalized while maintenance and repair costs are expensed as incurred. Depreciation is computed on the straight line method based on the following estimated useful lives:

Buildings	40 years
Building Improvements	15 years
Land Improvements	15 years
Equipment	7 years
Automobiles	5 years
Computer Hardware and Software	3 years

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; and **(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.

In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a liability. Information regarding compensated absences is detailed in Note 8.

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 statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Note 6 and 7.

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

Pensions/Other Postemployment Benefits (OPEB)

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

Net Position

Net position is the residual amount when comparing assets and liabilities. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Revenue Recognition

Subsidies and grants received from HUD and other grantors are generally recognized during the periods to which they relate and all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Authority must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis. Tenant rental revenues are recognized during the period of occupancy. Other receipts are recognized when the related expenses are incurred. Expenses are recognized as incurred.

Revenues and Expenses

The Authority distinguishes 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 an enterprise fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the enterprise fund include the costs of facility maintenance, housing assistance payments, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 statement, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits

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

Active deposits are public deposits necessary to meet current 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 including, but not limited to passbook 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 including passbook 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, by Surety Company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

At March 31, 2019, the carrying amount of the Authority's deposits totaled $3,046,732 and its bank balance was $3,064,884. Based on the criteria described in GASB Statement No. 40, "Deposit and Investment Risk Disclosure," as of March 31, 2019, a total of $2,598,904 was exposed to custodial risk as discussed below, while $465,980 of the bank balance was covered by the Federal Depository Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the Authority's deposits may not be returned. The Authority's policy is to place deposits with major local banks approved by the Authority's Board. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at 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 the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Authority.

Investments

The Authority had no investments at March 31, 2019.

NOTE 3 – RESTRICTED CASH

The restricted cash balance of $255,817 on the financial statements represents the following:

Excess cash advanced to the Housing Choice Voucher Program by HUD for Housing Assistance Payments	$ 34,688
Tenant Security Deposits	107,540
Reserve for Replacement - Village Greene	44,292
Residual Receipts - Village Greene	69,297
Total Restricted Cash	$255,817

NOTE 4 – CAPITAL ASSETS

The following is a summary of the changes in capital assets:

Capital Assets Not Being Depreciated	Balance 3/31/2018	Additions	Deletions	Balance 3/31/2019
Land	$ 2,458,166	$ -	$ 500	$ 2,457,666
Construction in Progress	14,180	-	14,180	-
Total Capital Assets Not Being Depreciated	2,472,346	-	14,680	2,457,666
Capital Assets Being Depreciated				
Buildings	22,579,820	306,165	-	22,885,985
Furniture, Equipment and Machinery				
Dwellings	215,339	25,145	-	240,484
Administrative	488,318	-	-	488,318
Leasehold Improvements	2,253,312	18,568	-	2,271,880
Total Capital Assets Being Depreciated	25,536,789	349,878	-	25,886,667
Accumulated Depreciation				
Buildings and Improvements	(20,889,697)	(521,999)	-	(21,411,696)
Furniture, Equipment and Machinery	(530,708)	(40,302)	-	(571,010)
Total Accumulated Depreciation	(21,420,405)	(562,301)	-	(21,982,706)
Depreciable Assets, Net	4,116,384	(212,423)	-	3,903,961
Total Capital Assets, Net	$ 6,588,730	$ (212,423)	$ 14,680	$ 6,361,627

NOTE 5 – RESTRICTED NET POSITION

The Authority's restricted net position is as follows:

Section 8 Housing Choice Voucher Funds Provided for Housing Assistance Payments in Excess of Amounts Used	$34,688
Village Greene Replacement Reserve Escrow and Residual Receipts	113,589
Total Restricted Net Position	$148,277

NOTE 6 – DEFINED BENEFIT PENSION PLAN

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

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

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

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

	State and Local
2018 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2018 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payrolls. The Authority's contractually required contribution was $176,737 for fiscal year end March 31, 2019.

