

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
HAMILTON COUNTY  
REGULAR AND SINGLE AUDIT  
YEAR ENDED JUNE 30, 2024**



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Board of Commissioners  
Cincinnati Metropolitan Housing Authority  
1635 Western Avenue  
Cincinnati, Ohio 45214

We have reviewed the *Independent Auditors' Report* of the Cincinnati Metropolitan Housing Authority, Hamilton County, prepared by CliftonLarsonAllen LLP, for the audit period July 1, 2023 through June 30, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER  
Ohio Auditor of State

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

**June 26, 2025**

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## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Cincinnati Metropolitan Housing Authority  
Cincinnati, Ohio

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Cincinnati Metropolitan Housing Authority, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Cincinnati Metropolitan Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of Cincinnati Metropolitan Housing Authority, as of June 30, 2024, (except for the blended and discretely presented component units which are as of and for the year ended December 31, 2023), and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the blended component unit of Park Eden Evanston, LLC. This blended component unit represents 50% of assets, 30% of net position, and 49% of revenues of the business type activities of the Authority. We also did not audit the financial statements of Springdale Senior, LP; Cary Crossing, LLC; Park Eden Apartments, LLC; West Union Square, LLC; Pinecrest RAD, LLC; Reserve on South Martin, LP; Sutter View LLC and Marianna Terrace, LLC, which represent 60% of the assets, 64% of the net position, and 76% of revenues of the aggregate discretely presented component units as of June 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, are based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cincinnati Metropolitan Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Springdale Senior, LP; Cary Crossing, LLC; West Union Square, LLC; Pinecrest RAD, LLC; Park Eden Apartment, LLC and Reserve on South Martin LP were not audited in accordance with *Government Auditing Standards*.

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

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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



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

***Required Supplementary Information***

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

***Supplementary Information***

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2025, on our consideration of Cincinnati Metropolitan Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Cincinnati Metropolitan Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cincinnati Metropolitan Housing Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Maumee, Ohio  
January 31, 2025

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

This management discussion and analysis provides the reader with a narrative overview and financial analysis of the Cincinnati Metropolitan Housing Authority's (CMHA) financial activities and performance for the year ended June 30, 2024. This section should be read in conjunction with the audited financial statements and accompanying notes.

**Financial Highlights**

- CMHA's total assets and deferred outflows and liabilities and deferred inflows were \$346.4 million and \$74.7 million, respectively; therefore, net position was \$271.7 million as of June 30, 2024.
- Total revenues, including capital grants and total expenses were \$176.9 million and \$174.8 million, respectively, is resulting in an \$2.1 million increase in net position for fiscal year 2024.

**Overview of the Financial Statements**

*Management's Discussion and Analysis* – The Management's Discussion and Analysis is intended to serve as an introduction to the Authority-wide financial statements. The Authority-wide financial statements and Notes to the Financial Statements included in the Audit Report were prepared in accordance with GAAP applicable to governmental entities in the United States of America for Proprietary Fund types and in compliance with the regulations set forth in GASB Statement No. 34.

*Authority-Wide Financial Statements* – The Authority-wide financial statements are designed to provide readers with a broad overview of the CMHA's finances, in a manner similar to a private-sector business. The statements consist of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

*Notes to Financial Statements* – The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Authority-wide financial statements.

**The Authority's Programs**

CMHA has many programs that are consolidated into a single enterprise fund. The major programs consist of the following:

Conventional Public Housing – Under the Conventional or Low-Income Public Housing Program, CMHA rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with the U.S. Department of Housing and Urban Development (HUD), and HUD provides Operating Subsidy and Capital Grant funding to enable CMHA to provide the housing at a rent that is based upon approximately 30% of household income.

Capital Fund Program – The Conventional Public Housing Program also includes a Capital Fund Program, which is the primary funding source for physical and management improvements to CMHA's properties. The formula funding methodology used is based upon the number of units, including the bedroom sizes and the age of the buildings/units.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

Choice Neighborhood Grant – In 2011, Cincinnati Metropolitan Housing Authority applied for a Choice Neighborhood Planning Grant for the Fairmount neighborhood, which included the former English Woods public housing site, as well as the Cincinnati neighborhoods of North and South Fairmount. The awarded grant of \$201,844 supports the development of a comprehensive revitalization plan focused on the following three goals: Housing, People and Neighborhoods. As of the end of fiscal year 2016, CMHA and the Community Building Institute, its planning partner, significantly completed most of the activities associated with this plan.

Neighborhood Stabilization Program 2 (NSP2) – During fiscal year 2010, CMHA, as part of a consortium with Hamilton County, the City of Cincinnati, and the Local Initiative Support Corporation was awarded funds through the competitive NSP2. Of the \$24 million award to the consortium, CMHA expended \$11.2 million of which was for the primary use to purchase foreclosed and abandoned property and replace with a new development of senior housing in Mt Healthy along with program administrative costs. Activities under this grant were completed as of June 30, 2013.

Hope VI Grant – The Hope VI grants are programs funded by HUD for redevelopment of CMHA's properties. It is a mixed financing and mixed-use development with homeownership opportunities for public housing residents.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, CMHA administers contracts with independent landlords who own the properties. CMHA subsidizes a participants' rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable CMHA to structure a lease that sets a participants' rent at approximately 30% of household income.

### **Component Units**

As defined by GAAP, the reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the officials of the primary government are financially accountable. Component units are reported as part of the reporting entity under either the blended or discrete method of presentation. The discrete method presents the financial statements of the component unit outside of the basic financial statement totals of the primary government.

The Authority has established thirteen component unit entities with one currently under construction as of June 30, 2024. Three of the entities are wholly owned by the Authority and, as such, is considered a non-profit blended component units. The other ten component units are considered Discrete Component Units of the Authority and comprised of mixed-finance and/or RAD conversion entities. Regarding the discrete component units, two entities are limited partnerships and eight are limited liability companies. The Authority has 0.1% or less ownership interest in these ten organizations. Therefore, these organizations are considered discrete component units of the Authority. For purposes of this report, mixed-finance organizations report financials at calendar year end December 31, 2023, rather than fiscal year ending June 30, 2024.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

***Blended Component Units***

- Touchstone Property Services, an Ohio corporation for non-profit, was established by the Authority as a wholly owned subsidiary. Touchstone Property Services, Inc. was established for public, charitable, and educational purposes to revitalize neighborhoods in Hamilton County, and, in particular, the City of Cincinnati, through planning and rebuilding, to assist the Authority in the planning, undertaking, developing, construction, and operation of housing for families who are low income; to develop, construct, renovate, acquire, own, lease, manage, and sell interest in real and personal property; and to promote and participate in other housing related or educational activities that assist residents of the Authority.
- Park Eden Evanston, LLC, an Ohio corporation, was established by the Authority as a wholly owned subsidiary. Evanston Park Eden RAD LLC is an 86 – unit apartment complex that was rehabbed for a three million FHA loan. The property provides housing for the low-income families under the Project Based Rental Assistance Program (PBRA).
- Horizon Hills, LLC, an Ohio corporation, was established to acquire, hold, invest in, secure financing for, construct, rehabilitate, develop, improve, maintain, operate, and lease a 32 unit apartment community located in Cincinnati, Ohio, in a manner that furthers the purposes of the Authority, by providing decent, safe, sanitary, and affordable housing for low income persons and families.

***Discretely Presented Component Units***

- Springdale Senior Limited Partnership (the Partnership), an Ohio Limited Partnership, was formed under the laws of the State of Ohio to construct, own, and operate Baldwin Grove, (the Property), a 100-unit apartment community located in Springdale, Ohio. The Property is intended to serve seniors with low and moderate income located in Hamilton County, Ohio. The Property is developed and operated under the low-income housing tax credit program as provided for in Section 42 of the Internal Revenue Code.
- Reserve on South Martin (the Partnership), an Ohio Limited partnership, was formed under the laws of the state of Ohio, to acquire, rehabilitate, and manage the Reserve on South Martin property, (the Property), which consists of 60 rental units in Mt. Healthy, Ohio. The Property is developed and operated under the low-income housing tax credit program as provided for in Section 42 of the Internal Revenue Code.
- Cary Crossing, LLC (the LLC), a Domestic Limited Liability Company, was formed under the laws of the state of Ohio, to construct, own and operate Cary Crossing, (the Property), which consists of 36 rental units in Mt. Healthy, Ohio. The Property is intended to serve the disabled with low and moderate income located in Hamilton County, Ohio. The Property is developed and operated under the low-income housing tax credit program as provided for in Section 42 of the Internal Revenue Code.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

***Discretely Presented Component Units (Continued)***

- West Union Square, LLC (the LLC), a Domestic Limited Liability Company, was formed under the laws of the state of Ohio, to construct, own and operate West Union Square, (the Property), which will consist of a 70-unit apartment community located in Colerain Township, Ohio. The Property will be intended to serve seniors with low and moderate income located in Hamilton County, Ohio. The property is developed and operated under the low-income housing tax credit program as provided for in Section 42 of the Internal Revenue Code.
- Sutter View, LLC (the LLC), a Domestic Limited Liability Company, was formed under the laws of the state of Ohio, to construct, own and operate Sutter View, (the Property), which consists of a 114-unit apartment community located in North Fairmount, Ohio. The Property is being developed and operated under the low-income housing tax credit program as provided for in Section 42 of the Internal Revenue Code. On June 26, 2019, the LLC purchased the Property from the Authority in exchange for a seller note in the amount of \$5,097,000 and cash proceeds to pay down a portion of the EPC note payable. The Property was developed using proceeds from a mortgage insured by the U.S. Department of Housing and Urban Development (HUD) under Section 221(d)(4) of the National Housing Act.
- Pinecrest RAD, LLC (the LLC), a Domestic Limited Liability Company, was formed under the laws of the state of Ohio, to construct, own and operate Pinecrest, (the Property), which consists of a 190-unit apartment community located in North Fairmount, Ohio. The Property is being developed and operated under the low-income housing tax credit program as provided for in Section 42 of the Internal Revenue Code. On June 29, 2020, the LLC purchased the Property from the Authority in exchange for a seller note in the amount of \$9,080,000 and cash proceeds to pay down a portion of the EPC note payable. The Property was developed using proceeds from a mortgage insured by the U.S. Department of Housing and Urban Development (HUD) under Section 221(d)(4) of the National Housing Act.
- Park Eden Apartments, LLC (the LLC), a Domestic Limited Liability Company, was formed under the laws of the state of Ohio, to construct, own and operate Park Eden Apartments, (the Property), which consists of a 176-unit apartment community located in Walnut Hills, Ohio. The Property is being developed and operated under the low-income housing tax credit program as provided for in Section 42 of the Internal Revenue Code. On August 18, 2020, the LLC purchased the Property from the Authority in exchange for a seller note in the amount of \$8,412,629 and cash proceeds to pay down a portion of the EPC note payable. The Property was developed using proceeds from a mortgage insured by the U.S. Department of Housing and Urban Development (HUD) under Section 221(d)(4) of the National Housing Act.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

***Discretely Presented Component Units (Continued)***

- Marianna Terrace, LLC (the LLC), a Domestic Limited Liability Company, was formed under the laws of the state of Ohio, to construct, own and operate Marianna Terrace (the Property), which consists of 74 multi-family units located in the Village of Lincoln Heights, in Hamilton County, Ohio. The Property is being operated under the low-income housing tax credit program as provided in Section 42 of the Internal Revenue Code. On February 10, 2022, the LLC purchased the Property from the Authority in exchange for a seller Bond Financing agreement in the amount of \$3,534 a seller sponsor note in the amount of \$1,388,770 and a seller note in the amount of \$410,000 and cash proceeds to pay down a portion of the EPC note payable. The property was developed using proceeds from a mortgage insured by the U.S. Department of Housing and Urban Development (HUD) under Section 221(d)(4) of the National Housing Act.

For purposes of this report, the discretely presented component units report financials at calendar year end December 31, 2023 rather than fiscal year ending June 30, 2024.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

**Overview of the Authority's Financial Position and Operations**

**Statement of Net Position  
(Condensed)**

	2024	2023	Change
Assets and Deferred Outflows of Resources			
Current Assets	\$ 24,937,680	\$ 23,366,173	\$ 1,571,507
Other Assets	93,984,152	87,914,568	6,069,584
Capital Assets - Net	222,453,943	229,729,859	(7,275,916)
Deferred Outflows of Resources	5,060,978	8,810,689	(3,749,711)
<b>Total Assets and Deferred Outflows         of Resources</b>	<b><u>\$ 346,436,753</u></b>	<b><u>\$ 349,821,289</u></b>	<b><u>\$ (3,384,536)</u></b>
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities	\$ 17,393,598	\$ 13,712,516	\$ 3,681,082
Long-Term Liabilities	13,070,053	18,644,827	(5,574,774)
Net Pension and OPEB Liability	15,353,800	19,673,687	(4,319,887)
Deferred Inflows of Resources	28,854,509	29,161,628	(307,119)
<b>Total Liabilities and Deferred Inflows         of Resources</b>	<b>74,671,960</b>	<b>81,192,658</b>	<b>(6,520,698)</b>
Net Investment in Capital Assets	205,545,647	209,296,199	(3,750,552)
Restricted Net Position	6,285,911	5,434,399	851,512
Unrestricted Net Position	59,933,235	53,898,033	6,035,202
<b>Total Net Position</b>	<b><u>271,764,793</u></b>	<b><u>268,628,631</u></b>	<b><u>3,136,162</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b><u>\$ 346,436,753</u></b>	<b><u>\$ 349,821,289</u></b>	<b><u>\$ (3,384,536)</u></b>

**Statement of Net Position Discussion**

CMHA's total assets and deferred outflows decreased by \$3.4 million during fiscal year 2024 mainly due to a reduction in net capital assets and deferred outflow of resources, partially offset by increases in other and current assets.

Total liabilities and deferred inflow of resources decreased in fiscal year 2024 by \$6.5 million. This was primarily attributed to the increase in deferred inflows or resources and current liabilities, partially offset by a decrease in long term liabilities and net pension and OPEB liabilities.



**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

**Statement of Revenues, Expenses and Changes in Net Position  
(Condensed)**

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Operating Revenues			
Rental Revenue	\$ 9,589,594	\$ 10,052,023	\$ (462,429)
Governmental Revenue	139,586,273	129,879,878	9,706,395
Other Revenue	<u>14,806,860</u>	<u>6,451,974</u>	<u>8,354,886</u>
Total Operating Revenue	163,982,727	146,383,875	17,598,852
Operating Expenses			
Administrative	18,638,061	17,309,040	1,329,021
Utilities	8,745,281	8,600,092	145,189
Operating and Maintenance	21,941,927	14,052,380	7,889,547
Insurance and Taxes	2,033,349	1,683,171	350,178
Tenant Services	578,923	862,651	(283,728)
Protective Services	1,601,602	1,615,216	(13,614)
General Expenses	9,410,788	9,173,370	237,418
Housing Assistance Payments	102,491,105	89,861,764	12,629,341
Depreciation Expense	<u>8,328,550</u>	<u>7,835,742</u>	<u>492,808</u>
Total Operating Expenses	<u>173,769,586</u>	<u>150,993,426</u>	<u>22,776,160</u>
Net Operating (Loss)	(9,786,859)	(4,609,551)	(5,177,308)
Nonoperating Income			
Interest Income	59,553	53,894	5,659
Mortgage Interest Income	5,748,971	5,730,080	18,891
Net Gain (Loss) on Sale of Assets	(1,133,038)	30,347	(1,163,385)
Extraordinary Maintenance	-	(445,298)	445,298
Interest Expense	<u>(989,800)</u>	<u>(415,807)</u>	<u>(573,993)</u>
Total Nonoperating Revenue (Expense)	<u>3,685,686</u>	<u>4,953,216</u>	<u>(1,267,530)</u>
Gain (Loss) - Before Capital Grants and Special Items	(6,101,173)	343,665	(6,444,838)
Capital Grants	7,403,802	9,552,009	(2,148,207)
Special Items (Gain/Loss)	<u>795,775</u>	<u>-</u>	<u>795,775</u>
Total Change in Net Position	2,098,404	9,895,674	(7,797,270)
Net Position, Beginning of Year	268,628,631	258,732,957	9,895,674
Prior Period Restatements	<u>1,037,758</u>	<u>-</u>	<u>1,037,758</u>
Net Position, End of Year	<u>\$ 271,764,793</u>	<u>\$ 268,628,631</u>	<u>\$ 3,136,162</u>

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

**Revenues, Expenses, and Changes in Net Position, Discussion**

CMHA's operating revenues for fiscal year 2024 increased by \$17.6 million. Operating expenses increased by \$22.8 million, non-operating income decreased by \$1.3 million and capital grants decreased by \$2.1 million from prior year. The changes in operating revenues and expenses resulted in a positive net change in net position of \$5.2 million on a consolidated basis.

Operating expenses included \$102.5 million in housing assistant payments, \$21.9 million in operating maintenance expenses, \$29.8 million in administration expenses, \$8.7 million in utilities, \$8.3 million in depreciation, \$0.6 million in tenant services and \$2.0 million in insurance expenses.

**Capital Assets and Debt Administration**

As of June 30, 2024 CMHA's investment in capital assets balance for its Proprietary Fund was \$205.5 million (net of accumulated depreciation and related debt). This represents a decrease of \$3.8 million over fiscal year 2023.

See Note 6 Capital Assets and Note 11 Notes Payable for more information regarding outstanding debt.

**Authority Budget Information**

Annual budgets for individual programs including grants are prepared by CMHA management and approved by the Board of Commissioners. The budgets are primarily used as a management tool and have no legal stature. The budgets are prepared in accordance with the fiscal and programmatic goals established by the Authority.

