



**CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY
DECEMBER 31, 2024**

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OHIO AUDITOR OF STATE KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT

Clinton Metropolitan Housing Authority
Clinton County
478 Thorne Avenue
Wilmington, Ohio 45177

To the Board of Directors:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Clinton Metropolitan Housing Authority, Clinton County, Ohio (Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Clinton Metropolitan Housing Authority, Clinton County, Ohio as of December 31, 2024, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedules, as required by the Department of Housing and Urban Development, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 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 auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the Financial Data Schedules 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 October 8, 2025, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



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

October 8, 2025

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CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Unaudited)

This Management's Discussion and Analysis (MD&A) for the Clinton Metropolitan Housing Authority (the Authority) is intended to assist the reader in identifying what management feels are significant financial issues, provide an overview of the financial activity for the year, and identify and offer a discussion about changes in Clinton Metropolitan Housing Authority's financial position. It is designed to focus on the financial activity for the fiscal year ended December 31, 2024, resulting changes and currently known facts. Please read it in conjunction with the financial statements found elsewhere in this report.

Financial Highlights

- The Authority's net position decreased by \$40,512 during 2024. Since the Authority engages in only business-type activities, the decrease is in the category of business-type net position. Net position restated was \$296,571 at fiscal year-end 2023 and net position at fiscal year-end 2024 was \$256,059.
- Revenues increased by \$96,791 (or 5%) over 2023.
- The total expenses of all Authority programs increased by \$177,979 (or 10%) over 2023.

Overview of the Authority's Financial Statements

The Basic Financial Statements included elsewhere in this report are:

Statement of Net Position
Statement of Revenues, Expenses, and Change in Net Position, and
Statement of Cash Flows

The Statement of Net Position is very similar to, and what most people would think of as, a Balance Sheet. In the first half it generally reports the value of assets the Authority holds at December 31, 2024, that is, the cash the Authority has, the amounts that are owed the Authority from others, and the value of the equipment the Authority owns. In the other half of the report, it generally shows the liabilities the Authority has, that is what the Authority owes others at December 31, 2024; and what Net Position (or what is commonly referred to as Equity) the Authority has at December 31, 2024. The two parts of the report are in balance, thus why many might refer to this type of report as a balance sheet, in that the total of the assets part equals the total of the liabilities plus net position (or equity) part.

In the statement, Net Position is broken out into three broad categories:

Investment in Capital Assets
Restricted Net Position, and
Unrestricted Net Position

The balance in Investment in Capital Assets reflects the value of capital assets, that is assets such as land, buildings, and equipment, reported in the top part of the statement reduced by the amount of accumulated depreciation of those assets and by the outstanding amount of debt yet owned on those assets.

The balance in Restricted Net Position reflects the value of assets reported in the top part of the statement that are restricted for use by law or regulation, or when use of those assets is restricted by constraints placed on the assets by creditors.

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CLINTON COUNTY, OHIO
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The balance in Unrestricted Net Position is what is left over of net position after what is classified in the two previously mentioned components of net position. It reflects the value of assets available to the Authority to use to further its purposes.

The Authority's financial statements also include a Statement of Revenues, Expenses, and Change in Net Position, which is similar to an Income Statement. It is in a report showing what the Authority earned, that is what its revenues or incomes were, versus what expenses the Authority had over the same period. It shows how the fund balance (or net position or equity) changed because of how the incomes exceeded or were less than what expenses were. It helps the reader to determine if the Authority had more in revenues than in expenses or vice-versa, and then how that net gain or net loss affected the Fund Balance (or net position or equity). The bottom line of the report, Net Position, End of Year, is what is referred to in the above discussion of the Statement of Net Position that, when added to the liabilities and deferred inflows of resources the Authority has, equals the total assets and deferred outflows of resources the Authority has.

The Statement of Cash Flows is a report that shows how the amount of cash the Authority had at the end of the previous year was impacted by the activities of the current year. It breaks out in general categories the cash coming in, and the cash going out. It helps the reader to understand the sources and uses of cash by the Authority during the year, to include a measurement of cash gained or used by operating activities, by activities related to acquiring capital assets, and by activities related to investing activities.

Clinton Metropolitan Housing Authority's Business-Type Funds

The financial statements included elsewhere in this report are presented using the Authority-wide perspective meaning the activity reported reflects the summed results of all the programs, or business -type funds of the Authority. The Authority consists exclusively of Enterprise Funds. The full accrual basis of accounting is used for Enterprise Funds. That method of accounting is very similar to accounting used in the private sector.