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

The net pension liability for OPERS was measured as of December 31, 2018, 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:

Proportionate Share of the Net Pension Liability	$2,519,967
Proportion of the Net Pension Liability-Current Measurement Date	0.009201%
Proportion of the Net Pension Liability-Prior Measurement Date	0.009013%
Percentage Change	0.000188%
Pension Expense	$443,914

At March 31, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	
Changes in assumptions	$219,369
Net difference between projected and actual earnings on pension plan investments	342,030
Differences between expected and actual experience	116
Change in proportionate share	38,173
Authority contributions subsequent to the measurement date	45,040
Total Deferred Outflows of Resources	$644,728
Deferred Inflows of Resources	
Differences between expected and actual experience	$33,090
Change in proportionate share	711
Total Deferred Inflows of Resources	$33,801

$45,040 reported 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 March 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending March 31:	
2020	$254,616
2021	120,473
2022	31,730
2023	159,068
Total	$565,887

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 2.94% for 2018.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other investments	18.00	5.50
Total	100.00 %	5.95 %

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

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

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
Authority's proportionate share of the net pension liability	$3,722,725	$2,519,967	$1,520,465

NOTE 7 – POST-EMPLOYMENT BENEFITS

Net OPEB Liability

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

The net OPEB liability represents the Authority's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required OPEB 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 – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary. This is the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0.0 percent during calendar year 2018. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution was $0 for 2018.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB liability was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

Proportionate Share of the Net OPEB Liability	$1,117,064
Proportion of the Net OPEB Liability-Current Measurement Date	0.008568%
Proportion of the Net OPEB Liability-Prior Measurement Date	0.008409%
Percentage Change	0.000159%
OPEB Expense	$116,171

At March 31, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Outflows of Resources	
Changes in assumptions	$36,016
Differences between expected and actual experience	378
Change in proportionate share	21,664
Net difference between projected and actual earnings on OPEB plan investments	51,210
Total Deferred Outflows of Resources	$109,268
Deferred Inflows of Resources	
Differences between expected and actual experience	$3,031
Total Deferred Inflows of Resources	$3,031

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

Year Ending March 31:		
	2020	$54,980
	2021	16,850
	2022	8,609
	2023	25,798
Total		$106,237

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.96 percent
Prior Measurement date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.71 percent
Health Care Cost Trend Rate	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age

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

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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.60 percent for 2018.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	100.00 %	5.16 %

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.71 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
Authority's proportionate share of the net OPEB liability	$1,429,142	$1,117,064	$868,881

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability	$1,073,742	$1,117,064	$1,166,962

NOTE 8 – COMPENSATED ABSENCES

Vacation and sick leave policies are established by the Board of Directors based on local and state laws.

All permanent employees will earn 120 hours sick leave per year of service. Unused sick leave may be accumulated without limit. At the time of separation, employees with 10 or more years of service receive payment for up to 1/3 of the hours accumulated but not to exceed 320 hours. All permanent employees will earn vacation hours accumulated based on length of service. Vacation can be carried over from one calendar year to the next, not to exceed 200 hours. Any vacation carryover in excess of 200 hours shall be forfeited.

At March 31, 2019, based on the vesting method, $173,109 was accrued by the Authority for unused vacation and sick time. The current portion is $24,569 and the long term portion is $148,540.

NOTE 9 – RISK MANAGEMENT

The Authority is covered for property damage, general liability, automobile liability, public official's liability and other crime liabilities through membership in the State Housing Authority Risk Pool Association, Inc. (SHARP). SHARP is an insurance risk pool comprised of thirty-nine (39) Ohio housing authorities, of which Greene Metropolitan Housing Authority is one. Deductibles and coverage limits are summarized below:

Type of Coverage	Deductible Coverage	Limits
Property	$1,500	$250,000,000 (per occurrence)
Casualty Package		
General Liability	0	2,000,000
Employer Dishonesty	0	500,000
Public Officials Liability	5,000	1,000,000
Automobile	0	2,000,000
Excess Liability	0	4,000,000
Boiler and Machinery	1,000	100,000,000
Excess Crime	0	500,000

Additionally, Workers' Compensation insurance is maintained through the State of Ohio Bureau of Workers' Compensation, in which rates are calculated retrospectively. The Authority is also fully insured through a premium payment plan with Anthem for employee health care benefits. Settled claims have not exceeded the Authority's insurance in any of the past three years.

NOTE 10 – LONG-TERM DEBT

To raise funds for FHA Project No. 046-35438-NP-L8, a mortgage note payable was issued to the Federal Housing Administration, payable in monthly installments of $3,682 including interest at 7.5 percent. The remaining principal balance was retired during the fiscal year ended March 31, 2019.