**Budgetary Considerations for FY 2024**

The greatest budgetary challenges faced by CMHA involve the ongoing reduction of operating funds due to the pro-ration factors used in the funding calculations by HUD. The following economic factors were considered in preparing the Authority's budget for fiscal year 2024:

- Maintaining Public Housing occupancy levels due to low funding
- Utilization in the Housing Choice Voucher Program, after the forced reduction of utilized vouchers due to sequestration, many housing authorities are struggling to maintain 98% utilization.
- Change in funding methods, levels, and pro-ration factors for Housing Choice Voucher, Low Income Public Housing, Capital Fund, and Replacement Housing Factor programs.
- Rental Assistance Demonstration (RAD) – CMHA was awarded six Commitments to enter into a Housing Assistance Payments Contract (CHAPS).
- Aging Properties.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

**Contacting CMHA**

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Gregory Johnson, Chief Executive Officer, Cincinnati Metropolitan Housing Authority, 1627 Western Avenue, Cincinnati, Ohio 45214.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	\$ 14,317,956	\$ 3,709,638	\$ 18,027,594
Tenant Security Deposits	602,612	216,612	819,224
Accounts Receivable, Net	8,617,608	3,168,218	11,785,826
Prepaid Expenses	993,906	96,510	1,090,416
Inventories, Net	405,598	-	405,598
Total Current Assets	<u>24,937,680</u>	<u>7,190,978</u>	<u>32,128,658</u>
<b>NONCURRENT ASSETS</b>			
Restricted Cash	5,317,753	9,423,056	14,740,809
Notes Receivable	88,056,607	-	88,056,607
Other Assets	47,564	599,050	646,614
OPEB Asset	562,228	-	562,228
Capital Assets, Net	222,453,943	124,024,312	346,478,255
Total Noncurrent Assets	<u>316,438,095</u>	<u>134,046,418</u>	<u>450,484,513</u>
 Total Assets	 341,375,775	 141,237,396	 482,613,171
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Pension	4,593,760	-	4,593,760
Deferred Outflows OPEB	467,218	-	467,218
Total Deferred Outflows of Resources	<u>5,060,978</u>	<u>-</u>	<u>5,060,978</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 346,436,753</u>	 <u>\$ 141,237,396</u>	 <u>\$ 487,674,149</u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**STATEMENT OF NET POSITION (CONTINUED)**  
**JUNE 30, 2024**

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	\$ 3,321,201	\$ 1,640,562	\$ 4,961,763
Accrued Expenses	5,247,226	1,608,600	6,855,826
Tenant Security Deposits	582,135	222,175	804,310
Prepaid Rent	417,171	252,197	669,368
Accrued Compensated Absences, Current	318,463	13,319	331,782
Notes Payable, Current	5,886,599	2,650,341	8,536,940
Accrued Interest Payable	440,507	8,856,407	9,296,914
Other Current Liabilities	1,180,296	8	1,180,304
Total Current Liabilities	<u>17,393,598</u>	<u>15,243,609</u>	<u>32,637,207</u>
<b>NONCURRENT LIABILITIES</b>			
Accrued Compensated Absences, Noncurrent	962,074	11,071	973,145
Pension Liability	15,353,800	-	15,353,800
Notes Payable, Noncurrent	10,131,697	113,691,982	123,823,679
Other Noncurrent Liabilities	1,976,282	-	1,976,282
Total Noncurrent Liabilities	<u>28,423,853</u>	<u>113,703,053</u>	<u>142,126,906</u>
Total Liabilities	45,817,451	128,946,662	174,764,113
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Ground Leases	27,429,651	-	27,429,651
Deferred Inflow Pension	1,111,710	-	1,111,710
Deferred Inflows OPEB	313,148	-	313,148
Total Deferred Inflows of Resources	28,854,509	-	28,854,509
<b>NET POSITION</b>			
Net Investment In Capital Assets	205,545,647	(9,086,572)	196,459,075
Restricted	6,285,911	9,423,056	15,708,967
Unrestricted	59,933,235	11,954,250	71,887,485
Total Net Position	<u>271,764,793</u>	<u>12,290,734</u>	<u>284,055,527</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 346,436,753</u>	<u>\$ 141,237,396</u>	<u>\$ 487,674,149</u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED JUNE 30, 2024**

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
<b>OPERATING REVENUES</b>			
Tenant Revenue	\$ 9,589,594	\$ 2,871,024	\$ 12,460,618
HUD Operating Grants	139,586,273	4,807,674	144,393,947
Other Revenue	14,806,860	5,252	14,812,112
Total Operating Revenues	163,982,727	7,683,950	171,666,677
<b>OPERATING EXPENSES</b>			
Administrative	18,638,061	2,030,619	20,668,680
Utilities	8,745,281	965,897	9,711,178
Operating and Maintenance	21,941,927	1,750,344	23,692,271
Insurance and Taxes	2,033,349	240,014	2,273,363
Tenant Services	578,923	7,253	586,176
Protective Services	1,601,602	15,069	1,616,671
General Expenses	9,410,788	314,985	9,725,773
Housing Assistance Payments	102,491,105	56,977	102,548,082
Depreciation and Amortization Expense	8,328,550	5,239,084	13,567,634
Total Operating Expenses	173,769,586	10,620,242	184,389,828
<b>OPERATING LOSS</b>	(9,786,859)	(2,936,292)	(12,723,151)
<b>NONOPERATING REVENUE (EXPENSE)</b>			
Investment Income	59,553	6,158	65,711
Mortgage Interest Income	5,748,971	176,133	5,925,104
Net Loss on Sale of Assets	(1,133,038)	-	(1,133,038)
Interest Expense	(989,800)	(3,246,029)	(4,235,829)
Total Nonoperating Revenue (Expense)	3,685,686	(3,063,738)	621,948
Income (Loss) Before Capital Grants and Special Items	(6,101,173)	(6,000,030)	(12,101,203)
Capital Grants	7,403,802	-	7,403,802
Special Items - Gain on close of Riverview	795,775	-	795,775
Special Items - Capital Contributions	-	5,196,968	5,196,968
<b>CHANGES IN NET POSITION</b>	2,098,404	(803,062)	1,295,342
Net Position - Beginning of Year	268,628,631	12,366,673	280,995,304
Adjustments	1,037,758	727,123	1,764,881
Net Position - Beginning of Year (as Restated)	269,666,389	13,093,796	282,760,185
<b>NET POSITION - END OF YEAR</b>	<u>\$ 271,764,793</u>	<u>\$ 12,290,734</u>	<u>\$ 284,055,527</u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2024**

	<u>Primary Government</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Tenants and Others	\$ 17,859,521
Cash Received from Grantors	138,458,861
Cash Paid to Employees	(21,886,696)
Cash Paid to Vendors and Suppliers	<u>(145,413,346)</u>
Net Cash Used by Operating Activities	(10,981,660)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Net Principal Payments on Notes Payable	(4,415,363)
Interest Paid on Notes Payable	(989,800)
Proceeds from Capital Grants	7,403,802
Net Purchase of Capital Assets	<u>(1,052,634)</u>
Net Cash Provided by Capital and Related Financing Activities	946,005
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment Income	5,808,524
Increase of Notes Receivable	<u>732,087</u>
Net Cash Used by Investing Activities	<u>6,540,611</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH</b>	(3,495,044)
Cash and Cash Equivalents and Restricted Cash - Beginning of Year	<u>23,733,365</u>
<b>CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR</b>	<u><u>\$ 20,238,321</u></u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS AND RESTRICTED CASH TO THE STATEMENT OF NET POSITION</b>	
Cash and Cash Equivalents	\$ 14,317,956
Tenant Security Deposits	602,612
Restricted Cash	<u>5,317,753</u>
Cash and Cash Equivalents and Restricted Cash - End of Year	<u><u>\$ 20,238,321</u></u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

	<u>Primary Government</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Loss	\$ (9,786,859)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation and Amortization	8,328,550
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:	
Accounts Receivable, Net	(3,976,488)
Prepaid Expenses	19,727
Other Assets	(299,233)
Deferred Outflows of Resources	-
Accounts Payable and Accrued Expenses	705,115
Accrued Interest	21,470
Tenant Security Deposits Liability	(146,641)
Prepaid Rent	28,832
Accrued Compensated Absences	220,018
Other Liabilities	-
Accrued Pension Liability	(11,085,307)
Accrued OPEB Liability	3,296,279
Ground Lease Deferred Revenue	1,692,877
Net Cash Used by Operating Activities	<u><u>\$ (10,981,660)</u></u>

See accompanying Notes to Financial Statements.



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

	Springdale Senior LP		Cary Crossing LLC		Park Eden Apartments LLC
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ 142,252	1	\$ 35,848		\$ 1,623,672
Tenant Security Deposits	29,365		5,402		40,884
Accounts Receivable, Net	96,716		49,870		83,094
Prepaid Expenses	7,852		8,356		8,971
Total Current Assets	<u>276,185</u>		<u>99,476</u>		<u>1,756,621</u>
<b>NONCURRENT ASSETS</b>					
Restricted Cash	1,077,681		226,710		774,903
Other Assets	-		-		71,143
Capital Assets, Net	6,549,302		5,012,222		24,924,859
Total Noncurrent Assets	<u>7,626,983</u>		<u>5,238,932</u>		<u>25,770,905</u>
Total Assets	<u><u>\$ 7,903,168</u></u>		<u><u>\$ 5,338,408</u></u>		<u><u>\$ 27,527,526</u></u>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	\$ 199,404		\$ 25,342		\$ 109,533
Tenant Security Deposits	29,365		5,440		44,872
Prepaid Rent	65,827		16,981		38,143
Notes Payable, Current	617,355		456,379		112,147
Other Current Liabilities	4,254,086		342,169		1,176,058
Total Current Liabilities	<u>5,166,037</u>		<u>846,311</u>		<u>1,480,753</u>
<b>NONCURRENT LIABILITIES</b>					
Notes Payable, Noncurrent	6,878,919		1,665,499		23,759,065
Total Noncurrent Liabilities	<u>6,878,919</u>		<u>1,665,499</u>		<u>23,759,065</u>
Total Liabilities	12,044,956		2,511,810		25,239,818
<b>NET POSITION</b>					
Net Investment In Capital Assets	(222,702)		519,032		-
Restricted	1,077,681		226,710		774,903
Unrestricted	(4,996,767)		2,080,856		1,512,805
Total Net Position	<u>(4,141,788)</u>		<u>2,826,598</u>		<u>2,287,708</u>
Total Liabilities and Net Position	<u><u>\$ 7,903,168</u></u>		<u><u>\$ 5,338,408</u></u>		<u><u>\$ 27,527,526</u></u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2024**

	West Union Square LLC	Pinecrest RAD LLC	Reserve on South Martin LP
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	\$ 184,729	\$ 681,001	\$ 159,401
Tenant Security Deposits	37,610	58,500	22,952
Accounts Receivable, Net	116,099	382,598	61,963
Prepaid Expenses	10,375	14,151	9,943
Total Current Assets	<u>348,813</u>	<u>1,136,250</u>	<u>254,259</u>
<b>NONCURRENT ASSETS</b>			
Restricted Cash	356,689	902,130	647,820
Other Assets	62,000	465,907	-
Capital Assets, Net	10,797,669	26,725,461	8,204,193
Total Noncurrent Assets	<u>11,216,358</u>	<u>28,093,498</u>	<u>8,852,013</u>
Total Assets	<u><u>\$ 11,565,171</u></u>	<u><u>\$ 29,229,748</u></u>	<u><u>\$ 9,106,272</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	\$ 65,739	\$ 117,991	\$ 49,952
Tenant Security Deposits	36,427	58,500	26,066
Prepaid Rent	11,201	8,711	19,305
Notes Payable, Current	1,328,422	-	-
Other Current Liabilities	442,360	2,106,472	308,598
Total Current Liabilities	<u>1,884,149</u>	<u>2,291,674</u>	<u>403,921</u>
<b>NONCURRENT LIABILITIES</b>			
Notes Payable, Noncurrent	3,804,879	24,241,104	10,870,943
Total Noncurrent Liabilities	<u>3,804,879</u>	<u>24,241,104</u>	<u>10,870,943</u>
Total Liabilities	5,689,028	26,532,778	11,274,864
<b>NET POSITION</b>			
Net Investment In Capital Assets	1,552,536	(6,226,862)	100
Restricted	356,689	902,130	647,820
Unrestricted	3,966,918	8,021,702	(2,816,512)
Total Net Position	<u>5,876,143</u>	<u>2,696,970</u>	<u>(2,168,592)</u>
Total Liabilities and Net Position	<u><u>\$ 11,565,171</u></u>	<u><u>\$ 29,229,748</u></u>	<u><u>\$ 9,106,272</u></u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**COMBINING STATEMENT OF NET POSITION (CONTINUED)**  
**JUNE 30, 2024**

	<u>Sutter View LLC</u>	<u>Marianna Terrace</u>	<u>Total Discretely Presented Component Units</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	\$ 401,408	\$ 481,327	\$ 3,709,638
Tenant Security Deposits	11,682	10,216	216,611
Accounts Receivable, Net	318,253	2,059,625	3,168,218
Prepaid Expenses	<u>34,744</u>	<u>2,118</u>	<u>96,510</u>
Total Current Assets	766,087	2,553,286	7,190,977
<b>NONCURRENT ASSETS</b>			
Restricted Cash	1,017,725	4,419,398	9,423,056
Other Assets	-	-	599,050
Capital Assets, Net	<u>25,429,069</u>	<u>16,381,538</u>	<u>124,024,313</u>
Total Noncurrent Assets	<u>26,446,794</u>	<u>20,800,936</u>	<u>134,046,419</u>
Total Assets	<u><u>\$ 27,212,881</u></u>	<u><u>\$ 23,354,222</u></u>	<u><u>\$ 141,237,396</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	\$ 89,574	\$ 983,025	\$ 1,640,560
Tenant Security Deposits	11,052	10,453	222,175
Prepaid Rent	44,771	47,258	252,197
Notes Payable, Current	71,847	64,191	2,650,341
Other Current Liabilities	<u>2,446,450</u>	<u>647,367</u>	<u>11,723,560</u>
Total Current Liabilities	2,663,694	1,752,294	16,488,833
<b>NONCURRENT LIABILITIES</b>			
Notes Payable, Noncurrent	<u>19,976,832</u>	<u>21,260,587</u>	<u>112,457,828</u>
Total Noncurrent Liabilities	<u>19,976,832</u>	<u>21,260,587</u>	<u>112,457,828</u>
Total Liabilities	22,640,526	23,012,881	128,946,661
<b>NET POSITION</b>			
Net Investment In Capital Assets	(4,708,676)	-	(9,086,572)
Restricted	1,017,725	4,419,398	9,423,056
Unrestricted	<u>8,263,306</u>	<u>(4,078,057)</u>	<u>11,954,251</u>
Total Net Position	<u>4,572,355</u>	<u>341,341</u>	<u>12,290,735</u>
Total Liabilities and Net Position	<u><u>\$ 27,212,881</u></u>	<u><u>\$ 23,354,222</u></u>	<u><u>\$ 141,237,396</u></u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION  
YEAR ENDED JUNE 30, 2024**

	Springdale Senior LP	Cary Crossing LLC	Park Eden Apartments LLC
<b>OPERATING REVENUES</b>			
Tenant Revenue	\$ 636,242	\$ 286,393	\$ 2,344,768
Other Revenue	168	475	-
Total Operating Revenues	<u>636,410</u>	<u>286,868</u>	<u>2,344,768</u>
<b>OPERATING EXPENSES</b>			
Administrative	161,633	89,443	447,392
Utilities	55,461	81,769	259,631
Ordinary Repairs and Maintenance	183,632	91,384	331,091
Insurance	28,780	8,890	56,571
General Expenses	56,598	14,456	87,190
Depreciation	497,650	286,347	1,160,024
Total Operating Expenses	<u>983,754</u>	<u>572,289</u>	<u>2,341,899</u>
<b>OPERATING INCOME (LOSS)</b>	(347,344)	(285,421)	2,869
<b>NONOPERATING REVENUE (EXPENSE)</b>			
Investment Income	36,832	870	4,277
Interest Expense	<u>(401,290)</u>	<u>(33,333)</u>	<u>(832,875)</u>
Total Nonoperating Revenue (Expense)	<u>(364,458)</u>	<u>(32,463)</u>	<u>(828,598)</u>
Loss Before Capital Contributions	(711,802)	(317,884)	(825,729)
Capital Contributions	<u>-</u>	<u>474,932</u>	<u>4,136,282</u>
<b>CHANGE IN NET POSITION</b>	(711,802)	157,048	3,310,553
Net Position - Beginning of Year	(3,429,987)	2,669,550	(1,022,845)
Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
Net Position - Beginning of Year (as Restated)	<u>(3,429,987)</u>	<u>2,669,550</u>	<u>(1,022,845)</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ (4,141,789)</u></u>	<u><u>\$ 2,826,598</u></u>	<u><u>\$ 2,287,708</u></u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

	West Union Square LLC	Pinecrest RAD LLC	Reserve on South Martin LP
<b>OPERATING REVENUES</b>			
Tenant Revenue	\$ 481,241	\$ 1,578,730	\$ 372,480
Other Revenue	1,530	11,606	8,422
Total Operating Revenues	<u>482,771</u>	<u>1,590,336</u>	<u>380,902</u>
<b>OPERATING EXPENSES</b>			
Administrative	147,348	375,937	179,612
Utilities	35,802	236,783	42,122
Ordinary Repairs and Maintenance	94,492	614,140	93,877
Insurance	29,396	40,582	18,755
General Expenses	56,583	66,797	42,009
Depreciation	602,496	1,358,228	253,632
Total Operating Expenses	<u>966,117</u>	<u>2,692,467</u>	<u>630,007</u>
<b>OPERATING INCOME (LOSS)</b>	(483,346)	(1,102,131)	(249,105)
<b>NONOPERATING REVENUE (EXPENSE)</b>			
Investment Income	-	3,468	2,851
Interest Expense	<u>(135,575)</u>	<u>(773,025)</u>	<u>(10,462)</u>
Total Nonoperating Revenue (Expense)	<u>(135,575)</u>	<u>(769,557)</u>	<u>(7,611)</u>
Loss Before Capital Contributions	(618,921)	(1,871,688)	(256,716)
Capital Contributions	<u>207,917</u>	<u>277,539</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	(411,004)	(1,594,149)	(256,716)
Net Position - Beginning of Year	6,287,147	4,291,119	(1,911,876)
Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
Net Position - Beginning of Year (as Restated)	<u>6,287,147</u>	<u>4,291,119</u>	<u>(1,911,876)</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 5,876,143</u></u>	<u><u>\$ 2,696,970</u></u>	<u><u>\$ (2,168,592)</u></u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

	Sutter View LLC	Marianna Terrace	Total Discretely Presented Component Units
<b>OPERATING REVENUES</b>			
Tenant Revenue	\$ 1,177,915	\$ 779,291	\$ 7,657,060
Other Revenue	3,270	1,418	26,889
Total Operating Revenues	<u>1,181,185</u>	<u>780,709</u>	<u>7,683,949</u>
<b>OPERATING EXPENSES</b>			
Administrative	272,788	356,467	2,030,620
Utilities	210,197	44,131	965,896
Ordinary Repairs and Maintenance	213,078	128,651	1,750,345
Insurance	37,582	19,457	240,013
General Expenses	110,614	43,071	477,318
Depreciation	831,597	249,111	5,239,085
Total Operating Expenses	<u>1,675,856</u>	<u>840,888</u>	<u>10,703,277</u>
<b>OPERATING INCOME (LOSS)</b>	(494,671)	(60,179)	(3,019,328)
<b>NONOPERATING REVENUE (EXPENSE)</b>			
Investment Income	3,749	130,244	182,291
Interest Expense	<u>(603,621)</u>	<u>(455,847)</u>	<u>(3,246,028)</u>
Total Nonoperating Revenue (Expense)	<u>(599,872)</u>	<u>(325,603)</u>	<u>(3,063,737)</u>
Loss Before Capital Contributions	(1,094,543)	(385,782)	(6,083,065)
Capital Contributions	<u>183,333</u>	<u>-</u>	<u>5,280,003</u>
<b>CHANGE IN NET POSITION</b>	(911,210)	(385,782)	(803,062)
Net Position - Beginning of Year	5,483,565	-	12,366,673
Adjustment	<u>-</u>	<u>727,123</u>	<u>727,123</u>
Net Position - Beginning of Year (as Restated)	<u>5,483,565</u>	<u>727,123</u>	<u>13,093,796</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 4,572,355</u></u>	<u><u>\$ 341,341</u></u>	<u><u>\$ 12,290,734</u></u>

See accompanying Notes to Financial Statements.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The Cincinnati Metropolitan Housing Authority (the Authority) is a governmental, public organization created under federal and state housing laws for the purpose of engaging in the development, acquisition and administrative activities of the low-income housing program and other programs with similar objectives for low- and moderate-income families residing in Hamilton County, OH (the County) including the City of Cincinnati, Ohio (the City).

The Authority is responsible for operating certain low-rent housing programs in the County including the City under programs administered by the U.S. Department of Housing and Urban Development (HUD). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

The governing body of the Authority is a board of commissioners, which is composed of seven members. The members are appointed as follows: two by the city manager of the City of Cincinnati, Ohio; one by the Hamilton County Commissioners; one by the Court of Common Pleas; one by the Probate Court; one by the Township Association of Hamilton County; and one by the Municipal League of Hamilton County. A Chief Executive Officer is appointed by the Authority's board of commissioners to manage the day-to-day operations of the Authority.

**Basis of Accounting / Financial Statement Presentation**

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The programs of the Authority are organized as separate accounting entities. Each program is accounted for by a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position (program equity), revenues, and expenses. The individual programs account for the governmental resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD. The programs of the Authority are combined and considered an enterprise fund. An enterprise fund is used to account for activities that are operated in a manner similar to those found in the private sector.