Clinton Metropolitan Housing Authority's programs include the following:

The Housing Choice Voucher program,
The PIH Family Self-Sufficiency Program,
The FSS Escrow Forfeiture Program, and
Business Activities.

Section 8 Housing Choice Vouchers Program

Under the Section 8 Housing Choice Vouchers (HCV) Program, the Authority subsidizes the rent of low to moderate income families and individuals via Housing Assistance Payments Contracts with private, independent landlords. The Program is "tenant-based", meaning the subsidy is attached to the family, not the property. The Program is administered under and funds flow from HUD by virtue of an Annual Contributions Contract ("ACC"). HUD provides funding adequate to assure that participating families pay no more than 30 percent of household income for rent.

PIH Family Self-Sufficiency Program

Grant funded by HUD to be used by the Authority to assist Housing Choice Voucher Program participants move toward self-sufficiency and economic independence, and from welfare to work.

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CLINTON COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Unaudited)**

FSS Escrow Forfeiture Account Program – within the Housing Choice Voucher program, the Family Self-Sufficiency program provides families opportunities for education, job training counseling and other support to help the families achieve self-sufficiency. As a participant's skills improve, earnings likely increase the participant's rent amount and under the program the increased rent amounts are placed into an escrow account for the family and upon graduation families withdraw funds from the escrow account. Escrows of participants failing to graduate or otherwise withdrawing from the program are forfeited to be used for the benefit of any FSS participant in good standing under the FSS Escrow Forfeiture Account program.

Business Activities

The activities in this Program represent the revenue and expenses from the single-family home acquired with the proceeds from the sale of Public Housing units. It is the Authority's goal to promote home-ownership in this program. Also often reflected in this Program are administrative activities from the Tenant-Based Rental Assistance Program ("TBRA"), funded by State CHIP money, flowing to the City of Wilmington and/or Clinton County, when the Authority assists the City/County in administration of the Program. It is operated in form and substance identical to the Section 8 Housing Choice Voucher Program, even utilizing the Section 8 HCV Program existing waiting list. However, in the current period no administrative revenue from this activity was earned by the Authority.

Condensed Financial Statements

The following is a condensed Statement of Net Position compared to the prior year-end. The Authority is engaged only in business-type activities.

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

	2024	2023*
<u>Assets and Deferred Outflows of Resources</u>		
Current and Other Assets	\$ 337,543	\$ 381,299
Capital Assets	70,897	56,158
Other Noncurrent Assets	3,538	0
Deferred Outflows of Resources	39,618	86,972
Total Assets and Deferred Outflows of Resources	\$ 451,596	\$ 524,429
<u>Liabilities</u>		
Current Liabilities	\$ 10,297	\$ 6,535
Noncurrent Liabilities	153,556	217,250
Total Liabilities	163,853	223,785
Deferred Inflows of Resources	31,684	4,073
<u>Net Position</u>		
Investment in Capital Assets	70,897	56,158
Restricted	4,281	81,939
Unrestricted	180,881	158,474
Total Net Position	256,059	296,571
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 451,596	\$ 524,429

* Restated

For more detailed information, see Statement of Net Position presented on page 11.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Unaudited)

Current assets dropped by \$43,756 from last fiscal year-end. Contributing to that decrease in current assets was amounts expended in the period for capital expenditures, thus the increase in capital assets this period.

Noncurrent liabilities also decreased notably. The largest part of the change in that balance is related to a reconciliation completed in this fiscal period of the Family Self-Sufficiency Escrows as of 12/31/2023. That reconciliation resulted in the conclusion the liability for the escrows was overstated by \$79,087. Otherwise the remainder of the change in noncurrent liabilities, the notable change to deferred outflows of resources and the change to deferred inflows of resources were due to changes in balances reported in accordance with GASB 68 and GASB 75. GASB 68 is an accounting standard that essentially requires Clinton Metropolitan Housing Authority to report financial balances for what is estimated to be its share of the unfunded pension liability, the net pension liability (NPL), and balances caused by changes in the pension liability of the pension system, the Ohio Public Employees Retirement System (OPERS). And GASB 75 is an accounting standard that essentially requires Clinton MHA to report financial balances for what is estimated to be its share of the other postemployment benefits (OPEB) liability (or asset, at this fiscal year-end the actuaries estimate OPERS had a funding surplus for its future OPEB commitments leading to Clinton MHA to report a noncurrent net OPEB asset) and balances caused by changes in the OPEB liability/asset of the of the pension system, the Ohio Public Employees Retirement System (OPERS). OPEB refers to the healthcare plan of the pension system. Some changes in the NPL and OPEB liabilities are amortized over 5 year periods, and those amortized balances are reported as deferred outflows of resources and deferred inflows of resources. So the changes in those balances reflect changes of the pension system and not operational changes at the Authority.