On October 27, 2016, the Authority amended and restated a loan agreement with U.S. Bank National Association to amend and restate in its entirety an agreement with the bank dated March 28, 2007, as amended on December 1, 2014. The renewed note is in the amount of $465,242.71 at a rate of 4.75 percent to be repaid in monthly installments of $4,655.52 each until June of 2027. The note is a continuation of the initial agreement and is secured by real and personal properties owned and operated by the Authority in Greene County, Ohio.

The following is a summary of long-term debt of the Authority for the year ended March 31, 2019:

Loans	Balance 3/31/2018	Additions	Deletions	Balance 3/31/2019	Amount Due in One Year
2007 US Bank Amended, 4.75%	$ 413,248	$ -	$ (39,862)	$ 373,386	$ 38,820
FHA Project No. 046-35438	25,119	-	(25,119)	-	-
Subtotal Loans	438,367	-	(64,981)	373,386	38,820
Other Obligations					
Compensated Absences	166,449	30,561	(23,901)	173,109	24,569
Net Pension Liability	1,413,965	1,106,002	-	2,519,967	-
Net OPEB Liability	913,155	203,909	-	1,117,064	-
Subtotal Other Obligations	2,493,569	1,340,472	(23,901)	3,810,140	24,569
Total Loans and Obligations	$ 2,931,936	$ 1,340,472	$ (88,882)	$ 4,183,526	$ 63,389

Principal and interest requirements to retire the note payable are as follows:

Fiscal Year	Principal	Interest	Total
2020	$ 38,820	$17,016	$ 55,836
2021	40,737	15,129	55,866
2022	42,714	13,152	55,866
2023	44,788	11,078	55,866
2024	46,962	8,904	55,866
2025-2028	159,365	12,539	171,904
Totals	$373,386	$77,818	$451,204

NOTE 11 – CONSTRUCTION AND OTHER COMMITMENTS

The Authority had no material construction commitments at March 31, 2019.

NOTE 12 – INTERPROGRAM RECEIVABLES/PAYABLES

The Authority has interprogram balances at March 31, 2019.

These interprogram Due From/Due To arise from allocation of wages and benefits, supplies and other costs. Those loans are repaid shortly after year end. Interprogram balances were eliminated in the Statement of Net Position.

NOTE 13 – CONTINGENCIES

The Authority is party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The Authority's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the Authority.

The Authority has received several Federal and state grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, management believes such disallowances, if any, will be immaterial.

NOTE 14 – RESTATEMENT OF NET POSITION

For 2019, Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" was effective. GASB Statement No. 75 improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB) and improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities by establishing new accounting and financial reporting requirements for OPEB plans. The implementation of this statement had the following effect on net position as reported on March 31, 2018:

Net Position March 31, 2018		$7,674,534
Prior Period Adjustments:		
Net OPEB Liability	($913,155)	
Deferred Outflows	86,523	
Deferred Inflows	(68,024)	
Total Prior period Adjustments		(894,656)
Restated Net Position March 31, 2018		$6,779,878

GREENE METROPOLITAN HOUSING AUTHORITY
GREENE COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SIX FISCAL YEARS (1)

	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.009201%	0.009013%	0.008687%	0.008891%	0.009315%	0.009315%
Authority's Proportionate Share of the Net Pension Liability	$2,519,967	$1,413,965	$1,972,670	$1,540,033	$1,123,493	$1,098,117
Authority's Covered Employee Payroll	$1,207,034	$1,140,408	$1,098,875	$1,130,208	$1,221,150	$1,309,608
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	208.77%	123.99%	179.52%	136.26%	92.00%	83.85%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available and amounts are presented as of the measurement date which is the prior calendar year end.

GREENE METROPOLITAN HOUSING AUTHORITY
GREENE COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS (1)

	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$176,737	$159,936	$139,700	$131,865	$135,625	$146,538	$170,249
Contributions in Relation to the Contractually Required Contribution	$176,737	$159,936	$139,700	$131,865	$135,625	$146,538	$170,249
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0
Authority's Covered Employee Payroll	$1,262,407	$1,207,034	$1,140,408	$1,098,875	$1,130,208	$1,221,150	$1,309,608
Contributions as a Percentage of Covered Employee Payroll	14.00%	13.25%	12.25%	12.00%	12.00%	12.00%	13.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2013 is not available.