The Authority's enterprise fund is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange like transactions are recognized when the exchange takes place.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting / Financial Statement Presentation (Continued)**

The Authority's financial statements are prepared in accordance with GASB 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, as amended* (GASB 34). GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, *Accounting and Financial Reporting for Non-exchange Transactions* (GASB 33), grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

On January 30, 2008, HUD issued PHI Notice 2008-9 which requires that unused housing assistance payments (HAP) under proprietary fund reporting should be reported as restricted net position, with the associated cash and investments also being reported as restricted. Any unused administrative fees should be reported as unrestricted net position, with the associated assets being reported on the financial data schedule as unrestricted.

Both administrative fee and HAP revenue continue to be recognized under the guidelines set forth in GASB 33. Accordingly, both the time and purpose restrictions as defined by GASB 33 are met when these funds are available and measurable, not when these funds are expended. The Section 8 Housing Choice Vouchers program is no longer a cost reimbursement grant; therefore, the Authority recognizes unspent administrative fee and HAP revenue in the reporting period as revenue for financial statement reporting.

In accordance with 2 CFR 200.305(B)(9), any investment income earned up to \$500 on these funds may be retained by the Authority. Amounts in excess of \$500 must be remitted annually to the Department of Health and Human Services, Payment Management System.

**Reporting Entity**

In accordance with GASB 61, *The Financial Reporting Entity Omnibus An Amendment of GASB Statement No. 14 and No. 34*, the Authority's basic financial statements include those of the Authority and any component units. Component units are legally separate organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government. An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

1. The primary government (Authority) is legally entitled to or can otherwise access the organization's resources.



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

2. The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
3. The primary government is obligated in some manner for the debt of the organization.

Based on the application of the above criteria, this report includes all programs and activities operated by the Authority, including the following component units.

**Blended Component Units**

Some component units, despite being legally separate, are so integrated with the primary government that they are in substance part of the primary government. The Authority's basic financial statements include the following entities as blended component units.

**Touchstone Property Services, Inc.**

Touchstone Property Services, Inc., an Ohio nonprofit corporation, was established by the Authority as a wholly owned subsidiary. Touchstone Property Services, Inc. was established for public, charitable, and educational purposes to revitalize neighborhoods in Hamilton County, and, in particular, the City of Cincinnati, Ohio, through planning and rebuilding; to assist the Authority in the planning, undertaking, developing, construction, and operation of housing for families who are low income; to develop, construct, renovate, acquire, own, lease, manage, and sell interest in real and personal property; and to promote and participate in other housing related or educational activities that assist residents of the Authority.

**Park Eden Evanston, LLC**

Park Eden Evanston, LLC, a domestic limited liability company, was formed under the laws of the State of Ohio by the Authority as sole member of the company. Park Eden Evanston, LLC was established to acquire, hold, invest in, secure financing for, construct, rehabilitate, develop, improve, maintain, operate, and lease the Evanston, a 100-unit apartment community located in Cincinnati, Ohio, in a manner that furthers the purposes of the Authority, by providing decent, safe, sanitary, and affordable housing for low-income persons and families.

**Horizon Hills, LLC**

Horizon Hills, LLC a domestic limited liability company, was formed under the laws of the State of Ohio by the Authority as sole member of the company. Horizon Hills, LLC was established to acquire, hold, invest in, secure financing for, construct, rehabilitate, develop, improve, maintain, operate, and lease a 32-unit apartment community located in Cincinnati, Ohio, in a manner that furthers the purposes of the Authority, by providing decent, safe, sanitary, and affordable housing for low-income persons and families.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

Discretely Presented Component Units

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

All of the discrete component units have a calendar year-end of December 31, which differs from the Authority's year-end of June 30, 2024. For reporting purposes, the information reported in the basic financial statements is presented as of and for the 12-month period ended December 31, 2023 for these discrete component units.

Springdale Senior, LP

Springdale Senior, LP, an Ohio limited partnership, was formed under the laws of the State of Ohio to construct, own, and operate Baldwin Grove, a 100 unit apartment community located in Springdale, Ohio. The property is intended to serve seniors with low income located in Hamilton County, Ohio. The property is developed and operated under the low-income housing tax credit program, as provided for in Section 42 of the Internal Revenue Code.

Reserve on South Martin, LP

Reserve on South Martin, LP, an Ohio limited partnership, was formed under the laws of the State of Ohio to acquire, rehabilitate, and manage the Reserve on South Martin property, which consists of 60 rental units rented to low-income individuals in Mt. Healthy, Ohio. The property is developed and operated under the low-income housing tax credit program, as provided for in Section 42 of the Internal Revenue Code.

Cary Crossing, LLC

Cary Crossing, LLC, a domestic limited liability company, was formed under the laws of the State of Ohio to construct, own, and operate Cary Crossing, which consists of 36 rental units rented to low-income individuals in Mt. Healthy, Ohio. The property is developed and operated under the low-income housing tax credit program, as provided for in Section 42 of the Internal Revenue Code.

- On July 9, 2015, Cary Crossing, LLC purchased Apartments in exchange for 75-year ground lease with the Authority for \$275,000 and two seller noted in the amount of \$1,467,534.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

West Union Square, LLC

West Union Square, LLC, a domestic limited liability company, was formed under the laws of the State of Ohio to acquire, construct, own, and operate West Union Square, which consists of 70 rental units rented to low-income individuals in Colerain Township, Ohio. The property is developed and operated under the low-income housing tax credit program, as provided for in Section 42 of the Internal Revenue Code.

- On April 24, 2017, West Union Square, LLC purchased Apartments in exchange for a 75-year ground lease with the Authority for \$10 and three seller notes in the amount of \$3,314,978.

Sutter View, LLC

Sutter View, LLC, a domestic limited liability company, was formed under the laws of the State of Ohio to acquire, rehabilitate, own, and operate Sutter View Apartments under the U.S. Department of Housing and Urban Development's (HUD) rental assistance demonstration (RAD) program, which consists of 114 rental units rented to low-income individuals in North Fairmount, Ohio. The property is developed and operated under the low-income housing tax credit program, as provided for in Section 42 of the Internal Revenue Code.

- On June 25, 2019, Sutter View, LLC purchased Sutter View Apartments in exchange for three seller notes receivable in the amount of \$13,090,134 and entered into a 75-year ground lease with the Authority in exchange for a seller note in the amount of \$5,097,000 and cash in the amount of \$453,000. The project was developed using proceeds from a mortgage insured by the U.S. Department of Housing and Urban Development under Section 221(d)(4) of the National Housing Act.

Pinecrest RAD, LLC

Pinecrest RAD, LLC, a domestic limited liability company, was formed under the laws of the State of Ohio to acquire, rehabilitate, own, and operate Pinecrest Apartments under the U.S. Department of Housing and Urban Development's rental assistance demonstration program, which consists of 190 rental units rented to low-income individuals in Cincinnati, Ohio. The property was developed and operated under the low-income housing tax credit program, as provided for in Section 42 of the Internal Revenue Code.

- On June 29, 2020, Pinecrest RAD, LLC purchased Pinecrest Apartments and entered into a 75-year ground lease with the Authority in exchange for two seller notes, a tax-exempt sponsor note for \$8,130,000 and a taxable sponsor note for \$950,000. The project was developed using proceeds from a mortgage insured by the U.S. Department of Housing and Urban Development under Section 221(d)(4) of the National Housing Act.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

**Park Eden Apartments, LLC**

Park Eden Apartments, LLC, a domestic limited liability company, was formed under the laws of the State of Ohio to acquire, rehabilitate, own, and operate Park Eden Apartments under the U.S. Department of Housing and Urban Development's rental assistance demonstration program, which consists of 176 rental units rented to low-income individuals in Cincinnati, Ohio. The property was developed and operated under the low-income housing tax credit program, as provided for in Section 42 of the Internal Revenue Code.

- On August 17, 2020, Park Eden Apartments, LLC purchased Park Eden Apartments and entered into a 75-year ground lease with the Authority in exchange for two notes with the Authority, a tax-exempt sponsor note for \$7,810,000, a taxable sponsor note for \$602,629, and cash in the amount of \$597,371. The project was developed using proceeds from a mortgage insured by the U.S. Department of Housing and Urban Development under Section 221(d)(4) of the National Housing Act.

**Marianna Terrace, LLC**

Marianna Terrace, LLC (the LLC), a Domestic Limited Liability Company, was formed under the laws of the state of Ohio, to construct, own and operate Marianna Terrace (the Property), which consists of 74 multi-family units located in the Village of Lincoln Heights, in Hamilton County, Ohio. The Property is being operated under the low-income housing tax credit program as provided in Section 42 of the Internal Revenue Code.

- On February 10, 2022, the LLC purchased the Property from the Authority in exchange for a seller Bond Financing agreement in the amount of \$3,534 a seller sponsor note in the amount of \$1,388,770 and a seller note in the amount of \$410,000 and cash proceeds to pay down a portion of the EPC note payable. The property was developed using proceeds from a mortgage insured by the U.S. Department of Housing and Urban Development (HUD) under Section 221(d)(4) of the National Housing Act.

**Description of Programs**

The Authority maintains its accounting records by program. A summary of the significant programs operated by the Authority is as follows:

**Public and Indian Housing Program**

The Public and Indian Housing Program is designed to provide low-cost housing within the County including the city. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

Public Housing Capital Fund Program

The purpose of the Public Housing Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improving the central office facilities. Funding for this program is provided by grants from HUD.

Section 8 Housing Choice Vouchers Program

The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income households under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a household.

Business Activities

The Business Activities Fund is utilized as part of the Rental Assistance Demonstration (RAD) program. RAD was created in order to give public housing authorities (PHA) a powerful tool to preserve and improve public housing properties. RAD allows PHA's to leverage public and private debt and equity in order to reinvest in public housing stock. Public housing units move to a Section 8 platform with a long-term contract under which residents continue to pay 30% of their income towards rent. The Business Activities Fund holds the mortgage notes from the Authority's discretely presented component units and also provides management services to other PHA's and affiliate entities.

Central Office Cost Center

The Central Office Cost Center (COCC) is mandated by HUD to account for "centralized" services and functions necessary to the Authority's operations. Funding for the COCC is in the form of fees charged to other Authority programs and activities as well as to affiliate entities. The fees charged include those specified by HUD as management fees, bookkeeping fees, asset management fees and other fees for service. HUD regulates which and how fees may be charged to HUD programs.

Mainstream Vouchers Program

The Authority administers a program of rental assistance payments to private owners on behalf of eligible persons with disabilities (elderly and non-elderly) in obtaining decent, safe, and sanitary rental housing.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

**Emergency Housing Vouchers Program**

The Authority was awarded Emergency Housing Vouchers. These funds are to be used to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

**Choice Neighborhood Planning Grant**

The objectives of the Choice Neighborhood Planning Grant Program are to stabilize property values, arrest neighborhood decline, assist in preventing neighborhood blight, and stabilize communities across America hardest hit by residential foreclosures and abandonment. These objectives will be achieved through the purchase and redevelopment of foreclosed and abandoned homes and residential properties that will allow those properties to turn into useful, safe and sanitary housing.

**Section 8 New Construction Substantial Rehabilitation Program**

The Section 8 New Construction and Substantial Rehabilitation program allows for the construction, purchase and rehabilitation of low-income housing units to be subsidized for a contracted period of time. Both for profit and nonprofit developers may provide low-income housing under this program. Developers must obtain their own financing and HUD subsidizes rents once the units are occupied.

**Use of Management Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment, and contingencies. Actual results could differ significantly from these estimates.

**Cash and Cash Equivalents**

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit or any other federally insured investment.

HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents (Continued)**

For the statement of cash flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase. It is the Authority's policy to maintain collateralization in accordance with HUD requirements.

**Accounts Receivable**

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and vacated tenants. An allowance for doubtful accounts is established to provide for accounts, which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts. Also included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation.

The Authority recognizes a receivable from HUD and other governmental agencies for amounts earned and billed but not received and for amounts unbilled, but earned as of year-end.

**Allowance for Doubtful Accounts**

The Authority periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. If it is determined that an account or accounts may be uncollectable, the Authority prepares an analysis of such accounts and records an appropriate allowance against such amounts.

**Prepaid Expenses**

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

**Inventory**

Inventory consists of miscellaneous supplies and appliances and are valued at cost using the first in first out method. If inventory falls below cost due to damage, deterioration, or obsolescence, the Authority writes down inventory to its net realizable value through the establishment of an allowance for obsolete inventory.

**Notes Receivable**

The Authority has utilized development funds in accordance with HUD guidelines to assist in the construction and redevelopment of numerous public housing developments through the issuance of mortgage notes. When preparing financial statements in accordance with accounting principles generally accepted in the United States of America, management is required to make estimates as to the collectability of such mortgage notes.

When estimating collectability, management analyzes the value of the underlying mortgaged property, the property's ability to generate positive cash flow, and current economic trends and conditions. Management utilizes these estimates and judgments in connection with establishing an allowance for uncollectable amounts during an accounting period.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Impairment of Long-Lived Assets**

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that the impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. During the year ended June 30, 2024, there were no impairment losses incurred.

**Capital Assets**

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation is eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position.

**Capital Assets (Continued)**

Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

Buildings and Improvements	10 to 40 Years
Leasehold Improvements	15 to 20 Years
Furniture and Equipment	5 Years
SBITAs	2 to 5 Years

The Authority has established a capitalization threshold of \$5,000.

**Ground Leases**

As part of its development activities, the Authority routinely enters into ground lease agreements. Under terms of the agreements, the Authority leases land it owns to the lessee and the lessee owns the improvements built on the land. Typically, the lease terms are seventy-five (75) years, and the lease agreements (land only) are recorded as operating leases and accounted for as follows:

Rent will be reported as income over the lease term as it becomes receivable according to the provisions of the lease. However, if the rentals vary from the straight-line basis, the Authority will recognize the income on a straight-line basis unless another systematic and rational basis is more representative of the time pattern in which the benefit from the leased property is diminished, in which case that basis will be used.

If at the inception of the lease, the fair value of the property is less than its cost or carrying amount, then a loss equal to that difference will be recognized at the inception of the lease.



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

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

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

**Accounts Payable and Accrued Liabilities**

The Authority recognizes a liability for goods and services received but not paid for as of year-end. It also recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

**Inter-Program Receivables and Payables**

Inter-program receivables and payables are all classified as either current assets or current liabilities and are the result of the use of a concentrated account depository as the common paymaster for most of the programs of the Authority. Cash settlements are made monthly. All inter-program balances are reconciled and inter-program receivables and payables balances net to zero. In accordance with GASB 34, inter-program receivables and payables are eliminated for financial statement purposes. Detail balances by program are found in the Financial Data Schedule of this report.

**Prepaid Rent**

The Authority's prepaid rent primarily consists of the prepayment of rent by residents applicable to future periods.

**Compensated Absences**

Compensated absences are those absences for which employees will be paid in accordance with the Authority's Personnel Policy. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such event take place.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State of Ohio Public Employees' Retirement System (OPERS) and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Other Postemployment Benefits**

For purposes of measuring the net Other Postemployment Benefits (OPEB) liability and deferred inflows of resources related to the net OPEB liability, and OPEB expense or benefit, and information about the fiduciary net position of the Authority's Benefits Plan and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until that time.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

**Equity / Net Position Classifications**

Equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of resources including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position – Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Restricted Assets**

When both restricted and unrestricted resources are available for a particular restricted use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as needed.

**Operating Revenues and Expenses**

The Authority defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. The Authority receives annual operating subsidies from HUD, subject to limitations prescribed by HUD. Operating subsidies from HUD are recorded when received and are accounted for as revenue. Other contributions from HUD that are for development and modernization of capital assets are reflected separately in the accompanying financial statements as capital grants.

Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies all other revenues and expenses as nonoperating.

**Fair Value**

The carrying amount of the Authority's financial instruments including cash and cash equivalents, accounts receivable and notes receivable closely approximate their fair value.

**Taxes**

The Authority is a unit of local government under the State of Ohio law and is exempt from real estate, sales and income taxes by both the federal and state governments. However, the Authority will pay a payment in lieu of taxes to cover municipal services provided by the local government for certain properties owned throughout the City.

**Revenue Recognition**

The Authority routinely receives funds from HUD and other grantors. Funds are recognized as revenue in accordance with GASB 33 when all eligibility requirements have been met. Receivables are recorded based upon amounts expensed for a program for which no funds have been received. Tenant rental revenue is recognized during the period of corresponding occupancy. Other receipts are recognized when the related expenses are incurred.

**Budgets and Budgetary Accounting**

The Authority adopts annual, appropriated operating budgets for all its programs receiving federal expenditure awards, which are used as a management tool throughout the accounting cycle. All budgets are prepared on a HUD basis, which differs with accounting principles generally accepted in the United States of America. All appropriations lapse at HUD's program year-end or at the end of grant periods.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 CASH AND CASH EQUIVALENTS**

**Deposits**

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

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

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

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

- U.S. Treasury notes, bills, bonds, or other obligations or securities issued by the U.S. Treasury, or any other obligation guaranteed as to principal or interest by the United States.
- Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association; all federal agency securities shall be direct issuances of the federal government agencies or instrumentalities.
- Written repurchase agreements in the securities listed above, provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed 30 days.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)**

**Deposits (Continued)**

- Bonds and other obligations of the State of Ohio.
- No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

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

**Deposits Primary Government**

The Authority's total cash and cash equivalents held with financial institutions was \$20,658,762 as of June 30, 2024. Of this balance, \$500,000 is covered by federal depository insurance, and the remaining \$20,158,762 is uncollateralized, as defined by the GASB (covered by collateral pools held by third party trustees pursuant to Section 135.181 of the Ohio Revised Code in collateral pools securing all public funds on deposit with specific depository institutions but not in the Authority's name).

<u>Cash Category</u>	Primary Government	Discretely Presented Component Units	Memorandum Only Total Reporting Entity
Unrestricted	\$ 14,317,956	\$ 3,709,638	\$ 18,027,594
Tenant Security Deposits	602,612	216,612	819,224
Restricted	5,317,753	9,423,056	14,740,809
Total Cash and Cash Equivalents	<u>\$ 20,238,321</u>	<u>\$ 13,349,306</u>	<u>\$ 33,587,627</u>

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Authority does not have a formal policy for custodial credit risk. As of June 30, 2024, the Authority's bank balances were not exposed to custodial credit risk.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)**

**Deposits Discretely Presented Component Units**

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

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

Entity	Security Deposits	Operating Reserve	Replacement Reserve	Annual Contributions Contract Reserve	Other Reserves	Bond Collateral Proceeds	Total
Springdale	\$ 29,367	\$ 246,328	\$ 717,354	\$ 113,998	\$ -	\$ -	\$ 1,107,047
South Martin	22,952	361,893	285,927	-	-	-	670,772
Cary Crossing	5,402	162,612	64,098	-	-	-	232,112
West Union	37,609	220,980	115,953	19,757	-	-	394,299
Sutter View	11,682	366,666	450,212	-	200,847	-	1,029,407
Pinecrest RAD	58,500	109,452	596,612	-	196,066	-	960,630
Park Eden Apts.	40,884	188,949	295,574	-	290,380	-	815,787
Marianna Terrace	10,216	-	10,867	-	4,408,531	-	4,429,614
Total	<u>\$ 216,612</u>	<u>\$ 1,656,880</u>	<u>\$ 2,536,597</u>	<u>\$ 133,755</u>	<u>\$ 5,095,824</u>	<u>\$ -</u>	<u>\$ 9,639,668</u>

**Investments – Primary Government**

The Authority's investments at June 30, 2024 are summarized below:

<u>Investment</u>	<u>Maturity</u>	<u>Balance at June 30, 2024</u>	<u>Credit Rating S&amp;P</u>
Fifth Third Inst. Gov't MMkt.	0-1 Year	1,175,778	AAAm

**Interest Rate Risk**

Interest rate risk is defined as the risk that the Authority will incur fair value losses arising from rising interest rates. Such risk is mitigated by the investment policy, which limits investments to certain maximum maturities. As a rule, unless specified otherwise within the policy, investments are to have a maximum maturity of three years unless the investment is matched to a specific expenditure. The context of a specific investment purchase must be weighed in proportion to the remainder of the existing investment portfolio and the prudent investor rule to attempt to limit such risk.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 ACCOUNTS RECEIVABLE**

Accounts receivable consisted of the following as of June 30, 2024:

<u>Description</u>	Primary Government	Discretely Presented Component Units	Memorandum Only Total Reporting Entity
Accounts Receivable HUD	\$ 1,467,943	\$ 338,137	\$ 1,806,080
Accounts Receivable Tenants, Net	1,719,723	858,916	2,578,639
Accounts Receivable Fraud Recovery, Net	400,624	-	400,624
Accounts Receivable Miscellaneous	5,029,318	1,971,165	7,000,483
Total Accounts Receivable, Net	<u>\$ 8,617,608</u>	<u>\$ 3,168,218</u>	<u>\$ 11,785,826</u>

**Accounts Receivable HUD**

As of June 30, 2024, accounts receivable HUD consisted of amounts due to the Authority for housing assistance payment subsidy and amounts expended under the FSS Program that has not yet been reimbursed. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

**Accounts Receivable Tenants, Net**

Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. The balance is shown net of an allowance for doubtful accounts of \$3,338,628.