Employees of Clinton MHA are required by state law to be members of OPERS, and Clinton MHA is required to make retirement contributions to OPERS for all of its employees. The net pension and OPEB liabilities, when there is one, are unlike other liabilities the Authority has in that these liabilities do not represent invoices to be paid by the Authority but rather is an attempt to estimate the extent to which contributions to PERS would have to increase in order for OPERS to fully fund its future pension and healthcare obligations. Conversely there is no means for the Authority to access the net OPEB asset reported as an other noncurrent asset at this current fiscal year-end. Contribution rates for employees and employers are set by state law, so any change in contribution rates would require a change in state law.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Unaudited)

The following is a condensed Statement of Revenues, Expenses, and Change in Net Position. The Authority is engaged only in business-type activities.

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

	2024	2023
<u>Revenues</u>		
Operating Grants	\$ 1,857,513	\$ 1,758,685
Other Revenues	2,121	4,158
Total Revenues	<u>1,859,634</u>	<u>1,762,843</u>
<u>Expenses</u>		
Administrative	180,099	176,984
Utilities	8,525	7,934
Maintenance	17,128	2,315
Tenant Services	59,549	20,437
General Expenses	10,907	9,117
Housing Assistance Payments	1,613,116	1,497,965
Depreciation	10,822	7,415
Total Expenses	<u>1,900,146</u>	<u>1,722,167</u>
Change in Net Position	(40,512)	40,676
Beginning Net Position (2024 Restated)	<u>296,571</u>	<u>176,808</u>
Ending Net Position	<u><u>\$ 256,059</u></u>	<u><u>\$ 217,484</u></u>

For more information, see the Combined Statement of Revenues, Expenses, and Change in Net Position presented on page 12.

The increase in operating grants revenue closely corresponded to the increase in total revenues. One source for the increase was the increase in PIH Family Self-Sufficiency (PIH FSS) grant revenue which increased \$39,474 over the prior fiscal year-end. The grant is a cost reimbursement grant, so the revenue is recognized when the funding is spent. The costs of the grant are categorized as tenant services expenses, so it is logical that there is a corresponding increase in tenant services expenses.

The other source for the increase is for the Housing Choice Voucher program. HUD provides two separate funding streams for the Housing Choice Voucher program, funding for administration of the program and funding for the Authority to use to make rental assistance payments (HAP Payments) on behalf of program participants. The increase in revenue in the Housing Choice Voucher program this year was in the funding for the Authority to make HAP payments, in the amount of \$73,319. The Authority makes HAP payments under the program calculated using a formula provided by HUD based on family income and composition to make rents affordable to families assisted by the program. And HUD provides the funding for this purpose based on current spending for this purpose as reported by the Authority. So it is logical that Housing Assistance Payments expense increased this year as well. And HAP expense increased 8% despite that program utilization only increased 2%. This dynamic is the result of a continuing trend of rising rental rates in the area served by the Authority. When rents in the area increase, more rental assistance is needed to make the rents affordable to families helped by the program.

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CLINTON COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Unaudited)

The following is a condensed statement of changes in capital assets comparing the balance in capital assets at the year end verses at the end of the prior year.

Table 3 - Condensed Statement of Changes in Capital Assets

	2024	2023
Land	\$ 6,750	\$ 6,750
Buildings and Improvements	431,285	405,724
Equipment	74,879	74,879
Accumulated Depreciation	(442,017)	(431,195)
Total Capital Assets, Net	<u>\$ 70,897</u>	<u>\$ 56,158</u>

There were no capital additions in the period. For more information see Note 4 on page 18.

Debt

The Authority has no debt outstanding at the year-end.

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Authority relies on Federal funding subject to Congressional action;
- Increased demand locally affects availability and cost of office staffing;
- Economic development in area increases competition for and cost of available rental units sought by families assisted by the Authority, and affects rental assistance provided by the Authority.