See accompanying notes to the required supplementary

GREENE METROPOLITAN HOUSING AUTHORITY
GREENE COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST THREE FISCAL YEARS (1)

	2019	2018	2017
Authority's Proportion of the Net OPEB Liability	0.008568%	0.008409%	0.008126%
Authority's Proportionate Share of the Net OPEB Liability	$1,117,065	$913,155	$820,774
Authority's Covered Employee Payroll	$1,207,034	$1,140,408	$1,098,875
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Employee Payroll	92.55%	80.07%	74.69%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.05%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available and amounts presented as of the measurement date which is the prior calendar year end.

See accompanying notes to the required supplementary

GREENE METROPOLITAN HOUSING AUTHORITY
GREENE COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST THREE FISCAL YEARS (1)

	2019	2018	2017
Contractually Required Contribution	$0	$9,051	$19,920
Contributions in Relation to the Contractually Required Contribution	$0	$9,051	$19,920
Contribution Deficiency (Excess)	$0	$0	$0
Authority's Covered Employee Payroll	$1,262,407	$1,207,034	$1,140,408
Contributions as a Percentage of Covered Employee Payroll	0.00%	0.75%	1.75%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

See accompanying notes to the required supplementary

Ohio Public Employees Retirement System (Traditional Plan) - Pension

Changes in benefit terms:
2014-2019: There were no changes in benefit terms.

Changes in assumptions:
2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

Ohio Public Employees Retirement System (Traditional Plan) - OPEB

Changes in benefit terms:
2018: There were no changes in benefit terms.

Changes in assumptions:
2018: The following were the most significant changes of assumptions that affected total OPEB liability since the prior measurement date.

- The single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected total OPEB liability since the prior measurement date.

- The single discount rate changed from 3.85% to 3.96%.
- The Health Care Cost Trend Rate changed from 7.5% initial, 3.25% ultimate in 2028 to 10.0% initial, 3.25% ultimate in 2029.

GREENE COUNTY METROPOLITAN HOUSING AUTHORITY (OH022)
ENTITY WIDE BALANCE SHEET SUMMARY - FDS SCHEDULE SUBMITTED TO HUD
MARCH 31, 2019

	Project Total	14.871 Housing Choice Vouchers	14.238 Shelter Plus Care	14.135 Mortgage Insurance_Rental and Cooperative Housing for Moderate Income	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$ 1,077,536	$ 551,683	$ 75,522	$ 16,369	$ -	$ 523,906	$ 545,899	$ 2,790,915	$ -	$ 2,790,915
113 Cash - Other Restricted	-	34,688	-	113,589	-	-	-	148,277	-	148,277
114 Cash - Tenant Security Deposits	86,891	-	-	4,476	-	16,173	-	107,540	-	107,540
100 Total Cash	1,164,427	586,371	75,522	134,434	-	540,079	545,899	3,046,732	-	3,046,732
121 Accounts Receivable - PHA Projects	3,700	-	-	-	-	-	-	3,700	-	3,700
124 Accounts Receivable - Other Government	-	10,514	-	-	-	4,228	-	14,742	-	14,742
125 Accounts Receivable - Miscellaneous	-	5,677	-	-	-	-	5	5,682	-	5,682
126 Accounts Receivable - Tenants	13,783	-	-	387	-	684	-	14,854	-	14,854
126.1 Allowance for Doubtful Accounts -Tenants	(13,527)	-	-	(171)	-	(211)	-	(13,909)	-	(13,909)
128 Fraud Recovery	-	92,341	-	-	-	-	-	92,341	-	92,341
128.1 Allowance for Doubtful Accounts - Fraud	-	(37,945)	-	-	-	-	-	(37,945)	-	(37,945)
120 Total Receivables, Net of Allowances for Doubtful Accounts	3,956	70,587	-	216	-	4,701	5	79,465	-	79,465
142 Prepaid Expenses and Other Assets	49,008	1,081	-	2,488	-	3,998	26,459	83,034	-	83,034
143 Inventories	-	-	-	-	-	162	22,430	22,592	-	22,592
143.1 Allowance for Obsolete Inventories	-	-	-	-	-	(3)	-	(3)	-	(3)
144 Inter Program Due From	-	-	-	-	-	-	44,713	44,713	(44,713)	-
150 Total Current Assets	1,217,391	658,039	75,522	137,138	-	548,937	639,506	3,276,533	(44,713)	3,231,820
161 Land	2,094,591	-	-	31,400	-	299,645	32,030	2,457,666	-	2,457,666
162 Buildings	19,836,604	99,915	-	958,068	39,000	1,486,007	466,391	22,885,985	-	22,885,985
163 Furniture, Equipment & Machinery - Dwellings	240,484	-	-	-	-	-	-	240,484	-	240,484
164 Furniture, Equipment & Machinery - Administration	99,672	64,513	-	21,386	-	-	302,747	488,318	-	488,318
165 Leasehold Improvements	2,219,677	-	-	-	-	4,717	47,486	2,271,880	-	2,271,880
166 Accumulated Depreciation	(19,332,685)	(124,709)	-	(866,095)	(39,000)	(899,081)	(721,136)	(21,982,706)	-	(21,982,706)
160 Total Capital Assets, Net of Accumulated Depreciation	5,158,343	39,719	-	144,759	-	891,288	127,518	6,361,627	-	6,361,627
174 Other Assets	-	-	-	-	-	198,310	-	198,310	-	198,310
180 Total Non-Current Assets	5,158,343	39,719	-	144,759	-	1,089,598	127,518	6,559,937	-	6,559,937
200 Deferred Outflow of Resources	182,876	198,812	-	8,306	-	18,658	345,344	753,996	-	753,996
290 Total Assets and Deferred Outflow of Resources	$ 6,558,610	$ 896,570	$ 75,522	$ 290,203	$ -	$ 1,657,193	$ 1,112,368	$ 10,590,466	$ (44,713)	$ 10,545,753