**Accounts Receivable – Fraud Recovery, Net**

Accounts receivable fraud recovery, net represents amounts owed from tenants or other program participants who committed fraud or misrepresentation and now owe additional rent or retroactive rent. The amount is shown net of an allowance for doubtful accounts of \$-0-.

**Accounts Receivable Miscellaneous**

Accounts receivable miscellaneous consists of amounts owed to the Authority for services provided to the discretely presented component units and managed properties for items such as management fees, development fees, construction costs, and relocation costs. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 4 RESTRICTED DEPOSITS**

As of June 30, 2024, restricted deposits consisted of the following:

<u>Cash Category</u>	Primary Government	Discretely Presented Component Units	Memorandum Only Total Reporting Entity
Housing Assistance Payment Reserves	\$ 1,155,468	\$ -	\$ 1,155,468
Family Self Sufficient Escrow	83,399	-	83,399
Repairs and Replacement Reserve Escrows	791,648	7,632,421	8,424,069
Debt Service Escrow	2,547,079	-	2,547,079
Annual Contribution Contract Reserve	248,192	133,755	381,947
Operating Reserve	491,967	1,656,880	2,148,847
Tenant Security Deposits	602,612	216,612	819,224
Total Restricted Deposits	<u>\$ 5,920,365</u>	<u>\$ 9,639,668</u>	<u>\$ 15,560,033</u>

Housing assistance payment reserves are restricted for use only in the various Section 8 Programs for future housing assistance payments.

Family Self Sufficient Escrows are restricted for use in the FSS Program by Housing Choice Voucher and Public Housing program participants.

Repairs and replacement reserve escrows are restricted for repairs and replacement of the buildings and equipment of certain Authority properties.

Debt service reserves are restricted for principal and interest costs related to the capital fund financing program bonds.

Annual Contribution Contract (ACC) Reserves are restricted for use in specific public housing properties.

Operating reserves are restricted for future use in the case of an operating deficit related to the development of certain low-income housing projects.

Tenant security deposits represent amounts held by the Authority on behalf of tenants. Upon termination from the Authority or the discretely presented component units, the tenant is due amounts deposited plus interest earned less any amounts charged for damage to the unit.



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 5 NOTES RECEIVABLE**

Outstanding notes receivable of the primary government as of June 30, 2024 consisted of the following:

<u>Description</u>	Balance July 1, 2023	Additions	Reductions	Allowance June 30, 2024	Balance June 30, 2024
Lincoln Court Partnership, Phases I-IV	\$ 10,389,773	\$ -	\$ -	\$ (6,281,712)	\$ 4,108,061
Laurel Home Partnership, Phases I-V	13,754,414	-	-	(7,871,459)	5,882,955
Reserve on South Martin, LP	10,870,943	-	-	-	10,870,943
Springdale Senior, LP	7,010,273	-	885,000	-	6,125,273
Cary Crossing, LLC	1,467,534	-	-	-	1,467,534
Central YMCA	1,803,223	-	-	-	1,803,223
West Union Square, LLC	3,314,978	-	-	-	3,314,978
Sutter View, LLC	14,324,287	-	-	-	14,324,287
Pinecrest RAD, LLC	16,816,053	-	-	(4,645,127)	12,170,926
Park Eden Apartments, LLC	15,764,304	-	-	-	15,764,304
Touchstone Property Services	205,440	-	-	-	205,440
Marianna Terrace, LLC	5,488,777	-	-	-	5,488,777
Riverview San Marco	-	7,050,000	-	-	7,050,000
Total Notes Receivable	<u>\$ 101,209,999</u>	<u>\$ 7,050,000</u>	<u>\$ 885,000</u>	<u>\$ (18,798,298)</u>	<u>88,576,701</u>
				Uncollectible	(520,094)
				Notes Receivable, Net of Current	<u>\$ 88,056,607</u>

**Notes Receivable from Lincoln Court Partnerships Phases I and IV**

Notes receivable from the periods from 2001 through 2003. Payments are due based on available cash flow with the unpaid balance due on maturity. Maturity dates range from 2041 through 2043. Interest rates range between 0% and 6.09%, accruing monthly. The notes are collateralized by the related building and land. The note is shown net of a \$6,281,712 allowance for uncollectable amounts.

**Cary Crossing, LLC**

Notes receivable due based on available cash flow, with the unpaid balance due on maturity, which ranges from 2026 to 2051. Interest accrues monthly at rates ranging from 0% to 0.25%. The notes are collateralized by the related building.

**Central YMCA**

Notes receivable due based on available cash flow with the unpaid balance due on maturity, which is in July 2038. The notes are noninterest bearing and collateralized by the related building and land.

**West Union Square, LLC**

Notes receivable due based on available cash flow, with the unpaid balance due on maturity, which is in April 2057. Interest accrues per annum at rates ranging from 0% to 1.0%. The notes are collateralized by the related building.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 5    NOTES RECEIVABLE (CONTINUED)**

**Sutter View, LLC**

Notes receivable due based on available cash flow with the unpaid balance due on maturity, which is in June 2059. Interest rates range between 1.0% and 2.89%, accruing monthly. The notes are collateralized by the related building.

**Pinecrest RAD, LLC**

Notes receivable due based on available cash flow with the unpaid balance due on maturity, which is in June 2070. Interest rates range between 2.28% and 3.5%, accruing monthly. The notes are collateralized by the related building. The note is shown net of a \$4,645,126 allowance for uncollectable amounts.

**Park Eden Apartments, LLC**

Notes receivable due based on available cash flow with the unpaid balance due on maturity, which is in August 2070. Interest rates range between 1.08% and 3.25%, accruing monthly. The notes are collateralized by the related building.

**Marianna Terrace, LLC**

Several notes made in connection with the rehabilitation of Marianna Terrace. The loans bear interest at rates from 0% to 5%, mature in terms from 40 to 50 years, are payable from available cash flow and are secured with mortgages on the underlying property.

**Riverview San Marco, LLC**

Several notes made in connection with the rehabilitation of Marianna Terrace. The note payable covers the ground lease, matures in 75 years, and are payable from available cash flow and are secured with mortgages on the underlying property.

Total Notes Receivable	\$ 88,576,701
Less: Allowance for Uncollectible Amounts	<u>520,094</u>
Notes Receivable, Net of Current Portion	<u><u>\$ 88,056,607</u></u>

As of June 30, 2024, accrued interest on the aforementioned notes receivable amounted to \$62,833,435, however, management has placed a 100% allowance on such amounts as collectability remains uncertain.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 6 CAPITAL ASSETS**

The following is a summary of the primary government's changes in capital assets during the year ended June 30, 2024:

<u>Description</u>	July 1, 2023	Additions	Dispositions	Transfers	June 30, 2024
Non-depreciable:					
Land	\$ 31,122,500	\$ -	\$ -	\$ -	\$ 31,122,500
Construction in Progress	8,547,864	7,375,320	-	(7,074,698)	8,848,486
Subtotal	39,670,364	7,375,320	-	(7,074,698)	39,970,986
Depreciable:					
Buildings and Improvements	439,296,959	-	10,828,337	2,624,040	431,092,662
Furniture and Equipment	7,347,822	436,162	-	330,636	8,114,620
Subtotal	446,644,781	436,162	10,828,337	2,954,676	439,207,282
Less: Accumulated					
Depreciation and Amortization	256,585,285	8,328,550	8,189,510	-	256,724,325
Net Capital Assets	<u>\$ 229,729,860</u>	<u>\$ (517,068)</u>	<u>\$ 2,638,827</u>	<u>\$ (4,120,022)</u>	<u>\$ 222,453,943</u>

Depreciation and Amortization expense of the primary government for the year ended June 30, 2024, totaled \$8,328,550.

The following is a summary of the discretely presented component units' changes in capital assets during the year ended December 31, 2023:

<u>Description</u>	January 1, 2023	Additions	Dispositions	Transfers	December 31, 2023
Non-depreciable:					
Land	\$ 2,713,898	\$ -	\$ -	\$ (2,713,898)	\$ -
Construction in Progress	-	-	-	5,640,062	5,640,062
Subtotal	2,713,898	-	-	2,926,164	5,640,062
Depreciable:					
Buildings and Improvements	122,057,807	10,444,863	-	11,540,950	144,043,620
Furniture and Equipment	7,403,402	58,611	-	(1,783,584)	5,678,429
Subtotal	129,461,209	10,503,474	-	9,757,366	149,722,049
Less: Accumulated					
Depreciation and Amortization	20,022,268	5,239,084	-	6,076,447	31,337,799
Net Capital Assets	<u>\$ 112,152,839</u>	<u>\$ 5,264,390</u>	<u>\$ -</u>	<u>\$ 6,607,083</u>	<u>\$ 124,024,312</u>

Depreciation and Amortization expense of the discretely presented component units for year ended December 31, 2023, totaled \$5,239,084.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 7 ACCOUNTS PAYABLE**

As of June 30, 2024, accounts payable consisted of the following:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Memorandum Only Total Reporting Entity</u>
Accounts Payable - Vendors	\$ 2,570,199	\$ 1,455,674	\$ 4,025,873
Accounts Payable - Public Housing Agency Projects	1,028	-	1,028
Accounts Payable - Other Governments	749,974	184,888	934,862
Total Accounts Payable	<u>\$ 3,321,201</u>	<u>\$ 1,640,562</u>	<u>\$ 4,961,763</u>

**Accounts Payable Vendors**

Accounts payable vendors represents the amounts payable to contractors and vendors for materials received or services rendered.

**Accounts Payable – Public Housing Agency Projects**

As of June 30, 2024, accounts payable PHA Projects consisted of amounts payable to the Department of Housing and Urban Development for overpayments of subsidies in the Public Housing Program.

**Accounts Payable Other Governments**

Accounts payable other governments represents amounts due and payable to the City for payments in lieu of taxes.

**NOTE 8 PAYMENTS IN LIEU OF TAXES**

Under Federal, State and Local law, the Authority's programs are exempt from income, property and excise taxes. However, the Authority is required to make a payment in lieu of taxes (PILOT) for Authority owned properties in accordance with the provisions of its Cooperation Agreement with the City. Under the Cooperation Agreement, the Authority must pay the City the lesser of 10% of its net shelter rent or the approximate full real property taxes. During the year ended June 30, 2024, PILOT expense for the Authority's primary government amounted to \$419,373.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 9 COMPENSATED ABSENCES**

The Authority follows GASB Statement No. 16, *Accounting for Compensated Absences*, to account for compensated absences. Accrued vacation is paid to all employees upon termination. Exempt employees shall receive, at resignation from employment for any reason except for termination, 5% of their accumulated sick leave balance per full completed year of service, up to a maximum of 50%.

For members of the AFSCME union, unused sick leave shall be forfeited upon the employee's separation for any reason except retirement, in which case the payout will be 50% of a maximum base of 1,600 hours, with a maximum of 800 hours paid.

For members of the IUOE union hired before July 1, 2003, sick leave shall be paid upon the employee's separation for any reason except termination, in which case the level of payout will be a maximum of 50% of the first 1,600 hours with 30 or more years of continuous service, with a maximum of 800 hours paid. Members with over 1,600 hours of accrued sick leave will receive 5% per year of service of those additional hours, with a maximum of 40%. Those members hired after July 1, 2003, and with a minimum of five years of service will receive a payout of 5% of their sick leave per five year increments of service, with a maximum of 40%.

For members of the Building Trades union, sick leave shall be paid upon the employee's separation for any reason except for termination, in which case the level of payout will be a percentage of unused leave based on years of service with a maximum of 40% with 30 or more years of continuous service. Members must be employed for a minimum of 5 years to receive any payout.

On June 30, 2024, total compensated absences liability totaled \$1,280,537 of which \$318,463 is current and \$962,074 is long term.

**NOTE 10 OTHER LIABILITIES**

Changes in the Authority's long-term obligations for the year ended June 30, 2024, are as follows:

	Primary Government				
	July 1, 2023	Increase	Decrease	June 30, 2024	Due Within One Year
Long-term Debt Obligations	\$ 20,433,660	\$ -	\$ (4,415,364)	\$ 16,018,296	\$ 5,886,599
Compensated Absences	1,060,519	220,018	-	1,280,537	318,463
Ground Lease**	27,971,726	6,507,925	-	34,479,651	485,533
Other Noncurrent Liabilities	21,137,387	-	(2,627,009)	18,510,378	1,180,296
Total	<u>\$ 70,603,292</u>	<u>\$ 6,727,943</u>	<u>\$ (7,042,373)</u>	<u>\$ 70,288,862</u>	<u>\$ 7,870,891</u>

\*\*Ground Lease - presented above is classified as a deferred inflow of resources in the main financial data.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 10 OTHER LIABILITIES (CONTINUED)**

Changes in discretely presented component units long-term obligations for the year ended December 31, 2023 are as follows:

	Discretely Presented Component Units			
	January 1, 2023	Increase	Decrease	December 31, 2023
Long-term Debt Obligations	\$ 101,189,748	\$ 15,152,575	\$ -	\$ 116,342,323
Other Noncurrent Liabilities	998,961	-	(998,953)	8
Total	<u>\$ 102,188,709</u>	<u>\$ 15,152,575</u>	<u>\$ (998,953)</u>	<u>\$ 116,342,331</u>

**NOTE 11 NOTES PAYABLE**

As of June 30, 2024, the Authority's primary government had loans payable as follows:

Description of Long-Term Debt	Issue Amount	Interest Rate	Maturity	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
<b>Bonds:</b>								
US Bank Series 2014 Taxable General Revenue Refunding Bonds	\$ 440,000	4.25 %	12/1/2024	\$ 285,577	\$ -	\$ 21,154	\$ 264,423	\$ 21,154
US Bank Series 2014 Taxable General Revenue Refunding Bonds	600,000	5.60	12/1/2033	389,423	-	28,846	360,577	28,846
	<u>1,040,000</u>			<u>675,000</u>	<u>-</u>	<u>50,000</u>	<u>625,000</u>	<u>50,000</u>
<b>Loan Funded by:</b>								
Hamilton County, Ohio - Phase III (HOME Program)	1,200,000	2.00	8/1/2024	120,000	-	120,000	-	-
Hamilton County, Ohio - Phase IV (HOME Program)	900,000	2.00	9/1/2025	170,000	-	80,000	90,000	90,000
Hamilton County, Ohio - Phase V (HOME Program)	1,150,000	2.00	3/1/2027	460,000	-	115,000	345,000	115,000
Totals for Hamilton County, OH	<u>4,268,676</u>			<u>750,000</u>	<u>-</u>	<u>315,000</u>	<u>435,000</u>	<u>205,000</u>
HUD Capital Fund Financing Program	20,000,000	4.55	9/1/2026	2,987,222	-	1,243,349	1,743,873	1,416,735
HUD Energy Performance Contract Repayment Agreement	29,565,811	-	11/30/2028	10,361,044	-	1,545,845	8,815,199	3,667,000
HUD Hope VI Repayment Agreement	4,105,985	-	1/2/2024	397,063	-	397,063	-	-
Park Eden Evanston LLC Mortgage Loan	3,011,500	2.99	12/1/2054	3,028,102	-	394,398	2,633,704	56,627
SBITA Hyland Onbase	164,844	4.49	12/16/2026	131,029	-	35,364	95,665	36,985
SBITA Barracuda	289,351	4.49	9/5/2026	221,802	-	70,647	151,155	73,884
SBITA Yardi	<u>1,978,177</u>	4.49	10/31/2026	<u>1,882,397</u>	<u>-</u>	<u>363,697</u>	<u>1,518,700</u>	<u>380,368</u>
Total Bonds, Notes, and Mortgages Payable	<u>\$ 64,424,344</u>			<u>\$ 20,433,659</u>	<u>\$ -</u>	<u>\$ 4,415,363</u>	<u>\$ 16,018,296</u>	<u>\$ 5,886,599</u>

**Description of Notes Payable**

**Hamilton County, Ohio HOME Loans**

Hamilton County, Ohio, provided loans to the Authority under the HOME Investment Partnerships Program for the development of low-rent housing units in Hamilton County. These loans, which bear interest at the rate of 2%, will be forgiven at the rate of 10% annually commencing in the 16th year, provided that the units are preserved as low-income housing and there are no plans to convert the units to market rate.

**Series 2014 Taxable General Refunding Bonds**

These bonds were issued to expand the affordable housing program using locally available funds.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 11 NOTES PAYABLE (CONTINUED)**

**Description of Notes Payable (Continued)**

HUD Capital Fund Financing Program

This loan was acquired as part of a capital fund financing program to be used to fund capital improvement to existing public housing. This loan is to be repaid through the use of capital fund grants.

HUD Energy Performance Contract Repayment Agreement

The Authority entered into a repayment agreement as the result of an overpayment of an operating subsidy through an energy performance contract with the Low-Income Public Housing Program.

HOPE VI Repayment Agreement

The Authority entered into a repayment agreement as the result of an overpayment of an operating subsidy through an energy performance contract with the Low-Income Public Housing Program.

Park Eden Evanston, LLC Mortgage Loan

This mortgage loan is payable in monthly installments of \$11,573, including interest, through maturity. The mortgage is collateralized by the real property consisting of Evanston Apartments and is insured by HUD under Section 223(f). The mortgage imposes certain conditions on the Park Eden Evanston, LLC, including, among others, prescribing operating policies, use of housing, and preventing any other liens or encumbrances on corporation property.