Financial Contact

The individual to be contacted regarding this report is Nathan Blatchley, Executive Director of the Clinton Metropolitan Housing Authority, at 937-382-5749, extension #3. Specific requests may be submitted to the Clinton Metropolitan Housing Authority at 478 Thorne Avenue, Wilmington, Ohio 45177.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

Assets

Current Assets

Cash and Cash Equivalents - Unrestricted	\$ 247,949
Restricted Cash and Cash Equivalents	41,151
Receivables, Net	39,739
Prepaid Expenses	8,704
Total Current Assets	337,543

Noncurrent Assets

Capital Assets

Non-depreciable Capital Assets	6,750
Depreciable Capital Assets, Net	64,147
Total Capital Assets	70,897
Net OPEB Asset	3,538
Total Noncurrent Assets	74,435

Deferred Outflows of Resources

Pension	35,234
OPEB	4,384
Total Deferred Outflows of Resources	39,618

Total Assets and Deferred Outflows of Resources	\$ 451,596
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Liabilities

Current Liabilities

Accounts Payable	\$ 7,464
Accrued Wages and Payroll Taxes	2,448
Intergovernmental Payable	385
Total Current Liabilities	10,297

Noncurrent Liabilities

FSS Escrow	40,408
Accrued Compensated Absences	3,190
Net Pension Liability	109,958
Total Noncurrent Liabilities	153,556
Total Liabilities	163,853

Deferred Inflows of Resources

Pension	29,615
OPEB	2,069
Total Deferred Inflows of Resources	31,684

Net Position

Investment in Capital Assets	70,897
Restricted	4,281
Unrestricted	180,881
Total Net Position	256,059

Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 451,596
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See accompanying notes to the basic financial statements.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

<u>Operating Revenues</u>	
Government Grants	\$ 1,857,513
Other Revenue	1,451
Total Operating Revenues	<u>1,858,964</u>
<u>Operating Expenses</u>	
Housing Assistance Payments	1,613,116
Administrative	180,099
Tenant Services	59,549
Utilities	8,525
Maintenance	17,128
General	10,907
Total Operating Expenses Before Depreciation	<u>1,889,324</u>
Income (Loss) Before Depreciation	(30,360)
Depreciation	10,822
Operating Income (Loss)	<u>(41,182)</u>
<u>Non-Operating Revenue</u>	
Interest Income	670
Total Non-Operating Revenue	<u>670</u>
Change in Net Position	(40,512)
Net Position, Beginning of Year (Restated)	<u>296,571</u>
Net Position, End of Year	<u><u>\$ 256,059</u></u>

See accompanying notes to the basic financial statements.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

Cash Flows from Operating Activities

Cash Received from Federal Operating Grants	\$ 1,838,211
Cash Received - Other Revenue	2,062
Cash Payments for Operating Expenses	(269,034)
Cash Payments for Housing Assistance	(1,613,116)
Net Cash Provided (Used) by Operating Activities	(41,877)

Cash Flows from Investing Activities

Interest and Investment Income Received	670
Net Cash Provided by Investing Activities	670

Cash Flow from Capital and Related Activities

Capital Asset Purchases	(25,561)
Net Cash Used by Capital and Related Activities	(25,561)
Net Increase (Decrease) in Cash and Cash Equivalents	(66,768)

Cash and Cash Equivalents, Beginning of Year	355,868
Cash and Cash Equivalents, End of Year	\$ 289,100

Reconciliation of Operating Loss to Net Cash Provided by Operating Activities

Net Operating (Loss)	\$ (41,182)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities	
Depreciation	10,822
(Increase) Decrease in:	
Accounts Receivable	(18,691)
Prepaid Expenses	(4,321)
OPEB Asset	(3,538)
Deferred Outflows of Resources	47,354
Increase (Decrease) in:	
Accounts Payable	4,929
Accrued Expenses/Other Current Liabilities	(1,167)
Accrued Compensated Absences	3,190
FSS Escrow	23,804
Net Pension/OPEB Liability	(90,688)
Deferred Inflows of Resources	27,611
Net Cash (Used by) Operating Activities	\$ (41,877)

See accompanying notes to the basic financial statements.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Reporting Entity

The Clinton Metropolitan Housing Authority (the Authority) was created under the Ohio Revised Code Section 3735.27 to engage in the acquisition, development leasing, and administration of a low-rent housing program. An Annual Contributions Contract (ACC) was signed by the Authority and the U.S. Department of Housing and Urban Development (HUD) under the provisions of the United States Housing Act of 1937 (42 U.S.C. 1437) Section 1.1. The Authority was also created in accordance with state law to eliminate housing conditions which are detrimental to the public peace, health, safety, morals, or welfare by purchasing, acquiring, constructing, maintaining, operating, improving, extending, and repairing housing facilities.