GREENE COUNTY METROPOLITAN HOUSING AUTHORITY (OH022)
ENTITY WIDE BALANCE SHEET SUMMARY - FDS SCHEDULE SUBMITTED TO HUD
MARCH 31, 2019

	Project Total	14.871 Housing Choice Vouchers	14.238 Shelter Plus Care	14.135 Mortgage Insurance_Rental and Cooperative Housing for Moderate Income	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	$ 19,736	$ 3,003	$ -	$ 786	$ -	$ 5,626	$ 4,955	$ 34,106	$ -	$ 34,106
321 Accrued Wage/Payroll Taxes Payable	-	-	-	-	-	12,991	20,530	33,521	-	33,521
322 Accrued Compensated Absences - Current Portion	4,555	10,226	-	277	-	381	9,130	24,569	-	24,569
333 Accounts Payable - Other Government	56,863	-	-	-	-	5,575	25,799	88,237	-	88,237
341 Tenant Security Deposits	86,891	-	-	4,476	-	16,173	-	107,540	-	107,540
342 Unearned Revenue	17,569	-	-	183	-	1,484	-	19,236	-	19,236
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	-	38,820	-	38,820	-	38,820
347 Inter Program - Due To	-	-	-	25,213	19,500	-	-	44,713	(44,713)	-
310 Total Current Liabilities	185,614	13,229	-	30,935	19,500	81,050	60,414	390,742	(44,713)	346,029
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	-	334,566	-	334,566	-	334,566
354 Accrued Compensated Absences - Non Current	40,984	19,449	-	2,493	-	3,430	82,184	148,540	-	148,540
357 Accrued Pension and OPEB Liabilities	883,880	981,967	-	40,753	-	93,237	1,637,194	3,637,031	-	3,637,031
350 Total Non-Current Liabilities	924,864	1,001,416	-	43,246	-	431,233	1,719,378	4,120,137	-	4,120,137
300 Total Liabilities	1,110,478	1,014,645	-	74,181	19,500	512,283	1,779,792	4,510,879	(44,713)	4,466,166
400 Deferred Inflow of Resources	11,505	43,761	-	1,431	-	5,709	(25,574)	36,832	-	36,832
508.4 Net Investment in Capital Assets	5,158,343	39,719	-	144,759	-	517,902	127,518	5,988,241	-	5,988,241
511.4 Restricted Net Position	-	34,688	-	113,589	-	-	-	148,277	-	148,277
512.4 Unrestricted Net Position	278,284	(236,243)	75,522	(43,757)	(19,500)	621,299	(769,368)	(93,763)	-	(93,763)
513 Total Equity - Net Assets / Position	5,436,627	(161,836)	75,522	214,591	(19,500)	1,139,201	(641,850)	6,042,755	-	6,042,755
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$ 6,558,610	$ 896,570	$ 75,522	$ 290,203	$ -	$ 1,657,193	$ 1,112,368	$ 10,590,466	$ (44,713)	$ 10,545,753