Maturities of notes payable over the next five years and in five-year increments consist of the following:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 5,395,362	\$ 227,223	\$ 5,622,585
2026	4,406,481	147,154	4,553,635
2027	1,035,112	140,143	1,175,255
2028	618,473	100,461	718,934
2029	128,812	95,084	223,896
2030 - 2035	2,811,431	1,105,034	3,916,465
	<u>\$ 14,395,671</u>	<u>\$ 1,815,099</u>	<u>\$ 16,210,770</u>

Interest expense for the year ended June 30, 2024 totaled \$989,800.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
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**JUNE 30, 2024**

**NOTE 11 NOTES PAYABLE (CONTINUED)**

**Description of Notes Payable (Continued)**

A summary of the Authority's discretely presented component units notes payable as of December 31, 2023, but presented herein at June 30, 2024 is as follows:

Description of Long-Term Debt	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Due Within One Year
Springdale Senior, LP:					
Mortgage note - Fifth Third Bank	\$ 576,216	\$ -	\$ 90,213	\$ 486,003	\$ 486,003
Mortgage note - CMHA	6,495,272	-	-	6,495,272	-
Reserve on South Martin, LP -					
Mortgage - CMHA	10,870,943	-	-	10,870,943	-
Cary Crossing, LLC:					
Bridge Loan - CMHA	1,202,000	-	-	1,202,000	-
OHFA Note	1,369,316	-	449,438	919,878	456,379
West Union Square, LLC:					
Mortgage Note					
Surplus Cash Note/AHP - CMHA	962,500	-	-	962,500	-
Mortgage Note - Huntington	1,240,544	-	11,407	1,229,137	22,139
Surplus Cash Note - CMHA	500,000	-	-	500,000	-
Authority Note - CMHA	1,670,414	-	-	1,670,414	-
OHFA Loan	966,771	-	192,768	774,003	-
Sutter View, LLC:					
Surplus Cash Notes - CMHA	13,090,134	-	-	13,090,134	-
Mortgage Note	7,023,623	-	65,079	6,958,544	71,846
Pinecrest RAD, LLC:					
OHFA Loans	1,900,000	-	-	1,900,000	-
HUD Mortgage	6,567,398	-	64,705	6,502,693	94,177
CMHA Notes	15,649,913	-	-	15,649,913	-
Park Eden Apartments, LLC:					
Mortgage Note	7,632,632	474,276	-	8,106,908	112,147
CMHA Notes	14,694,117	-	-	14,694,117	-
OHFA Loans	3,250,000	-	3,250,000	-	-
Riverview San Marco, LLC					
CMHA Notes	-	7,050,000	-	7,050,000	-
Total Bonds, Notes, and Mortgages Payable	<u>\$ 95,661,793</u>	<u>\$ 7,524,276</u>	<u>\$ 4,123,610</u>	<u>\$ 99,062,459</u>	<u>\$ 1,242,691</u>



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 11 NOTES PAYABLE (CONTINUED)**

**Notes Payable to the Authority as Evidenced by a Note Receivable**

(See Note 5.)

Reserve on South Martin, LP	\$ 10,870,943
Springdale Senior, LP	6,495,272
Cary Crossing, LLC	1,202,000
West Union Square, LLC	3,132,914
Sutter View, LLC	13,090,134
Pinecrest RAD, LLC	15,649,913
Park Eden Apartments, LLC	14,694,117
Riverview San Marco, LLC	<u>7,050,000</u>
Total Notes Payable to the Primary Government	72,185,293
Total Third Party Loans to	
Discretely Presented Component Units	<u>26,877,166</u>
Total Notes Payable	<u><u>\$ 99,062,459</u></u>

**Discretely Presented Component Units Notes Payable to Unrelated Third Parties**

**Springdale Senior, LP**

In September 2007, Springdale Senior, LP obtained permanent financing from Fifth Third Bank in an amount not to exceed \$7,500,000. A total balance of \$6,927,792 was drawn on the mortgage. Springdale Senior, LP made a principal payment in the amount of \$5,943,000 in April 2009. The remaining principal amount of \$1,557,000 bears interest at a monthly rate of LIBOR plus 2.15%. The mortgage matures on May 1, 2024. The loan is secured by the rental property. Accrued interest totaled \$5,493 on December 31, 2023.

**Cary Crossing, LLC**

Cary Crossing, LLC entered into a promissory note with the Ohio Housing Finance Agency in the amount of \$3,500,000. The note is unsecured and noninterest bearing for the first two years (the initial period). The interest rate will be 2% after the initial period. Eight annual principal and interest payments of \$474,932 are due and started on April 15, 2018. Note payment dates correspond to the collection dates for the remaining member capital contributions. Accrued interest as of December 31, 2023, was 12,990.

**West Union Square, LLC**

In July 2017, West Union Square, LLC entered into a promissory note with Ohio Housing Finance Agency in the amount of \$1,500,000. The note is secured by the investor member's capital contribution obligation and bears no interest for the period from July 2017 through June 2019. Beginning in July 2019, the note bears interest at 2.5% per annum. Commencing in April 2020, annual principal and interest payments are due in the amount of \$207,917 through maturity in April 2027. On December 31, 2023 accrued interest was \$7,870.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 11 NOTES PAYABLE (CONTINUED)**

**Discretely Presented Component Units Notes Payable to Unrelated Third Parties**  
**(Continued)**

West Union Square, LLC (Continued)

In April 2017, West Union Square, LLC entered into a mortgage note with The Huntington National Bank in the amount of \$1,392,000 and bearing interest at 5.9%. Principal and interest payments are due in monthly installments of \$8,256 and will commence following the conversion from a construction to permanent loan. The entire unpaid principal balance and all accrued interest are due and payable upon maturity in November 2036. On December 31, 2023 accrued interest was \$7,574.

Sutter View, LLC

On June 1, 2019, Sutter View, LLC entered into a note with ORIX Real Estate Capital, LLC in the amount of \$7,250,000. The note bears interest at 4.67% per annum. Payments of interest only were paid from July 1, 2019, through April 1, 2022. Thereafter, monthly installments of principal and interest are to be made in the amount of \$33,390. The note matures in April 2061 and is secured by real estate. On December 31, 2023, accrued interest was \$-0-.

Park Eden Apartments, LLC

Park Eden Apartments entered into two notes with the Ohio Housing Finance Agency. The notes are secured by 4th and 5th mortgages on the property, accrues interest at rates from 1.8% to a maximum of 4%. \$7,810,000 matures in August 2070 and \$3,250,000 matured in August 2023.

On August 1, 2020, Park Eden Apartments entered into a HUD 223(f) multifamily promissory note in the original amount of \$8,422,000. The loan bears interest at 3.12% and matures in August 2062. Interest only payments are due until August 1, 2023. thereafter, monthly principal and interest payments of \$30,735 are due.

Pinecrest RAD, LLC

Pinecrest RAD, LLC has a HUD insured Section 221(d)(4) mortgage note held by Orix Real Estate Capital, LLC (dba Lument Capital) in the original amount of \$7,000,000 bearing interest at 3.12%. Interest only payments on the note began on July 1, 2020 through April 1, 2023 and monthly installments of \$25,545 will commence on May 1, 2023. Any unpaid principal and interest are due at maturity on April 1, 2062. The note is secured by real estate and an assignment of rent and leases.

On June 1, 2020, Pinecrest RAD, LLC entered into a note with Ohio Housing Finance Agency in the amount of \$4,370,000. The note bears interest at the greater of Prime Rate minus 1% and 4% per annum. Interest only payments on the note will begin on July 1, 2020 through the maturity date. During 2022, the note was paid off from proceeds of debt and capital contributions.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 11 NOTES PAYABLE (CONTINUED)**

**Discretely Presented Component Units Notes Payable to Unrelated Third Parties**  
**(Continued)**

Pinecrest RAD (Continued)

On June 23, 2020, Pinecrest RAD LLC entered into a note with Ohio Housing Finance Agency in the amount of \$1,900,000. The note bears interest at 0%. The note matures in March 2065 and is secured by real estate. At December 31, 2023, the outstanding principal balance was \$1,900,000.

Reserve On South Martin, LP

Reserve On South Martin Apartments entered into a mortgage with the Cincinnati Metropolitan Housing Authority in the amount of \$10,308,550. The mortgage is secured by property and an assignment of rents and security. The interest rate will be 0.10% and matures in December 2051.

Reserve On South Martin Apartments entered into a note with the Cincinnati Metropolitan Housing Authority in the amount of \$797,524. The note does not accrue interest and matures in October 2056. The entire unpaid principal balance is due and payable on the maturity date.

**NOTE 12 SOFTWARE BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

The Authority leases equipment for various terms under long-term noncancelable agreements. The SBITA's expire at various dates through 2028.

Total future minimum lease payments under lease agreements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 491,237	\$ 65,765	\$ 557,002
2026	513,753	43,249	557,002
2027	436,036	23,116	459,152
2028	324,494	4,870	329,364
	<u>\$ 1,765,520</u>	<u>\$ 137,000</u>	<u>\$ 1,902,520</u>

Right-to-use assets acquired through outstanding SBITA's are shown below, underlying asset class at June 30, 2024:

Total Right-of-Use Assets	\$ 2,735,508
Less: Accumulated Amortization	(887,904)
Net Right-of-Use Assets	<u>\$ 1,847,604</u>

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 13 PENSION PLAN**

**Plan Description – Ohio Public Employees Retirement System (OPERS)**

The Authority's employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost sharing, multiple employer defined benefit pension plan. The Combined Plan is a cost sharing, multiple employer defined benefit pension plan with defined contribution features. While members (e.g., the Authority's employees) may elect the Combined Plan, the majority of employee members are in OPERS' Traditional Pension Plan; therefore, the following disclosures focus on the Traditional Pension Plan.

The Authority contributes to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiemployer public employee retirement system, which administers three separate pension plans: the Traditional Pension Plan, the Combined Plan, and the Member-Directed Plan. All public employees in Ohio, except those covered by one of the other state or local retirement systems in Ohio, are members of OPERS. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

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

**Benefits Provided**

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

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

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 13 PENSION PLAN (CONTINUED)**

**Benefits Provided (Continued)**

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

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

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

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

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

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 13 PENSION PLAN (CONTINUED)**

**Benefits Provided (Continued)**

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

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

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

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

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

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

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 13 PENSION PLAN (CONTINUED)**

**Funding Policy**

The OPERS funding policy provides for periodic employee and employer contributions to all three plans at rates established by the board, subject to limits set in statute. The rates established for member and employer contributions were approved based upon the recommendations of OPERS' external actuary. All contribution rates were within the limits authorized by the Ohio Revised Code. Member and employer contribution rates, as a percent of covered payroll, were the same for each covered group across all three plans for the year ended June 30, 2024. Plan members were required to contribute 10% of covered payroll while the Authority's contribution rate was 14% of covered payroll. The Authority's contractually required contributions to OPERS were \$1,697,939 for the year ended June 30, 2024.

**Net Pension Liability**

The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities.

The Authority reported a net pension liability of \$15,353,800 as its proportionate share of the Traditional Plan. The Authority's proportion was 0.058874% for the Traditional for 2024.

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

For the year ended June 30, 2024, the Authority recognized pension expense of \$680,815. At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 14,281	\$ -
Differences Between Expected and Actual Experience	267,512	38,059
Changes in Proportionate Difference Between Authority Contributions and Proportionate Share of Contributions	161,958	1,073,651
Net Differences Between Projected and Actual Investment Earnings on Pension Plan Investments	3,173,679	-
Subsequent Contributions	976,330	-
Total	<u>\$ 4,593,760</u>	<u>\$ 1,111,710</u>

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 13 PENSION PLAN (CONTINUED)**

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

The \$4,593,760 reported deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ (14,087)
2026	855,245
2027	2,039,011
2028	(453,044)
2029	27,238
Thereafter	51,357
Total	<u>\$ 2,505,720</u>

**Actuarial Assumptions**

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

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, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Actuarial Assumptions</u>
Valuation Date	December 31, 2022
Actuarial Cost Method	Individual Entry Age
Cost of Living Adjustments	Pre-January 7, 2013 Retirees: 3% simple; Post January 7, 2013 Retirees: 3% simple through 2023, then 2.05% simple
Salary Increases, Including Inflation	2.75% to 10.75%
Wage Inflation	3.00%
Investment Rate of Return	6.90%
Experience Study Date	Period of Five Years Ended December 31, 2020



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 13 PENSION PLAN (CONTINUED)**

**Actuarial Assumptions (Continued)**

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

**Discount Rate**

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

**Investment Rate of Return**

The allocation of investment assets within the defined benefit portfolio is approved by the board of trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long term expected rate of return on defined benefit investment assets was determined using a building blocks method in which best estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the board of trustees' investment consultant.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 13 PENSION PLAN (CONTINUED)**

**Investment Rate of Return (Continued)**

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	24.00 %	2.85 %
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other	5.00	3.46
Total	<u>100.00 %</u>	

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

The following presents the Authority's proportionate share of net pension liability calculated using the current period discount rate assumption of 6.9%, as well as what the Authority's collective net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.9%) or 1-percentage point higher (7.9%) than the current rate.

	1% Decrease (5.9%)	Current Assumption (6.9%)	1% Increase (7.9%)
Traditional Plan Authority's Proportionate Share of the Net Pension Liability/(Asset)	\$ 24,264,919	\$ 15,353,800	\$ 8,051,608

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS PLAN**

**Plan Description**

OPERS maintains one health care trust, the 115 Health Care Trust (115 Trust), which was established in 2014 to initially provide a funding mechanism for a health reimbursement arrangement (HRA). In March 2016, OPERS received two favorable rulings from the IRS allowing OPERS to consolidate health care assets into the 115 Trust. The 401(h) Health Care Trust (401(h) Trust), was a pre-funded trust that provided health care funding for eligible members of the Traditional Pension Plan and the Combined Plan through December 31, 2015, when plans funded through the 401(h) Trust were terminated.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Plan Description (Continued)**

The Voluntary Employees' Beneficiary Association Trust (VEBA Trust) accumulated funding for retiree medical accounts (RMA) for participants of the Member-Directed Plan through June 30, 2016. The 401(h) Trust and the VEBA Trust were closed as of June 30, 2016 and the net positions transferred to the 115 Trust on July 1, 2016. The 115 Trust is now the funding vehicle for all health care plans.

The health care plans funded through the 115 Trust are reported as other postemployment benefit plans (OPEB) based on the criteria established by the Governmental Accounting Standards Board (GASB). The plans are cost-sharing, multiple employer plans. Periodically, OPERS modifies the health care program design to improve the ongoing solvency of the plans. Eligibility requirements for access to the OPERS health care options has changed over the history of the program for Traditional Pension Plan and Combined Plan members. Prior to January 1, 2015, 10 or more years of service were required to qualify for health care coverage. Beginning January 1, 2015, generally, members must be at least age 60 with 20 years of qualifying service credit to qualify for health care coverage or 30 years of qualifying service at any age. Upon termination or retirement, Member-Directed Plan participants can use vested RMA funds for reimbursement of qualified medical expenses. Members who elect the Member-Directed Plan after July 1, 2015, will vest over 15 years at a rate of 10% each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest over a five-year period at a rate of 20% per year. 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. Health care coverage is neither guaranteed nor statutorily required.

Participants in the Member-Directed Plan are not eligible for the health care coverage offered to benefit recipients in the Traditional Pension Plan and Combined Plan. A portion of employer contributions for these participants is allocated to a RMA, previously funded through the VEBA Trust established under IRC 501(c)(9). As previously noted, the VEBA Trust was closed as of June 30, 2016, and the net position transferred to the 115 Trust on July 1, 2016. Upon separation or retirement, participants may be reimbursed for qualified medical expenses from their RMA funds, now funded through the 115 Trust.

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

**Funding Policy**

With the assistance of the System's actuary and Board approval, a portion of each employer's contribution to OPERS may be set aside for the funding of postemployment health care coverage. The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was 0.0% for 2020. The employer contribution as a percent of covered payroll deposited for RMA participants in the Member-Directed Plan for 2020 was 4.0%.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

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

As of December 31, 2024, the Authority reported a asset of \$562,228 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of December 31, 2023, and the total asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The Authority's proportion of the net OPEB asset was based on a projection of the Authority's share of contributions to the retirement system relative to the contributions of all participating entities. On December 31, 2023, the Authority's proportion was 0.19513% of the total net OPEB asset.

At December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 144,746	\$ 230,864
Differences Between Expected and Actual Experience	-	80,021
Changes in Proportionate Difference Between Authority Contributions and Proportionate Share of Contributions	35,946	2,263
Net Differences Between Projected and Actual Investment Earnings on Pension Plan Investments	286,526	-
Total	<u>\$ 467,218</u>	<u>\$ 313,148</u>

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ (16,529)
2026	26,138
2027	262,830
2028	(118,369)
2029	-
Total	<u>\$ 154,070</u>

**Actuarial Assumptions**

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

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Actuarial Assumptions (Continued)**

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

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

Valuation date:	December 31, 2022 (rolled forward to December 31, 2023)
Actuarial cost method:	Individual entry age normal
Wage Inflation:	2.75%
Projected Salary Increases	2.75%-10.75% (includes wage inflation at 2.75%)
Health Care Cost Trend Rate	5.50% initial, 3.50% ultimate in 2036
Investment rate of return:	6.00%
Experience study date:	Period of five years ended December 31, 2020
Mortality basis:	PubG-2010 Retiree Mortality Tables

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

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Actuarial Assumptions (Continued)**

A single discount rate of 5.70% was used to measure the total OPEB liability on the measurement date of December 31, 2022. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, the duration of the projection period through which projected health care payments are fully funded.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

**Discount Rate**

A single discount rate of 5.70% was used to measure the OPEB liability on the measurement date of December 31, 2022. 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).

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Discount Rate (Continued)**

This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, the duration of the projection period through which projected health care payments are fully funded.

**Investment Rate of Return**

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 2023, 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 midyear. 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 15.6% for 2023.

The allocation of investment assets within the health care portfolio is approved by the board, as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit.

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

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Investment Rate of Return (Continued)**

The table below displays the board-approved asset allocation policy for 2023 and the long-term expected real rates of return.

	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	34.00 %	2.56 %
Domestic Equities	26.00	4.60
REITs	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other	6.00	1.84
Total	<u>100.00 %</u>	

**Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate and Health Care Trend Rates**

The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.70%) or 1-percentage-point higher (6.70%) than the current healthcare cost trend rates:

	1% Decrease (4.70%)	Current Trend Rate (5.70%)	1% Increase (6.70%)
Net OPEB Liability (Asset)	<u>\$ 308,983</u>	<u>\$ (562,228)</u>	<u>\$ (1,283,900)</u>

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)**

**Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate and Health Care Trend Rates (Continued)**

The following presents the net OPEB asset of the Authority, as well as what the Authority's net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare cost trend rates:

	1% Decrease (4.5%)	Health Care Rate (5.5%)	1% Increase (6.5%)
Authority's Proportionate Share of the OPEB Asset	<u>\$ (585,573)</u>	<u>\$ (562,228)</u>	<u>\$ (535,737)</u>

**NOTE 15 RELATED PARTY TRANSACTIONS**

The primary government provides property management and development services to the discretely presented component units (DPCU's). For the year ended June 30, 2024, the primary government charged the DPCU's \$526,980 for property management services and received \$-0- in developer fees previously accrued.

The primary government is also reimbursed by the DPCU's for salaries and benefits for Authority employees that work on DPCU properties. For the year ended June 30, 2024 salaries charged to the DPCU's totaled \$532,972.

Included in accounts receivable for the primary government and accounts payable for the DPCU's is \$80,565 owed under the aforementioned arrangements.

CMHA/TCB Laurel Homes I Limited Partnership Formed under the laws of the State of Ohio on July 1, 2000, for the purposes of acquiring financing, constructing, leasing and operating a rental housing project. The project consists of 148 units located in Cincinnati, Ohio and is currently operating under the name of Laurel Homes.

CMHA/TCB Laurel Homes II Limited Partnership Formed under the laws of the State of Ohio on February 21, 2001, for the purposes of acquiring, financing, constructing, leasing and operating a rental housing project. The Project consists of 56 units located in Cincinnati, Ohio, and is currently operating under the name of Laurel Homes II.

CMHA/TCB Laurel Homes IV Limited Partnership Formed under the laws of the State of Ohio on March 19, 2002, for the purposes of acquiring financing, constructing, leasing and operating a rental housing project. The Project consists of 59 units located in Cincinnati, Ohio and is currently operating under the name of Laurel Homes IV.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 15 RELATED PARTY TRANSACTIONS (CONTINUED)**

CMHA/TCB Laurel Homes V Limited Partnership Formed under the laws of the State of Ohio on June 30, 2003, for the purposes of acquiring, financing, constructing, leasing and operating a rental housing project. The Project consists of 106 units located in Cincinnati, Ohio and is currently operating under the name of Laurel Homes V.

The Partners entered into a Redemption Agreement, dated July 27, 2021. Under the terms of the agreement, the entire interest of the Hudson Limited Partners was redeemed for \$100. As of December 31, 2023, the General Partner owns 49% and the Authority Limited Partner (CMHA) owns 51% but is not the managing partner.