GREENE COUNTY METROPOLITAN HOUSING AUTHORITY (OH022)
ENTITY WIDE REVENUE AND EXPENSE SUMMARY - FDS SCHEDULE SUBMITTED TO HUD
FOR THE YEAR ENDED MARCH 31, 2019

	Project Total	14.871 Housing Choice Vouchers	14.238 Shelter Plus Care	14.135 Mortgage Insurance_Rental and Cooperative Housing for Moderate Income	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$ 787,904	$ -	$ -	$ 27,908	$ -	$ 185,965	$ -	$ 1,001,777	$ -	$ 1,001,777
70400 Tenant Revenue - Other	73,932	-	-	4,375	-	5,145	-	83,452	-	83,452
70500 Total Tenant Revenue	861,836	-	-	32,283	-	191,110	-	1,085,229	-	1,085,229
70600 HUD PHA Operating Grants	1,340,849	7,432,215	-	121,002	-	-	-	8,894,066	-	8,894,066
70610 Capital Grants	336,413	-	-	-	-	-	-	336,413	-	336,413
70710 Management Fee	-	-	-	-	-	-	411,845	411,845	(411,845)	-
70720 Asset Management Fee	-	-	-	-	-	-	45,360	45,360	(45,360)	-
70730 Book Keeping Fee	-	-	-	-	-	-	128,935	128,935	(128,935)	-
70740 Front Line Service Fee	-	-	-	-	-	-	554,174	554,174	(554,174)	-
70700 Total Fee Revenue	-	-	-	-	-	-	1,140,314	1,140,314	(1,140,314)	-
71100 Investment Income - Unrestricted	1,103	-	-	8	-	2,677	1,111	4,899	-	4,899
71400 Fraud Recovery	-	59,849	-	-	-	-	-	59,849	-	59,849
71500 Other Revenue	19,764	927	-	3,939	-	12,521	-	37,151	-	37,151
70000 Total Revenue	2,559,965	7,492,991	-	157,232	-	206,308	1,141,425	11,557,921	(1,140,314)	10,417,607
91100 Administrative Salaries	304,674	248,176	-	14,510	-	39,117	245,018	851,495	-	851,495
91200 Auditing Fees	6,351	5,573	-	130	-	259	648	12,961	-	12,961
91300 Management Fee	236,441	164,270	-	11,134	-	10,800	-	422,645	(411,845)	10,800
91310 Book-keeping Fee	32,490	94,915	-	1,530	-	-	-	128,935	(128,935)	-
91400 Advertising and Marketing	9,824	-	-	-	-	-	4,326	14,150	-	14,150
91500 Employee Benefit contributions - Administrative	286,406	280,112	-	12,775	-	24,662	362,947	966,902	-	966,902
91600 Office Expenses	85,520	125,562	-	2,003	-	3,008	57,719	273,812	-	273,812
91700 Legal Expense	10,048	3,098	-	215	-	880	5,154	19,395	-	19,395
91000 Total Operating - Administrative	971,754	921,706	-	42,297	-	78,726	675,812	2,690,295	(540,780)	2,149,515
92000 Asset Management Fee	43,320	-	-	2,040	-	-	-	45,360	(45,360)	-
92100 Tenant Services - Salaries	25,438	-	-	-	-	-	-	25,438	-	25,438
92300 Employee Benefit Contributions - Tenant Services	8,522	-	-	-	-	-	-	8,522	-	8,522
92400 Tenant Services - Other	5,248	-	-	-	-	-	-	5,248	-	5,248
92500 Total Tenant Services	82,528	-	-	2,040	-	-	-	84,568	(45,360)	39,208

GREENE COUNTY METROPOLITAN HOUSING AUTHORITY (OH022)
ENTITY WIDE REVENUE AND EXPENSE SUMMARY - FDS SCHEDULE SUBMITTED TO HUD
FOR THE YEAR ENDED MARCH 31, 2019