**Notes Receivable**

As noted above with Note 5 Laurel Home Partnerships, Phases I, II, IV and V notes receivable from the periods 2001 through 2003.

**Asset Management Fees**

Cincinnati Metropolitan Housing Authority (CMHA) entered into an authority asset management fee agreement with CMHA/TCB Laurel Homes Limited Partnerships below to perform responsibilities relative to the development, monitoring of compliance with public housing and reporting requirements.

The fee is limited to available net cash flow and is calculated at 5% of the Funded Authority's Allowable Expense Level (AEL), as defined, multiplied by the number of Public Housing units. No fee was incurred or paid for the year ended December 31, 2024 and 2023 for all partnerships.

**NOTE 16 RESTRICTED NET POSITION**

Restricted net position consists of the following as of June 30, 2024:

<u>Description</u>	Primary Government	Discretely Presented Component Units	Memorandum Only Total Reporting Entity
Housing Assistance Payment Reserves	\$ 1,155,468	\$ -	\$ 1,155,468
Repairs and Replacement Reserve Escrows	791,648	9,423,056	10,214,704
Operating Reserves	491,967	-	491,967
Debt Service Reserves	2,547,079	-	2,547,079
Annual Contribution Contract Reserves	737,521	-	737,521
OPEB Asset	562,228	-	562,228
Total Restricted Net Position	<u>\$ 6,285,911</u>	<u>\$ 9,423,056</u>	<u>\$ 15,708,967</u>

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 16 RESTRICTED NET POSITION (CONTINUED)**

Housing assistance payment reserves are restricted for use only in the various Section 8 programs for future housing assistance payments.

Repairs and replacement reserve escrows are restricted for repairs and replacement of the buildings and equipment of the discretely presented component units.

Operating reserves are restricted for future use in the case of an operating deficit related to the development of the discretely presented component units.

Debt service reserves are restricted for principal and interest costs related to the capital fund financing program bonds.

Annual Contributions Contract Reserves are restricted for use in specific public housing properties.

**NOTE 17 RISK MANAGEMENT**

The Authority maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. The Authority also maintains employee major medical, vision, and dental coverage with private carriers.

The Authority is a member in Ohio Housing Authority Property Casualty, Inc. (OHAPCI) and the Public Entity Risk Consortium (PERC). OHAPCI is an insurance risk sharing and purchasing pool composed of three Ohio housing authorities. PERC is an Ohio public entity joint self-insurance pool restricted to midsize public entities, including pool (of which OHAPCI is a member.)

OHAPCI is a corporation governed by a board of trustees, consisting of a representative appointed by each of the member housing authorities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. There were no changes to the policies during the current fiscal year. Claims experience over the past three years indicates that there were no instances of losses exceeding insurance coverage. The following is a summary of insurance coverage at year-end:

Primary Property	\$500 million/occurrence
Automobile Liability	\$6 million/occurrence
Casualty/General Liability	\$6 million/occurrence
Crime	\$500,000/occurrence
Pollution	\$1 million/\$2 million (aggregate)

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 18 CONTINGENCIES**

The Authority receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD. As of June 30, 2024, the Authority estimates that no material liabilities will result from such audits.

The Authority is a defendant in several lawsuits arising from its normal course of business. Where possible, estimates have been made and reflected in the financial statements for the effect, if any, of such contingencies. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Authority's attorney that resolution of these matters will not have a materially adverse effect on the financial condition of the Authority.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 19 BLENDED COMPONENT UNITS**

A condensed statement of net position for the Authority's blended component units as of December 31, 2023 is presented as follows:

	Touchstone Property Services, Inc.	Park Eden Evanston, LLC	Horizon Hills, LLC
<b>ASSETS</b>			
Current Assets	\$ (515,629)	\$ 1,214,164	\$ 704,332
Capital Assets, Net	3,932	3,457,164	4,543,652
Other Noncurrent Assets	-	-	-
Total Assets	<u>(511,697)</u>	<u>4,671,328</u>	<u>5,247,984</u>
<b>LIABILITIES</b>			
Current	206,256	97,998	35,703
Noncurrent	<u>202,430</u>	<u>2,729,782</u>	<u>-</u>
Total Liabilities	408,686	2,827,780	35,703
<b>NET POSITION</b>			
Net Investment In Capital Assets	(198,497)	727,382	4,543,652
Restricted	18,017	736,693	383,685
Unrestricted	<u>(739,903)</u>	<u>379,473</u>	<u>284,944</u>
Total Net Position	<u>\$ (920,383)</u>	<u>\$ 1,843,548</u>	<u>\$ 5,212,281</u>
<b>OPERATING REVENUES</b>			
Tenant Revenue	\$ 1,209	\$ 801,079	\$ 245,735
Other Revenue	<u>591,257</u>	<u>-</u>	<u>846</u>
Total Operating Revenues	592,466	801,079	246,581
<b>OPERATING EXPENSES</b>			
Administrative	673,390	174,265	97,056
Maintenance and Utilities	108,180	356,871	118,131
General Expenses	2,791	58,912	19,194
Depreciation	<u>-</u>	<u>191,779</u>	<u>77,579</u>
Total Operating Expenses	784,361	781,827	311,960
<b>OTHER INCOME (EXPENSE)</b>			
Interest Income	-	-	-
Interest Expense	<u>(10,019)</u>	<u>(95,874)</u>	<u>-</u>
Net Other Expense	<u>(10,019)</u>	<u>(95,874)</u>	<u>-</u>
<b>NET INCOME (LOSS)</b>	<u>\$ (201,914)</u>	<u>\$ (76,622)</u>	<u>\$ (65,379)</u>

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 20 RESTATEMENT OF BEGINNING NET POSITION AND FUND BALANCE**

During the year ended June 30, 2024, beginning net position of the business-type activities was restated for the change in reporting entity. Three properties previously reported in the primary government are now reported as discretely presented component units. The restatements are as follows:

	Primary Government	Discretely Presented Component Units
Net Position, as Previously Reported at June 30, 2023	\$ 268,628,631	\$ 12,366,673
Change in reporting entity	-	727,123
Correction of an Error	1,037,758	-
Net Position, as Restated, at July 1, 2023	<u>\$ 269,666,389</u>	<u>\$ 13,093,796</u>

**A. Changes to or Within Financial Reporting Entity**

Change in Component Unit Presentation

Marianna Terrace was previously not reported however control of the discretely presented component unit changed in 2024 from the investor member to the Authority. The effects of that change to or within the financial reporting entity are shown in the table above.

**B. Correction of an Error in Previously Issued Financial Statements**

During the fiscal year 2024, a duplicate entry made by the Authority's consultants to depreciation expense in a prior year was identified and corrected by management.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 21 SUBSEQUENT EVENTS**

On July 19, 2023, the Authority converted of the Riverview and San Marco projects which was included in Public Housing Program AMP 212. The project utilized 131 project-based vouchers for the converted units at the Riverview and San Marco buildings. Riverview San Marco Corporation, a wholly owned subsidiary of the Authority, has committed to the role of General Partner and Managing Member of the new entity, Riverview San Marco, LLC. The newly formed Riverview San Marco, LLC committed to entering into a mortgage insured under HUD's Section 221(d)(4) program in the amount of \$6,475,000, along with approximately \$15,700,000 in soft debt and \$14,200,000 in Federal and Historic tax credit equity. These proceeds will be utilized to complete a substantial rehabilitation of the facilities. Full rehabilitation is estimated to be completed during the fiscal year ending June 30, 2025.

In September of 2023, the Authority closed on a 9% Low Income Housing Tax Credit project known as Logan Commons. This new construction project will include 42 affordable housing units for seniors in the Over-The-Rhine community in the City of Cincinnati. The project plans to utilize 34 awarded project-based vouchers, along with operating subsidy for 8 public housing units, to subsidize rents to residents at 60% AMI or less. Southwest Ohio Housing Development, Inc., a wholly owned subsidiary of the Authority, has committed to the role of General Partner and Managing member of the new entity, Logan Commons LLC. The newly formed entity of Logan Commons, LLC plans to utilize a first mortgage in the amount of approximately \$2,700,000, along with soft debt of approximately \$3,550,000 and Federal Tax Credit Equity of approximately \$7,975,000, for completing construction. This project is estimated to be placed in service during the fiscal year ending June 30, 2025.

On December 19, 2024, the Authority closed on the RAD conversion of Marquette Manor project included in the Public Housing Program AMP 218. The project will utilize 140 project-based rental assistance Housing Assistance Payments (HAP). Marquette Manor Development Corporation, a wholly owned subsidiary of the Authority, has committed to the role of General Partner and Managing Member of the new entity, Marquette Manor, LLC. The newly formed Marquette Manor, LLC, committed to entering into a commercial non FHA loan in the amount of \$7,790,000, along with approximately \$16,995,361 in soft debt and \$19,462,000 in Federal tax credit equity. These proceeds will be utilized to complete a substantial rehabilitation of the facilities. Full rehabilitation is estimated to be completed during the fiscal year ending in June 30, 2027.

## **REQUIRED SUPPLEMENTARY INFORMATION**



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS/PERIODS**  
**JUNE 30, 2024**

	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
Contractually Required Contribution	\$ 1,600,214	\$ 1,548,032	\$ 1,567,893	\$ 1,440,532	\$ 1,496,109	\$ 1,541,505	\$ 1,622,245	\$ 1,689,475	\$ 1,585,168	\$ 1,504,211
Contributions in Relation to the Contractually Required Contribution	<u>1,600,214</u>	<u>1,548,032</u>	<u>1,567,893</u>	<u>1,440,532</u>	<u>1,496,109</u>	<u>1,541,505</u>	<u>1,622,245</u>	<u>1,689,475</u>	<u>1,585,168</u>	<u>1,504,211</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Employee Payroll	<u>\$ 11,430,100</u>	<u>\$ 11,057,371</u>	<u>\$ 11,199,235</u>	<u>\$ 10,247,325</u>	<u>\$ 10,686,615</u>	<u>\$ 11,010,747</u>	<u>\$ 11,937,656</u>	<u>\$ 11,633,614</u>	<u>\$ 11,322,628</u>	<u>\$ 10,744,364</u>
Contributions as a Percentage of Covered Employee Payroll	14.00%	14.00%	14.00%	14.06%	14.00%	14.00%	13.59%	14.52%	14.00%	14.00%

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –**  
**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST TEN PLAN FISCAL YEARS (DECEMBER 31)**  
**JUNE 30, 2024**

	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
Authority's Proportion of the Net Pension Liability	0.0765%	0.0753%	0.0682%	0.0674%	0.0684%	0.0714%	0.0742%	0.0651%	0.0589%	0.0742%
Authority's Proportionate Share of the Net Pension Liability	<u>\$ 9,753,026</u>	<u>\$ 13,186,934</u>	<u>\$ 17,018,192</u>	<u>\$ 10,501,520</u>	<u>\$ 18,291,775</u>	<u>\$ 13,081,431</u>	<u>\$ 9,958,454</u>	<u>\$ 5,744,625</u>	<u>\$ 19,244,748</u>	<u>\$ 15,353,800</u>
Authority's Covered Employee Payroll	<u>\$ 11,963,253</u>	<u>\$ 11,736,175</u>	<u>\$ 11,395,353</u>	<u>\$ 10,237,829</u>	<u>\$ 10,309,453</u>	<u>\$ 10,981,901</u>	<u>\$ 11,854,299</u>	<u>\$ 11,633,614</u>	<u>\$ 11,322,628</u>	<u>\$ 10,744,364</u>
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	81.52%	112.36%	149.34%	102.58%	177.46%	119.12%	84.01%	49.38%	169.97%	14.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.36%	81.20%	77.39%	84.66%	74.70%	82.17%	86.88%	92.62%	75.74%	79.01%

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS –  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS\*\*  
JUNE 30, 2024**

	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
Contractually Required Contribution	\$ 51,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>51,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Employee Payroll	<u>\$ 10,237,829</u>	<u>\$ 10,309,453</u>	<u>\$ 10,981,901</u>	<u>\$ 11,854,299</u>	<u>\$ 11,633,614</u>	<u>\$ 11,322,628</u>	<u>\$ 10,744,364</u>
Contributions as a Percentage of Covered Employee Payroll	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\*\*Years listed represent the Authority's fiscal year (June 30). Information prior to 2018 is not available.  
The Authority will continue to present information for years available until a full 10-year trend is compiled.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**SCHEDULE OF THE AUTHORITY'S NET OPEB LIABILITY AND RELATED RATIOS –**  
**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST TEN FISCAL PLAN YEARS (DECEMBER 31)\*\***  
**JUNE 30, 2024**

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
Authority's Net OPEB Liability (Asset)	<u>\$ 7,888,168</u>	<u>\$ 9,267,284</u>	<u>\$ 10,030,432</u>	<u>\$ (1,343,668)</u>	<u>\$ (2,423,879)</u>	<u>\$ (2,423,879)</u>	<u>\$ 428,944</u>	<u>\$ (562,228)</u>
Authority's Covered Employee Payroll	<u>\$ 10,237,829</u>	<u>\$ 10,309,453</u>	<u>\$ 10,981,901</u>	<u>\$ 11,854,299</u>	<u>\$ 11,633,614</u>	<u>\$ 11,633,614</u>	<u>\$ 11,322,628</u>	<u>\$ 10,744,364</u>
Authority's Net OPEB Liability as a Percentage of its Covered Employee Payroll	77.05%	89.89%	91.34%	-11.33%	-20.84%	-20.84%	3.79%	14.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	54.14%	46.33%	47.80%	115.57%	128.23%	128.23%	94.79%	107.76%

\*\*Amounts presented for each year were determined as of the Authority's measurement date (December 31). Information prior to 2017 is not available.  
The Authority will continue to present information for years available until a full 10-year trend is compiled.

## **OTHER SUPPLEMENTARY INFORMATION**

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY WIDE BALANCE SHEET**  
**JUNE 30, 2024**

Line Item No.	Account Description	Project Total	14.879 Mainstream Vouchers	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.239 HOME Investment Partnerships Program	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.892 Choice Neighborhoods Planning Grants
<b>ASSETS</b>										
111	Cash - Unrestricted	\$ 2,822,789	\$ 122,734	\$ 1,868,215	\$ 846,562	\$ 148,461	\$ 10,356	\$ 1,338	\$ 183,312	\$ -
112	Cash - Restricted - Modernization and Development	1,785,128	-	186	-	54,459	-	-	-	-
113	Cash - Other Restricted	79,844	43,418	-	-	-	181,495	-	-	-
114	Cash - Tenant Security Deposits	505,868	-	-	-	63,021	-	-	-	-
115	Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-	-	-	-
100	Total Cash	5,193,629	166,152	1,868,401	846,562	265,941	191,851	1,338	183,312	-
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	-	-	-	-	-	-	86,122	-	-
124	Accounts Receivable - Other Government	-	-	-	-	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	1,064,422	37	19,728	-	52,403	-	-	-	-
126	Accounts Receivable - Tenants	3,013,137	1,808	-	-	346,147	-	-	-	-
126.1	Allowance for Doubtful Accounts - Tenants	(1,568,721)	(1,808)	-	-	(210,924)	-	-	-	-
126	Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-
127	Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-	-	-	-
128	Fraud Recovery	382,417	51	-	-	-	-	-	-	-
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-	-	-	-
129	Accrued Interest Receivable	-	-	-	-	-	-	-	-	-
120	Total Receivables, Net of Allowances for Doubtful Accounts	2,891,255	88	19,728	-	187,626	-	86,122	-	-
131	Investments - Unrestricted	1,175,778	-	-	-	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-
135	Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	353,593	-	1,996	-	5,461	-	-	-	-
143	Inventories	286,540	-	-	-	-	-	-	-	-
143.1	Allowance for Obsolete Inventories	-	-	-	-	-	-	-	-	-
144	Inter Program Due From	-	-	-	-	9,086	-	-	-	-
145	Assets Held for Sale	-	-	-	-	-	-	-	-	-
150	Total Current Assets	9,900,795	166,240	1,890,125	846,562	468,114	191,851	87,460	183,312	-
161	Land	25,748,576	-	3,354,278	-	1,578,043	-	-	-	-
162	Buildings	354,149,883	-	1,304,129	-	6,396,100	-	-	-	-
163	Furniture, Equipment & Machinery - Dwellings	3,457,678	-	24,665	-	11,007	-	-	-	-
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	-	-	-	-	-
165	Leasehold Improvements	217,013	-	-	30,536,094	-	-	-	-	-
166	Accumulated Depreciation	(217,337,566)	-	(507,281)	(7,784,183)	(3,881,090)	-	-	-	-
167	Construction in Progress	6,039,289	-	-	-	-	-	-	-	60,014
168	Infrastructure	1,405,440	-	-	-	-	-	-	-	-
160	Total Capital Assets, Net of Accumulated Depreciation	173,680,313	-	4,175,791	22,751,911	4,104,060	-	-	-	60,014
171	Notes, Loans and Mortgages Receivable - Non-Current	-	-	88,056,607	-	-	-	-	-	-
172	Notes, Loans, & Mortgages Receivable - Non Current-Past Due	-	-	-	-	-	-	-	-	-
173	Grants Receivable - Non Current	-	-	-	-	-	-	-	-	-
174	Other Assets	129,312	-	-	-	-	-	-	-	-
176	Investments in Joint Ventures	-	-	-	-	-	-	-	-	-
180	Total Non-Current Assets	173,809,625	-	92,232,398	22,751,911	4,104,060	-	-	-	60,014
200	Deferred Outflow of Resources	1,124,662	-	-	-	-	-	-	-	-
290	Total Assets and Deferred Outflow of Resources	\$ 184,835,082	\$ 166,240	\$ 94,122,523	\$ 23,598,473	\$ 4,572,174	\$ 191,851	\$ 87,460	\$ 183,312	\$ 60,014

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY WIDE BALANCE SHEET (CONTINUED)**  
**JUNE 30, 2024**

Line Item No.	Account Description	Project Total	14.879 Mainstream Vouchers	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.239 HOME Investment Partnerships Program	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.892 Choice Neighborhoods Planning Grants
<b>LIABILITIES</b>										
312	Accounts Payable <= 90 Days	\$ 1,686,491	\$ 36	\$ -	\$ -	\$ 338,834	\$ -	\$ -	\$ -	\$ -
313	Accounts Payable > 90 Days Past Due	-	-	-	-	-	-	-	-	-
321	Accrued Wage/Payroll Taxes Payable	140,689	1,930	-	-	2,529	-	309	-	-
322	Accrued Compensated Absences - Current Portion	51,916	853	-	-	1,202	-	3,591	-	-
324	Accrued Contingency Liability	-	-	-	-	-	-	-	-	-
325	Accrued Interest Payable	-	-	-	-	426,263	-	-	-	-
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	-	-
332	Account Payable - PHA Projects	-	-	-	-	-	-	-	-	-
333	Accounts Payable - Other Government	724,214	-	-	-	25,007	-	-	-	-
341	Tenant Security Deposits	505,826	-	-	-	48,990	-	-	-	-
342	Unearned Revenue	337,096	-	-	-	66,577	-	-	-	-
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	5,083,735	-	-	-	255,000	-	-	-	-
344	Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-	-	-	-	-	-
345	Other Current Liabilities	314,330	-	-	-	2,168	-	-	-	-
346	Accrued Liabilities - Other	4,129,947	-	35,784	-	64,483	-	-	-	-
347	Inter Program - Due To	-	-	-	-	-	-	-	-	-
348	Loan Liability - Current	-	-	-	-	-	-	-	-	-
310	Total Current Liabilities	12,974,244	2,819	35,784	-	1,231,053	-	3,900	-	-
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	6,794,741	-	-	-	125,000	-	-	-	-
352	Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	-	-	-
353	Non-current Liabilities - Other	130,965	3,554	-	-	855,000	-	-	-	-
354	Accrued Compensated Absences - Non Current	189,338	3,454	-	-	2,345	-	-	-	-
355	Loan Liability - Non Current	-	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-	-
357	Accrued Pension and OPEB Liabilities	3,485,440	-	-	-	-	-	-	-	-
350	Total Non-Current Liabilities	10,600,484	7,008	-	-	982,345	-	-	-	-
300	Total Liabilities	23,574,728	9,827	35,784	-	2,213,398	-	3,900	-	-
400	Deferred Inflow of Resources	315,853	-	34,479,651	-	-	-	-	-	-
508.3	Nonspendable Fund Balance	-	-	-	-	-	-	-	-	-
508.4	Net Investment in Capital Assets	161,801,837	-	4,175,791	22,751,911	3,719,060	-	-	-	60,014
509.3	Restricted Fund Balance	-	-	-	-	-	-	-	-	-
510.3	Committed Fund Balance	-	-	-	-	-	-	-	-	-
511.3	Assigned Fund Balance	-	-	-	-	-	-	-	-	-
511.4	Restricted Net Position	1,863,361	39,864	186	-	68,490	181,495	-	-	-
512.3	Unassigned Fund Balance	-	-	-	-	-	-	-	-	-
512.4	Unrestricted Net Position	(2,720,697)	116,549	55,431,111	846,562	(1,428,774)	10,356	83,560	183,312	-
513	Total Equity - Net Assets/Position	160,944,501	156,413	59,607,088	23,598,473	2,358,776	191,851	83,560	183,312	60,014
600	Total Liabilities, Deferred Inflows of Resources and Equity-Net	\$ 184,835,082	\$ 166,240	\$ 94,122,523	\$ 23,598,473	\$ 4,572,174	\$ 191,851	\$ 87,460	\$ 183,312	\$ 60,014

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY WIDE BALANCE SHEET (CONTINUED)**  
**JUNE 30, 2024**

Line Item No.	Account Description	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Housing Assistance Program-Section 8 Moderate	COCC	Subtotal	Eliminations	Total Primary Government	6.1 Component Unit - Discretely Presented
<b>ASSETS</b>										
111	Cash - Unrestricted	\$ 244,411	\$ 4,815,974	\$ 521,087	\$ -	\$ 1,556,939	\$ 13,142,178	\$ -	\$ 13,142,178	\$ 3,709,638
112	Cash - Restricted - Modernization and Development	1,104,673	-	-	-	1,053,993	3,998,439	-	3,998,439	9,423,056
113	Cash - Other Restricted	-	813,711	39,848	160,998	-	1,319,314	-	1,319,314	-
114	Cash - Tenant Security Deposits	33,723	-	-	-	-	602,612	-	602,612	216,612
115	Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-	-	-	-
100	Total Cash	1,382,807	5,629,685	560,935	160,998	2,610,932	19,062,543	-	19,062,543	13,349,306
121	Accounts Receivable - PHA Projects	-	1,467,943	-	-	-	1,467,943	-	1,467,943	-
122	Accounts Receivable - HUD Other Projects	40,990	-	-	16,601	-	143,713	-	143,713	338,137
124	Accounts Receivable - Other Government	-	-	-	-	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	38,192	420,744	16,419	411	3,273,249	4,885,605	-	4,885,605	1,971,165
126	Accounts Receivable - Tenants	138,347	1,557,175	1,737	-	-	5,058,351	-	5,058,351	938,021
126.1	Allowance for Doubtful Accounts - Tenants	-	(1,557,175)	-	-	-	(3,338,628)	-	(3,338,628)	(79,105)
126	Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-
127	Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-	-	-	-
128	Fraud Recovery	-	18,156	-	-	-	400,624	-	400,624	-
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-	-	-	-
129	Accrued Interest Receivable	-	-	-	-	-	-	-	-	-
120	Total Receivables, Net of Allowances for Doubtful Accounts	217,529	1,906,843	18,156	17,012	3,273,249	8,617,608	-	8,617,608	3,168,218
131	Investments - Unrestricted	-	-	-	-	-	1,175,778	-	1,175,778	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-
135	Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	13,252	79,970	-	-	539,634	993,906	-	993,906	96,510
143	Inventories	-	-	-	-	119,058	405,598	-	405,598	-
143.1	Allowance for Obsolete Inventories	-	-	-	-	-	-	-	-	-
144	Inter Program Due From	-	45,425	-	-	-	54,511	(45,425)	9,086	-
145	Assets Held for Sale	-	-	-	-	-	-	-	-	-
150	Total Current Assets	1,613,588	7,661,923	579,091	178,010	6,542,873	30,309,944	(45,425)	30,264,519	16,614,034
161	Land	-	-	-	-	441,603	31,122,500	-	31,122,500	-
162	Buildings	6,992,247	366,286	-	-	28,494,988	397,703,633	-	397,703,633	142,044,843
163	Furniture, Equipment & Machinery - Dwellings	155,973	516,937	-	-	1,212,853	5,379,113	-	5,379,113	5,394,410
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	2,735,507	2,735,507	-	2,735,507	-
165	Leasehold Improvements	-	-	-	-	128,065	30,881,172	-	30,881,172	1,130,425
166	Accumulated Depreciation	(1,856,868)	(886,848)	-	-	(24,470,489)	(256,724,325)	-	(256,724,325)	(25,579,008)
167	Construction in Progress	2,695,999	-	-	-	53,184	8,848,486	-	8,848,486	948,728
168	Infrastructure	17,398	223,517	-	-	861,502	2,507,857	-	2,507,857	84,914
160	Total Capital Assets, Net of Accumulated Depreciation	8,004,749	219,892	-	-	9,457,213	222,453,943	-	222,453,943	124,024,312
171	Notes, Loans and Mortgages Receivable - Non-Current	-	885,000	-	-	-	88,941,607	(885,000)	88,056,607	-
172	Notes, Loans, & Mortgages Receivable - Non Current-Past Due	-	-	-	-	-	-	-	-	-
173	Grants Receivable - Non Current	-	-	-	-	-	-	-	-	-
174	Other Assets	-	137,296	-	-	334,098	600,706	-	600,706	599,050
176	Investments in Joint Ventures	-	-	-	-	-	-	-	-	-
180	Total Non-Current Assets	8,004,749	1,242,188	-	-	9,791,311	311,996,256	(885,000)	311,111,256	124,623,362
200	Deferred Outflow of Resources	-	1,226,904	-	-	2,709,412	5,060,978	-	5,060,978	-
290	Total Assets and Deferred Outflow of Resources	\$ 9,618,337	\$ 10,131,015	\$ 579,091	\$ 178,010	\$ 19,043,596	\$ 347,367,178	\$ (930,425)	\$ 346,436,753	\$ 141,237,396



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY WIDE BALANCE SHEET (CONTINUED)**  
**JUNE 30, 2024**

Line Item No.	Account Description	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Housing Assistance Program-Section 8 Moderate	COCC	Subtotal	Eliminations	Total Primary Government	6.1 Component Unit - Discretely Presented
<b>LIABILITIES</b>										
312	Accounts Payable <= 90 Days	\$ 171,596	\$ 55,100	\$ -	\$ 341	\$ 317,801	\$ 2,570,199	\$ -	\$ 2,570,199	\$ 1,455,674
313	Accounts Payable > 90 Days Past Due	-	-	-	-	-	-	-	-	-
321	Accrued Wage/Payroll Taxes Payable	31,306	119,172	7,505	-	236,741	540,181	-	540,181	29,676
322	Accrued Compensated Absences - Current Portion	5,443	41,082	3,235	-	211,141	318,463	-	318,463	13,319
324	Accrued Contingency Liability	-	-	-	-	-	-	-	-	-
325	Accrued Interest Payable	14,244	-	-	-	-	440,507	-	440,507	8,856,407
331	Accounts Payable - HUD PHA Programs	-	-	-	1,028	-	1,028	-	1,028	-
332	Account Payable - PHA Projects	-	-	-	-	-	-	-	-	-
333	Accounts Payable - Other Government	-	753	-	-	-	749,974	-	749,974	184,888
341	Tenant Security Deposits	27,319	-	-	-	-	582,135	-	582,135	222,175
342	Unearned Revenue	13,498	-	-	-	-	417,171	-	417,171	252,197
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	56,627	-	-	-	491,237	5,886,599	-	5,886,599	2,402,157
344	Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-	-	-	-	-	248,184
345	Other Current Liabilities	198,964	1,020	-	-	663,814	1,180,296	-	1,180,296	8
346	Accrued Liabilities - Other	88,309	209,378	664	-	178,480	4,707,045	-	4,707,045	1,578,924
347	Inter Program - Due To	-	-	-	-	45,425	45,425	(45,425)	-	-
348	Loan Liability - Current	-	-	-	-	-	-	-	-	-
310	Total Current Liabilities	607,306	426,505	11,404	1,369	2,144,639	17,439,023	(45,425)	17,393,598	15,243,609
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	2,875,585	-	-	-	1,221,371	11,016,697	(885,000)	10,131,697	107,725,982
352	Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	-	-	5,966,000
353	Non-current Liabilities - Other	-	985,647	1,116	-	-	1,976,282	-	1,976,282	-
354	Accrued Compensated Absences - Non Current	-	156,543	5,450	1,967	602,977	962,074	-	962,074	11,071
355	Loan Liability - Non Current	-	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-	-
357	Accrued Pension and OPEB Liabilities	-	3,699,229	-	-	8,169,131	15,353,800	-	15,353,800	-
350	Total Non-Current Liabilities	2,875,585	4,841,419	6,566	1,967	9,993,479	29,308,853	(885,000)	28,423,853	113,703,053
300	Total Liabilities	3,482,891	5,267,924	17,970	3,336	12,138,118	46,747,876	(930,425)	45,817,451	128,946,662
400	Deferred Inflow of Resources	-	344,563	-	-	764,442	28,854,509	-	28,854,509	-
508.3	Nonspendable Fund Balance	-	-	-	-	-	-	-	-	-
508.4	Net Investment in Capital Assets	5,072,537	219,892	-	-	7,744,605	205,545,647	-	205,545,647	(9,086,572)
509.3	Restricted Fund Balance	-	-	-	-	-	-	-	-	-
510.3	Committed Fund Balance	-	-	-	-	-	-	-	-	-
511.3	Assigned Fund Balance	-	-	-	-	-	-	-	-	-
511.4	Restricted Net Position	1,111,077	948,646	559,819	160,998	1,351,975	6,285,911	-	6,285,911	9,423,056
512.3	Unassigned Fund Balance	-	-	-	-	-	-	-	-	-
512.4	Unrestricted Net Position	(48,168)	3,349,990	1,302	13,676	(2,955,544)	59,933,235	-	59,933,235	11,954,251
513	Total Equity - Net Assets/Position	6,135,446	4,518,528	561,121	174,674	6,141,036	271,764,793	-	271,764,793	12,290,735
600	Total Liabilities, Deferred Inflows of Resources and Equity-Net	\$ 9,618,337	\$ 10,131,015	\$ 579,091	\$ 178,010	\$ 19,043,596	\$ 347,367,178	\$ (930,425)	\$ 346,436,753	\$ 141,237,397

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY REVENUE AND EXPENSE SUMMARY**  
**YEAR ENDED JUNE 30, 2024**

Line Item No.	Account Description	Project Total	14.879 Mainstream Vouchers	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.239 HOME Investment Partnerships Program	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.892 Choice Neighborhoods Planning Grants
<b>REVENUES</b>										
70300	Net Tenant Rental Revenue	\$ 8,288,603	\$ -	\$ -	\$ -	\$ 778,024	\$ -	\$ -	\$ -	\$ -
70400	Tenant Revenue - Other	101,842	-	-	-	33	-	-	-	-
70500	Total Tenant Revenue	8,390,445	-	-	-	778,057	-	-	-	-
70600	HUD PHA Operating Grants	35,786,338	850,968	650	-	-	-	506,372	-	-
70610	Capital Grants	7,343,788	-	-	-	-	-	-	-	60,014
70710	Management Fee	-	-	-	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-
70730	Book Keeping Fee	-	-	-	-	-	-	-	-	-
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-
70750	Other Fees	2,098	-	-	-	-	-	-	-	-
70700	Total Fee Revenue	2,098	-	-	-	-	-	-	-	-
70800	Other Government Grants	-	-	-	-	-	-	-	-	-
71100	Investment Income - Unrestricted	59,053	-	-	-	-	-	-	-	-
71200	Mortgage Interest Income	3,155	-	5,725,310	-	154	-	-	-	-
71300	Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-	-	-	-
71400	Fraud Recovery	452,295	131	-	-	-	-	-	-	-
71500	Other Revenue	336,377	-	540,202	-	790,774	-	-	163,224	-
71600	Gain or Loss on Sale of Capital Assets	(5,510,489)	-	4,056,271	-	-	-	-	-	-
72000	Investment Income - Restricted	-	-	-	-	-	-	-	-	-
70000	Total Revenue	46,863,060	851,099	10,322,433	-	1,568,985	-	506,372	163,224	60,014
<b>EXPENSES</b>										
91100	Administrative Salaries	1,101,449	-	-	-	70,748	-	324,056	-	-
91200	Auditing Fees	32,201	46,477	-	-	-	-	-	-	-
91300	Management Fee	3,899,622	-	-	-	62,833	-	-	-	-
91310	Book-keeping Fee	338,282	-	-	-	-	-	-	-	-
91400	Advertising and Marketing	17,640	-	-	-	1,203	-	-	-	-
91500	Employee Benefit contributions - Administrative	768,782	21,497	-	-	55,423	-	149,347	-	-
91600	Office Expenses	904,608	-	508	-	481,665	-	-	-	269
91700	Legal Expense	39,236	-	-	-	383	-	-	-	14,448
91800	Travel	-	-	-	-	-	-	-	-	128
91810	Allocated Overhead	-	-	-	-	-	-	-	-	-
91900	Other	1,765,029	8,509	-	-	32,076	-	30,055	-	35,932
91000	Total Operating - Administrative	8,866,849	76,483	508	-	704,331	-	503,458	-	50,777
92000	Asset Management Fee	161,400	-	-	-	-	-	-	-	-
92100	Tenant Services - Salaries	-	-	-	-	-	-	-	-	-
92200	Relocation Costs	470,708	-	-	-	-	-	-	-	-
92300	Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-	-	-
92400	Tenant Services - Other	427,355	-	-	-	-	-	-	1,800	-
92500	Total Tenant Services	1,059,463	-	-	-	-	-	-	1,800	-
93100	Water	1,531,811	-	-	-	62,294	-	-	-	-
93200	Electricity	1,918,395	-	-	-	32,288	-	-	-	-
93300	Gas	1,196,085	-	-	-	33,284	-	-	-	-
93400	Fuel	-	-	-	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-	-	-	-
93600	Sewer	3,491,247	-	-	-	100,897	-	-	-	-
93700	Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-	-	-
93800	Other Utilities Expense	-	-	-	-	-	-	-	-	-
93000	Total Utilities	8,137,538	-	-	-	228,763	-	-	-	-

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY REVENUE AND EXPENSE SUMMARY (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

Line Item No.	Account Description	Project Total	14.879 Mainstream Vouchers	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.239 HOME Investment Partnerships Program	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.892 Choice Neighborhoods Planning Grants
94100	Ordinary Maintenance and Operations - Labor	\$ 1,921,996	\$ -	\$ -	\$ -	\$ 15,519	\$ -	\$ -	\$ -	\$ -
94200	Ordinary Maintenance and Operations - Materials and Other	1,797,162	494	-	-	26,140	-	-	-	-
94300	Ordinary Maintenance and Operations Contracts	16,002,358	-	-	-	365,386	-	-	-	-
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	-	-	-
94000	Total Maintenance	19,721,516	494	-	-	407,045	-	-	-	-
95100	Protective Services - Labor	-	-	-	-	-	-	-	-	-
95200	Protective Services - Other Contract Costs	1,504,661	-	-	-	-	-	-	-	-
95300	Protective Services - Other	-	-	-	-	-	-	-	-	-
95500	Employee Benefit Contributions - Protective Services	-	-	-	-	-	-	-	-	-
95000	Total Protective Services	1,504,661	-	-	-	-	-	-	-	-
96110	Property Insurance	1,758,380	-	-	-	40,745	-	-	-	-
96120	Liability Insurance	-	-	-	-	-	-	-	-	-
96130	Workmen's Compensation	35,870	706	-	-	3,422	-	2,336	-	-
96140	All Other Insurance	-	-	-	-	-	-	-	-	-
96100	Total Insurance Premiums	1,794,250	706	-	-	44,167	-	2,336	-	-
96200	Other General Expenses	2,274,492	284	-	-	(16,666)	-	-	-	-
96210	Compensated Absences	-	-	-	-	-	-	-	-	-
96300	Payments in Lieu of Taxes	370,055	-	-	-	25,007	-	-	-	-
96400	Bad debt - Tenant Rents	880,135	-	-	-	204,658	-	-	-	-
96500	Bad debt - Mortgages	-	-	5,572,396	-	-	-	-	-	-
96600	Bad debt - Other	-	-	-	-	-	-	-	-	-
96800	Severance Expense	-	-	-	-	-	-	-	-	-
96000	Total Other General Expenses	3,524,682	284	5,572,396	-	212,999	-	-	-	-
96710	Interest of Mortgage (or Bonds) Payable	112,945	-	-	-	17,755	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	15,829	-	-	-	-
93700	Total Interest Expense and Amortization Cost	112,945	-	-	-	33,584	-	-	-	-
96900	Total Operating Expenses	44,721,904	77,967	5,572,904	-	1,630,889	-	505,794	1,800	50,777
97000	Excess of Operating Revenue over Operating Expenses	2,141,156	773,132	4,749,529	-	(61,904)	-	578	161,424	9,237
97100	Extraordinary Maintenance	-	-	-	-	-	-	-	-	-
97200	Casualty Losses - Non-capitalized	-	-	-	-	-	-	-	-	-
97300	Housing Assistance Payments	-	707,872	-	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-	-	-	-
97400	Depreciation Expense	6,864,449	-	102,157	508,935	268,834	-	-	-	-
97500	Fraud Losses	-	-	-	-	-	-	-	-	-
97600	Capital Outlays - Governmental Funds	-	-	-	-	-	-	-	-	-
97700	Debt Principal Payment - Governmental Funds	-	-	-	-	-	-	-	-	-
97800	Dwelling Units Rent Expense	-	-	-	-	-	-	-	-	-
90000	Total Expenses	51,586,353	785,839	5,675,061	508,935	1,899,723	-	505,794	1,800	50,777

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY REVENUE AND EXPENSE SUMMARY (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

Line Item No.	Account Description	Project Total	14.879 Mainstream Vouchers	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.239 HOME Investment Partnerships Program	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.892 Choice Neighborhoods Planning Grants
10010	Operating Transfer In	\$ 5,846,434	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10020	Operating transfer Out	(5,846,434)	-	-	-	-	-	-	-	-
10030	Operating Transfers from/to Primary Government	-	-	-	-	-	-	-	-	-
10040	Operating Transfers from/to Component Unit	-	-	-	-	-	-	-	-	-
10050	Proceeds from Notes, Loans and Bonds	-	-	-	-	-	-	-	-	-
10060	Proceeds from Property Sales	-	-	-	-	-	-	-	-	-
10070	Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-	-	-	-
10080	Special Items (Net Gain/Loss)	-	-	-	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	1,462,160	-	272,000	-	-	-	-	-	-
10092	Inter Project Excess Cash Transfer Out	(1,693,878)	-	(47,648)	-	-	-	-	-	-
10093	Transfers between Program and Project - In	-	-	-	-	-	-	-	-	-
10094	Transfers between Project and Program - Out	-	-	-	-	-	-	-	-	-
10100	Total Other financing Sources (Uses)	<u>(231,718)</u>	<u>-</u>	<u>224,352</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	<u>\$ (819,739)</u>	<u>\$ 65,260</u>	<u>\$ 736,452</u>	<u>\$ (508,935)</u>	<u>\$ (330,738)</u>	<u>\$ -</u>	<u>\$ 578</u>	<u>\$ 161,424</u>	<u>\$ 9,237</u>
<b>Memo Account Information</b>										
11020	Required Annual Debt Principal Payments	\$ 1,306,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning Equity	171,104,001	84,799	58,159,294	24,162,427	2,434,956	192,625	-	21,888	-
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors	(9,339,761)	6,354	711,342	(55,019)	254,558	(774)	82,982	-	50,777
11170	Administrative Fee Equity	-	-	-	-	-	-	-	-	-
11180	Housing Assistance Payments Equity	-	-	-	-	-	-	-	-	-
11190	Unit Months Available	52,402	1,248	-	-	-	-	-	-	-
11210	Number of Unit Months Leased	47,521	1,095	-	-	-	-	-	-	-
11270	Excess Cash	(6,237,535)	-	-	-	-	-	-	-	-
11630	Furniture & Equipment - Dwelling Purchases	11,008,762	-	-	-	-	-	-	-	-
13510	CFFP Debt Service Payments	1,466,777	-	-	-	-	-	-	-	-