	Project Total	14.871 Housing Choice Vouchers	14.238 Shelter Plus Care	14.135 Mortgage Insurance_Rental and Cooperative Housing for Moderate Income	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
93100 Water	30,037	-	-	625	-	289	99	31,050	-	31,050
93200 Electricity	30,761	-	-	2,245	-	1,260	-	34,266	-	34,266
93300 Gas	27,098	-	-	-	-	74	58	27,230	-	27,230
93600 Sewer	35,435	-	-	1,188	-	495	211	37,329	-	37,329
93000 Total Utilities	123,331	-	-	4,058	-	2,118	368	129,875	-	129,875
94100 Ordinary Maintenance and Operations - Labor	-	-	-	-	-	-	271,751	271,751	-	271,751
94200 Ordinary Maintenance and Operations - Materials and Other	172,054	1,550	-	3,576	-	4,125	27,937	209,242	-	209,242
94300 Ordinary Maintenance and Operations Contracts	729,979	7,509	-	55,431	-	54,262	12,616	859,797	(554,174)	305,623
94500 Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	113,344	113,344	-	113,344
94000 Total Maintenance	902,033	9,059	-	59,007	-	58,387	425,648	1,454,134	(554,174)	899,960
96110 Property Insurance	75,789	1,701	-	3,909	-	6,284	11,119	98,802	-	98,802
96100 Total insurance Premiums	75,789	1,701	-	3,909	-	6,284	11,119	98,802	-	98,802
96200 Other General Expenses	-	-	-	-	-	7,333	-	7,333	-	7,333
96210 Compensated Absences	68,899	37,162	-	3,719	-	3,889	82,335	196,004	-	196,004
96300 Payments in Lieu of Taxes	73,918	-	-	-	-	-	-	73,918	-	73,918
96400 Bad debt - Tenant Rents	54,645	9,884	-	6,466	-	1,637	-	72,632	-	72,632
96000 Total Other General Expenses	197,462	47,046	-	10,185	-	12,859	82,335	349,887	-	349,887
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	474	-	21,375	-	21,849	-	21,849
96700 Total Interest Expense and Amortization Cost	-	-	-	474	-	21,375	-	21,849	-	21,849
96900 Total Operating Expenses	2,352,897	979,512	-	121,970	-	179,749	1,195,282	4,829,410	(1,140,314)	3,689,096

GREENE COUNTY METROPOLITAN HOUSING AUTHORITY (OH022)

ENTITY WIDE REVENUE AND EXPENSE SUMMARY - FDS SCHEDULE SUBMITTED TO HUD

FOR THE YEAR ENDED MARCH 31, 2019

	Project Total	14.871 Housing Choice Vouchers	14.238 Shelter Plus Care	14.135 Mortgage Insurance_Rental and Cooperative Housing for Moderate Income	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
97000 Excess of Operating Revenue over Operating Expenses	207,068	6,513,479	-	35,262	-	26,559	(53,857)	6,728,511	-	6,728,511
97300 Housing Assistance Payments	-	6,899,961	-	-	-	-	-	6,899,961	-	6,899,961
97350 HAP Portability-In	-	3,372	-	-	-	-	-	3,372	-	3,372
97400 Depreciation Expense	443,893	6,503	-	23,388	-	57,486	31,031	562,301	-	562,301
90000 Total Expenses	2,796,790	7,889,348	-	145,358	-	237,235	1,226,313	12,295,044	(1,140,314)	11,154,730
10010 Operating Transfer In	273,558	-	-	-	-	-	-	273,558	(273,558)	-
10020 Operating transfer Out	(273,558)	-	-	-	-	-	-	(273,558)	273,558	-
10093 Transfers between Program and Project - In	50,000	-	-	-	-	-	-	50,000	(50,000)	-
10094 Transfers between Project and Program - Out	(50,000)	-	-	-	-	-	-	(50,000)	50,000	-
10100 Total Other financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
										-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$ (236,825)	$ (396,357)	$ -	$ 11,874	$ -	$ (30,927)	$ (84,888)	$ (737,123)	$ -	$ (737,123)
11020 Required Annual Debt Principal Payments	$ -	$ -	$ -	$ -	$ -	$ 38,820.00	$ -	$ 38,820.00	$ -	$ 38,820.00
11030 Beginning Equity	$ 5,888,169.00	$ 440,292.00	$ 75,522.00	$ 211,664.00	$ (19,500.00)	$ 1,188,021.00	$ (109,634.00)	$ 7,674,534.00	$ -	$ 7,674,534.00
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$ (214,717.00)	$ (205,771.00)	$ -	$ (8,947.00)	$ -	$ (17,893.00)	$ (447,328.00)	$ (894,656.00)	$ -	$ (894,656.00)