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY REVENUE AND EXPENSE SUMMARY (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

Line Item No.	Account Description	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Housing Assistance Program-Section 8 Moderate	COCC	Subtotal	Eliminations	Total Primary Government	6.1 Component Unit - Discretely Presented
<b>REVENUES</b>										
70300	Net Tenant Rental Revenue	\$ 421,026	\$ -	\$ -	\$ -	\$ -	\$ 9,487,653	\$ -	\$ 9,487,653	\$ 2,951,425
70400	Tenant Revenue - Other	66	-	-	-	-	101,941	-	101,941	(80,401)
70500	Total Tenant Revenue	421,092	-	-	-	-	9,589,594	-	9,589,594	2,871,024
70600	HUD PHA Operating Grants	626,931	99,765,160	2,013,445	36,409	-	139,586,273	-	139,586,273	4,807,674
70610	Capital Grants	-	-	-	-	-	7,403,802	-	7,403,802	-
70710	Management Fee	-	9,442,606	-	3,583	6,152,299	15,598,488	(6,848,746)	8,749,742	-
70720	Asset Management Fee	-	-	-	-	526,980	526,980	(161,400)	365,580	-
70730	Book Keeping Fee	-	-	-	-	1,269,682	1,269,682	(1,268,282)	1,400	-
70740	Front Line Service Fee	-	-	-	-	340,996	340,996	-	340,996	-
70750	Other Fees	-	-	-	-	2,098	2,098	-	2,098	4,688
70700	Total Fee Revenue	-	9,442,606	-	3,583	8,289,957	17,738,244	(8,278,428)	9,459,816	4,812,362
70800	Other Government Grants	-	-	-	-	-	-	-	-	-
71100	Investment Income - Unrestricted	-	-	-	-	-	59,053	-	59,053	6,158
71200	Mortgage Interest Income	25	39	221	-	20,067	5,748,971	-	5,748,971	176,133
71300	Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-	-	-	-
71400	Fraud Recovery	-	25,677	2,043	-	-	480,146	-	480,146	564
71500	Other Revenue	592,077	136,759	-	35,830	2,386,707	4,981,950	(115,052)	4,866,898	-
71600	Gain or Loss on Sale of Capital Assets	-	(95,264)	-	-	416,444	(1,133,038)	-	(1,133,038)	-
72000	Investment Income - Restricted	-	500	-	-	-	500	-	500	-
70000	Total Revenue	1,640,125	109,275,477	2,015,709	75,822	11,113,175	184,455,495	(8,393,480)	176,062,015	7,866,241
<b>EXPENSES</b>										
91100	Administrative Salaries	278,991	2,407,969	159,090	34,620	5,137,075	9,513,998	-	9,513,998	518,382
91200	Auditing Fees	16,625	98,000	-	-	81,498	274,801	-	274,801	67,750
91300	Management Fee	98,361	1,488,000	-	-	-	5,548,816	(6,167,657)	(618,841)	562,610
91310	Book-keeping Fee	-	930,000	-	-	-	1,268,282	(1,268,282)	-	-
91400	Advertising and Marketing	1,017	19,881	-	-	25,267	65,008	-	65,008	4,952
91500	Employee Benefit contributions - Administrative	130,916	575,241	57,865	14,177	1,052,944	2,826,192	-	2,826,192	287,714
91600	Office Expenses	4,753	115,052	-	-	118,305	1,625,160	(115,052)	1,510,108	172,606
91700	Legal Expense	495	518	-	-	32,636	87,716	-	87,716	1,211
91800	Travel	13	4,342	-	-	10,534	15,017	-	15,017	-
91810	Allocated Overhead	-	-	-	-	-	-	-	-	-
91900	Other	333,407	1,132,103	1,014	11	1,878,792	5,216,928	(252,866)	4,964,062	415,394
91000	Total Operating - Administrative	864,578	6,771,106	217,969	48,808	8,337,051	26,441,918	(7,803,857)	18,638,061	2,030,619
92000	Asset Management Fee	80,000	-	-	-	-	241,400	(161,400)	80,000	(5,328)
92100	Tenant Services - Salaries	-	-	-	-	27,150	27,150	-	27,150	10,805
92200	Relocation Costs	133	-	-	-	-	470,841	-	470,841	-
92300	Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-	-	-
92400	Tenant Services - Other	-	-	-	-	-	429,155	(428,223)	932	1,776
92500	Total Tenant Services	80,133	-	-	-	27,150	1,168,546	(589,623)	578,923	7,253
93100	Water	10,216	5,745	-	-	11,900	1,621,966	-	1,621,966	104,034
93200	Electricity	110,681	36,961	-	-	121,006	2,219,331	-	2,219,331	451,521
93300	Gas	13,120	4,021	-	-	3,555	1,250,065	-	1,250,065	52,165
93400	Fuel	-	-	-	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-	-	-	-
93600	Sewer	27,087	10,741	-	-	23,947	3,653,919	-	3,653,919	358,177
93700	Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-	-	-
93800	Other Utilities Expense	-	-	-	-	-	-	-	-	-
93000	Total Utilities	161,104	57,468	-	-	160,408	8,745,281	-	8,745,281	965,897

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY REVENUE AND EXPENSE SUMMARY (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

Line Item No.	Account Description	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Housing Assistance Program-Section 8 Moderate	COCC	Subtotal	Eliminations	Total Primary Government	6.1 Component Unit - Discretely Presented
94100	Ordinary Maintenance and Operations - Labor	\$ 12,831	\$ -	\$ -	\$ -	\$ -	\$ 1,950,346	\$ -	\$ 1,950,346	\$ 62,271
94200	Ordinary Maintenance and Operations - Materials and Other	48,618	12,687	494	494	247,043	2,133,132	-	2,133,132	226,326
94300	Ordinary Maintenance and Operations Contracts	362,627	699,148	-	-	428,930	17,858,449	-	17,858,449	1,461,747
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	-	-	-
94000	Total Maintenance	424,076	711,835	494	494	675,973	21,941,927	-	21,941,927	1,750,344
95100	Protective Services - Labor	-	-	-	-	-	-	-	-	-
95200	Protective Services - Other Contract Costs	-	96,021	-	-	920	1,601,602	-	1,601,602	15,069
95300	Protective Services - Other	-	-	-	-	-	-	-	-	-
95500	Employee Benefit Contributions - Protective Services	-	-	-	-	-	-	-	-	-
95000	Total Protective Services	-	96,021	-	-	920	1,601,602	-	1,601,602	15,069
96110	Property Insurance	39,835	21,533	-	-	60,624	1,921,117	-	1,921,117	228,759
96120	Liability Insurance	-	-	-	-	-	-	-	-	-
96130	Workmen's Compensation	2,057	20,742	2,374	538	44,187	112,232	-	112,232	11,255
96140	All Other Insurance	-	-	-	-	-	-	-	-	-
96100	Total Insurance Premiums	41,892	42,275	2,374	538	104,811	2,033,349	-	2,033,349	240,014
96200	Other General Expenses	6,183	29,489	-	-	34,815	2,328,597	-	2,328,597	8,565
96210	Compensated Absences	-	-	-	-	-	-	-	-	-
96300	Payments in Lieu of Taxes	24,311	-	-	-	-	419,373	-	419,373	167,119
96400	Bad debt - Tenant Rents	5,629	-	-	-	-	1,090,422	-	1,090,422	131,511
96500	Bad debt - Mortgages	-	-	-	-	-	5,572,396	-	5,572,396	-
96600	Bad debt - Other	-	-	-	-	-	-	-	-	7,790
96800	Severance Expense	-	-	-	-	-	-	-	-	-
96000	Total Other General Expenses	36,123	29,489	-	-	34,815	9,410,788	-	9,410,788	314,985
96710	Interest of Mortgage (or Bonds) Payable	7,073	-	-	-	87,294	225,067	-	225,067	1,107,967
96720	Interest on Notes Payable (Short and Long Term)	94,737	-	-	-	-	94,737	-	94,737	2,050,952
96730	Amortization of Bond Issue Costs	4,083	-	-	-	650,084	669,996	-	669,996	87,110
93700	Total Interest Expense and Amortization Cost	105,893	-	-	-	737,378	989,800	-	989,800	3,246,029
96900	Total Operating Expenses	1,713,799	7,708,194	220,837	49,840	10,078,506	72,333,211	(8,393,480)	63,939,731	8,570,210
97000	Excess of Operating Revenue over Operating Expenses	(73,674)	101,567,283	1,794,872	25,982	1,034,669	112,122,284	-	112,122,284	(703,969)
97100	Extraordinary Maintenance	-	-	-	-	-	-	-	-	-
97200	Casualty Losses - Non-capitalized	-	-	-	-	-	-	-	-	-
97300	Housing Assistance Payments	2,882	99,925,615	1,757,457	97,279	-	102,491,105	-	102,491,105	56,977
97350	HAP Portability-In	-	-	-	-	-	-	-	-	-
97400	Depreciation Expense	269,358	11,959	-	-	302,858	8,328,550	-	8,328,550	5,239,084
97500	Fraud Losses	-	-	-	-	-	-	-	-	-
97600	Capital Outlays - Governmental Funds	-	-	-	-	-	-	-	-	-
97700	Debt Principal Payment - Governmental Funds	-	-	-	-	-	-	-	-	-
97800	Dwelling Units Rent Expense	-	-	-	-	-	-	-	-	-
90000	Total Expenses	1,986,039	107,645,768	1,978,294	147,119	10,381,364	183,152,866	(8,393,480)	174,759,386	13,866,271

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**FINANCIAL DATA SCHEDULE – ENTITY REVENUE AND EXPENSE SUMMARY (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

Line Item No.	Account Description	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Housing Assistance Program-Section 8 Moderate	COCC	Subtotal	Eliminations	Total Primary Government	6.1 Component Unit - Discretely Presented
10010	Operating Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,846,434	\$ (5,846,434)	\$ -	\$ (188,986)
10020	Operating transfer Out	-	-	-	-	-	(5,846,434)	5,846,434	-	175
10030	Operating Transfers from/to Primary Government	-	-	-	-	-	-	-	-	-
10040	Operating Transfers from/to Component Unit	-	-	-	-	-	-	-	-	-
10050	Proceeds from Notes, Loans and Bonds	-	-	-	-	-	-	-	-	-
10060	Proceeds from Property Sales	-	-	-	-	-	-	-	-	-
10070	Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-	-	-	-
10080	Special Items (Net Gain/Loss)	-	-	-	-	-	795,775	-	795,775	5,196,968
10091	Inter Project Excess Cash Transfer In	-	-	-	-	7,366	1,741,526	(1,741,526)	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	(1,741,526)	1,741,526	-	188,811
10093	Transfers between Program and Project - In	-	-	-	-	-	-	-	-	-
10094	Transfers between Project and Program - Out	-	-	-	-	-	-	-	-	-
10100	Total Other financing Sources (Uses)	-	-	-	-	7,366	795,775	-	795,775	5,196,968
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	<u>\$ (345,914)</u>	<u>\$ 1,629,709</u>	<u>\$ 37,415</u>	<u>\$ (71,297)</u>	<u>\$ 739,177</u>	<u>\$ 2,098,404</u>	<u>\$ -</u>	<u>\$ 2,098,404</u>	<u>\$ (803,062)</u>
<b>Memo Account Information</b>										
11020	Required Annual Debt Principal Payments	\$ 54,961	\$ -	\$ -	\$ -	\$ -	\$ 1,361,802	\$ -	\$ 1,361,802	\$ -
11030	Beginning Equity	6,283,485	3,168,798	348,121	357,418	2,310,819	268,628,631	-	268,628,631	12,366,673
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors	197,875	(279,979)	175,585	(111,447)	3,091,040	1,037,758	-	1,037,758	727,123
11170	Administrative Fee Equity	-	4,579,767	-	-	-	4,579,767	-	4,579,767	-
11180	Housing Assistance Payments Equity	-	(1,366,465)	-	-	-	(1,366,465)	-	(1,366,465)	-
11190	Unit Months Available	1,584	142,500	2,952	-	-	200,686	-	200,686	-
11210	Number of Unit Months Leased	1,505	124,000	2,085	-	-	176,206	-	176,206	-
11270	Excess Cash	-	-	-	-	-	(6,237,535)	-	(6,237,535)	-
11630	Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	11,008,762	-	11,008,762	-
13510	CFFP Debt Service Payments	-	-	-	-	-	1,466,777	-	1,466,777	-

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
NOTES TO OTHER SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2024**

**REAC Supplemental Information Requirement**

As required by HUD for REAC reporting purposes, the Authority prepares its financial data schedules (FDS) in accordance with HUD requirements in a prescribed format. The HUD-prescribed format differs from the required classification of several balances under accounting principles generally accepted in the United States of America (GAAP) as follows:

- (1) Depreciation expense and housing assistance payments are excluded from operating activities;
- (2) Gain (loss) on sales of capital assets, interest income, and capital grants are included in operating activities;
- (3) Tenant receivable and allowance for doubtful accounts are reflected separately;
- (4) The blended component unit activities are presented in the other business activities column, which is included in total programs;
- (5) Certain receivable and payable accounts between project funds must be presented on the FDS at their net amounts, which may cause offsetting variances to the corresponding asset and liability balances, as compared to the financial statements;
- (6) HUD requires certain cash accounts to be presented as restricted on FDS, which do not meet the GAAP definition of restricted cash, and further impacts the calculation of restricted net position;
- (7) The calculation of net investment in capital assets is restricted to a formulaic use of lines 160, 343, 344, 351, and 352 of the FDS. It does not consider adjustments for debt that did not finance the acquisition of capital assets or other liabilities that would reduce the balance from a GAAP perspective.

In addition, the FDS prepared by the Authority includes minor differences from the statement of net position and the statement of revenue, expenses, and changes in net position that management has determined to be immaterial.



## **SINGLE AUDIT**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners  
Cincinnati Metropolitan Housing Authority  
Cincinnati, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of Cincinnati Metropolitan Housing Authority as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Cincinnati Metropolitan Housing Authority's basic financial statements, and have issued our report thereon dated January 31, 2025. Our report includes a reference to other auditors who audited the financial statements of Springdale Senior, LP; Cary Crossing, LLC; Park Eden Apartments, LLC; West Union Square, LLC; Pinecrest RAD, LLC; Reserve on South Martin, LP; Sutter View LLC, Marriana Terrace, LLC, and Park Eden Evanston, LLC, as described in our report on the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Springdale Senior, LP; Cary Crossing, LLC; Park Eden Apartments, LLC; West Union Square, LLC; Pinecrest RAD, LLC; Reserve on South Martin, LP were not performed in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances or reportable noncompliance associated of these entities.

**Report Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

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

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

#### **Purpose of this Report**

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



**CliftonLarsonAllen LLP**

Maumee, Ohio  
January 31, 2025



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

Board of Commissioners  
Cincinnati Metropolitan Housing Authority  
Cincinnati, Ohio

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

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

We have audited Cincinnati Metropolitan Housing Authority's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Cincinnati Metropolitan Housing Authority's major federal programs for the year ended June 30, 2024. Cincinnati Metropolitan Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Cincinnati Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

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

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

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

***Other Matter – Federal Expenditures Not included in the Compliance Audit***

The Cincinnati Metropolitan Housing Authority's basic financial statements include the operations of the discretely presented component units which may have received federal awards, and which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2024. Our audit, described below, did not include the operations of the aggregate discretely presented component units because other auditors were engaged to perform audits of compliance, if applicable.

### ***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

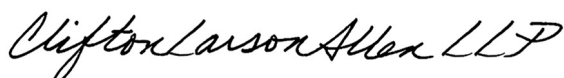
***Report on Internal Control Over Compliance***

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

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

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

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



**CliftonLarsonAllen LLP**

Maumee, Ohio  
January 31, 2025

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Housing and Urban Development Direct Programs (HUD)</b>				
Direct Awards:				
Public and Indian Housing	14.850	N/A	\$ -	\$ 26,294,348
Public Housing Capital Fund Program	14.872	N/A	-	17,184,310
Family Self-Sufficiency Program	14.896	N/A	-	506,372
Choice Neighborhoods Planning Grant	14.892	N/A	-	60,014
Housing Voucher Cluster:				
Housing Choice Cluster	14.871	N/A	-	107,644,312
Emergency Housing Voucher	14.871	N/A	-	1,978,295
Total 14.871			-	109,622,607
Mainstream Vouchers	14.879	N/A	-	785,840
Total Housing Voucher Cluster			-	110,408,447
Section 8 Project-Based Cluster:				
Lower Income Housing Assistance Program	14.856	N/A	-	111,290
Total Section 8 Project-Based Cluster			-	111,290
Total U.S. Department of Housing and Urban Development			-	154,564,781
Total Expenditures of Federal Awards			\$ -	\$ 154,564,781

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CINCINNATI METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal financial assistance programs of the Cincinnati Metropolitan Housing Authority (the Authority) for the year ended June 30, 2024. The Authority's reporting entity is defined in Note 1 to the Authority's financial statements. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE 3 INDIRECT COST RATE**

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

**NOTE 4 NONCASH FEDERAL ASSISTANCE**

The Authority did not receive any noncash federal assistance for the year ended June 30, 2024.



**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

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***Section I – Summary of Auditors' Results***

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***Financial Statements***

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

***Federal Awards***

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

***Identification of Major Federal Programs***

**Assistance Listing Number(s)**

14.871/14.879

**Name of Federal Program or Cluster**

Housing Voucher Cluster

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

\$ 3,000,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ Yes        x   no

**CINCINNATI METROPOLITAN HOUSING AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

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***Section II – Financial Statement Findings***

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

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).





U.S. Department of Housing and Urban Development

Cincinnati Metropolitan Housing Authority respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2024.

Audit period: July 1, 2023-June 30, 2024

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

## **FINDINGS—FINANCIAL STATEMENT AUDIT**

### **2023 – 001 Reconciliations**

**Condition:** Deficiencies noted in the Authority's financial statement monitoring and review process.

**Status:** Corrected. Duties are being separated as much as possible and alternative controls are being implemented to compensate for lack of separation. The board is becoming more involved in providing some of these controls.

### **2023 – 002 Material Weakness in Internal Control over Financial Reporting**

**Condition:** Deficiencies noted in the Authority's financial statement monitoring and review process.

**Status:** Corrected. CMHA took significant steps during the current calendar year under audit (2024) to hire quality staff and management, provided training and resources, and implemented additional protocols surrounding financial statement reviews and monitoring processes which were in place by year end.

## **FINDINGS— FEDERAL AWARD PROGRAMS AUDITS**

There were no federal award program audit findings in the prior year.

If the U.S Department of Housing and Urban Development has questions regarding this schedule, please call Cedric Oluoch at 513-721-4580.

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# OHIO AUDITOR OF STATE KEITH FABER



**CINCINNATI METROPOLITAN HOUSING AUTHORITY**

**HAMILTON COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 7/8/2025**

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

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