GREENE METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2019

Federal Grantor/ Pass-through Grantor/ Program/Cluster Title	Federal CFDA Number	Passed Through to Subrecipients	Total Federal Expenditures	Loan Balance
U. S. Department of Housing and Urban Development				
Direct Programs				
Public and Indian Housing	14.850	$ -	$ 1,183,441	$ -
Public Housing Capital Fund	14.872	-	493,821	-
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	-	7,432,215	-
Section 8 Project-Based Cluster:				
Section 8 New Construction and Substantial Rehabilitation	14.182	-	121,002	-
Mortgage Insurance Rental and Cooperative Housing for Moderate Income Families and Elderly, Market Interest Rate	14.135	-	-	25,119
Total Direct Programs		-	9,230,479	25,119
Total U. S. Department of Housing and Urban Development		-	9,230,479	25,119
Total Expenditures of Federal Awards		$ -	$ 9,230,479	$ 25,119

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED MARCH 31, 2019

Note A – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Greene County Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended March 31, 2019. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a select portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

Note B – Summary of Significant Accounting Policies

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

Note C – Indirect Cost Rate

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

Note D – Subrecipients

The Authority provided no federal awards to subrecipients during the fiscal year ending March 31, 2019.

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Bastin & Company, LLC
Certified Public Accountants

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

Board of Commissioners
Greene County Metropolitan Housing Authority
538 North Detroit Street
Xenia, OH 45385

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Greene County Metropolitan Housing Authority, Greene County, Ohio (the Authority) as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated September 19, 2019, wherein we noted the Authority adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

4286 Mt. Carmel – Tobasco Road, Suite A, Cincinnati, Ohio 45244-2372, Telephone/Fax (513) 753-3999

Purpose of this Report

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

Bastin & Company, LLC

Cincinnati, Ohio
September 19, 2019

Bastin & Company, LLC
Certified Public Accountants

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

Board of Commissioners
Greene County Metropolitan Housing Authority
538 North Detroit Street
Xenia, OH 45385

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

We have audited Greene County Metropolitan Housing Authority's (the Authority) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Authority's major federal program for the year ended March 31, 2019. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Authority's major federal program.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the Greene County Metropolitan Housing Authority complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended March 31, 2019.

4286 Mt. Carmel – Tobasco Road, Suite A, Cincinnati, Ohio 45244-2372, Telephone/Fax (513) 753-3999

Report on Internal Control over Compliance

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

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

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

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

Bastin & Company, LLC

Cincinnati, Ohio
September 19, 2019

GREENE COUNTY METROPOLITAN HOUSING AUTHORITY

SCHEDULE OF FINDINGS
2 CFR § 200.515
MARCH 31, 2019

SUMMARY OF AUDITOR'S RESULTS

Type of financial statement opinion	Unmodified
Were there any material control weaknesses reported at the financial statement level?	No
Were there any other significant deficiencies in internal control reported at the financial statement level?	No
Was there any reported material noncompliance reported at the financial statement level?	No
Were there any material internal control weaknesses reported for major federal programs?	No
Were there any other significant deficiencies in internal control reported for major federal programs?	No
Type of major programs' compliance opinion	Unmodified
Are there any reportable findings?	No
Major programs:	CFDA # 14.871 Section 8 Housing Choice Vouchers - Housing Voucher Cluster
Dollar threshold to distinguish between Type A/B programs	Type A: >$750,000 Type B: all others
Low risk auditee?	Yes

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

None

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

GREENE COUNTY METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF PRIOR AUDIT FINDINGS
MARCH 31, 2019

There were no findings reported in the prior audit report.

OHIO AUDITOR OF STATE
KEITH FABER

GREENE COUNTY METROPOLITAN HOUSING AUTHORITY

GREENE 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
NOVEMBER 7, 2019

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