The nucleus of the financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) Statement No. 14 is the “primary government”. A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criteria of financial accountability is the ability of the primary government to impose its will upon the potential component unit. These criteria were considered in determining the reporting entity. The Authority has no component units based on the above considerations.

Basis of Presentation

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

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

The Authority’s basic financial statements consist of a statement of net position, a statement of revenues, expenses, and change in net position, and a statement of cash flows.

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

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

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Measurement Focus and Basis of Accounting

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise fund are and operating subsidies from HUD. Operating expenses for the enterprise fund include the costs of facility maintenance, housing assistance payments, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

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

Cash and Cash Equivalents

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

Capital Assets

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

Buildings	40 years
Improvements	15-30 years
Equipment	7 years
Computers	3 years

Capitalization of Interest

The Authority's policy is not to capitalize interest related to the construction or purchase of capital assets.

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(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

The Authority recognizes a liability for compensated absences for leave that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability is incurred in the proprietary fund financial statements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation- The Authority's policy permits employees to accumulate earned but unused benefits, which are eligible for payments at the employee's current pay rate upon separation from employment.

Sick- The Authority's policy permits employees to accumulate earned but unused sick leave. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the Authority's termination policy. The Authority adopted the last-in first-out (LIFO) method for sick time used.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the Authority, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 5 and 6.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources are reported on the statement of net position for pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 5 and 6.

Pensions/Other Postemployment Benefits (OPEB)

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

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(CONTINUED)

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Change in Accounting Principles

GASB Statement No. 101, *Compensated Absences* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. These changes were incorporated in the Authority's financial statements; however, there was no effect on the beginning net position.

NOTE 2: **DEPOSITS AND INVESTMENTS**

Cash on Hand

At December 31, 2024, the carrying amount of the Authority's cash deposits was \$289,100 (including undeposited petty cash of \$100), and the bank balance was \$312,794. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of December 31, 2024, all deposits were covered by Federal Depository Insurance.

Deposits

Custodial Credit Risk: Custodial credit risk for deposits is the risk that in the event of bank failure the Authority will not be able to recover deposits or collateral securities that are in possession of an outside party. At year end, none of the Authority's bank balance were uninsured.

The Authority has no deposit policy for custodial risk beyond the requirements of State statute and HUD regulations.

Investments

The Authority has no investments at December 31, 2024.

Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the Authority's investment policy requires that operating funds be invested primarily in short-term investments maturing within 2 years from the date of purchase and that its investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk

The Authority has no investment policy that would limit its investment choices in this regard.

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NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the controller or qualified trustee.

Concentration of Credit Risk

The Authority places no limit on the amount it may invest in any one issuer. The Authority's deposits in financial institutions represents 100 percent of its deposits.

NOTE 3: RESTRICTED CASH

The restricted cash balance of \$41,151 on the financial statements represents the following:

FSS Escrow Funds	\$ 41,151
Total Restricted Cash	<u>\$ 41,151</u>

NOTE 4: CAPITAL ASSETS

A summary of capital assets at December 31, 2024 by class is as follows:

	Balance 1/1/2024	Additions	Deletions	Balance 12/31/2024
<u>Capital Assets Not Being Depreciated</u>				
Land	\$ 6,750	\$ 0	\$ 0	\$ 6,750
Total Capital Assets Not Being Depreciated	<u>6,750</u>	<u>0</u>	<u>0</u>	<u>6,750</u>
<u>Capital Assets Being Depreciated</u>				
Buildings and Improvements	405,724	25,561	0	431,285
Furniture, Equipment, and Machinery - Administrative	74,879	0	0	74,879
Total Capital Assets Being Depreciated	<u>480,603</u>	<u>25,561</u>	<u>0</u>	<u>506,164</u>
<u>Accumulated Depreciation</u>				
Buildings	(366,785)	(8,012)	0	(374,797)
Furniture and Equipment - Administrative	(64,410)	(2,810)	0	(67,220)
Total Accumulated Depreciation	<u>(431,195)</u>	<u>(10,822)</u>	<u>0</u>	<u>(442,017)</u>
Capital Assets Being Depreciated, Net	<u>49,408</u>	<u>14,739</u>	<u>0</u>	<u>64,147</u>
Total Capital Assets, Net	<u>\$ 56,158</u>	<u>\$ 14,739</u>	<u>\$ 0</u>	<u>\$ 70,897</u>

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NOTE 5: DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension asset* or a long-term *net pension liability*. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in current liabilities.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Authority employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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(CONTINUED)

NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

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

In October 2023, the legislature approved House Bill (HB) 33, which allows for the consideration of the Combined Plan with the Traditional Pension Plan with the timing of the consolidation at the discretion of OPERS.

Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

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

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 62 with 60 months of service credit or Age 57 with 25 years of service credit
Traditional Plan 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	Traditional Plan 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	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

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NOTE 5: **DEFINED BENEFIT PENSION PLANS** (Continued)

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits 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 the annual cost-of-living adjustment.

When a Traditional Pension Plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the Combined Plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the COLA is 3 percent. For those retiring on or after January 7, 2013, beginning in 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined Plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-Directed Plan 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 members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of their benefit account (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

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NOTE 5: **DEFINED BENEFIT PENSION PLANS** (Continued)

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

	State and Local		
	Traditional Pension Plan	Combined Plan	Member- Directed Plan
2023-2024 Statutory Maximum Contribution Rates			
Employer	14.0 %	14.0 %	14.0 %
Employee *	10.0 %	10.0 %	10.0 %
2023-2024 Actual Contribution Rates			
Employer:			
Pension	14.0 %	12.0 %	10.0 %
Post-Employment Health Care Benefits	0.0 %	2.0 %	4.0 %
Total Employer	<u>14.0 %</u>	<u>14.0 %</u>	<u>14.0 %</u>
Employee	<u>10.0 %</u>	<u>10.0 %</u>	<u>10.0 %</u>

* Member contributions within the Combined Plan are not used to fund the defined benefit retirement allowance.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For fiscal year ending December 31, 2024, the Authority's contractually required contributions used to fund pension benefits was \$11,243 for the Traditional Pension Plan.

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

The net pension liability for OPERS was measured as of December 31, 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. Following is information related to the proportionate share and pension expense:

	OPERS Traditional Pension Plan
Proportion of the Net Pension Liability:	
Prior Measurement Date	0.000666%
Current Measurement Date	<u>0.000420%</u>
Change in Proportionate Share	<u>-0.000246%</u>
Proportionate Share of the Net Pension Liability	\$ 109,958
Pension Expense	\$ (8,521)

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(CONTINUED)

NOTE 5: **DEFINED BENEFIT PENSION PLANS** (Continued)

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

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

	OPERS Traditional Pension Plan
Deferred Outflows of Resources	
Net difference between projected and actual earnings on pension plan investments	\$ 22,193
Differences between expected and actual experience	1,798
Authority contributions subsequent to the measurement date	11,243
Total Deferred Outflows of Resources	<u>\$ 35,234</u>
Deferred Inflows of Resources	
Changes in proportion and differences between Authority contributions and proportionate share of contributions	\$ 29,615
Total Deferred Inflows of Resources	<u>\$ 29,615</u>

\$11,243 reported as 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Pension Plan
Year Ending December 31:	
2025	\$ (15,344)
2026	(1,283)
2027	14,165
2028	<u>(3,162)</u>
Total	<u>\$ (5,624)</u>

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NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions - OPERS

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

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, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key actuarial assumptions and methods used in the latest actuarial valuation, reflecting experience study results, are presented below:

	<u>Traditional Pension Plan</u>
Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	2.75 percent
Future Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA	
Pre 1/7/2013 retirees:	3 percent, simple
Post 1/7/2013 retirees:	
Current Measurement Date:	2.3 percent simple through 2024, then 2.05 percent simple
Prior Measurement Date:	3 percent, simple through 2023, then 2.05 percent simple
Investment Rate of Return	
Current Measurement Date:	6.9 percent
Prior Measurement Date:	6.9 percent
Actuarial Cost Method	Individual Entry Age

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.

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NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPERS (Continued)

The most recent experience study was completed for the five-year period ended December 31, 2020.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.2 percent for 2023.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future 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. Best estimates of the geometric real rates of return were provided by the Board's investment consultant. 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:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00 %	2.85 %
Domestic Equities	21.00	4.27
Real Estate	13.00	44.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00 %	

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NOTE 5: DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Authority's proportionate share of the net pension liability	\$ 173,103	\$ 109,958	\$ 57,439

NOTE 6: DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

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

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

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

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(CONTINUED)

NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

Net OPEB Liability (Continued)

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

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability*. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in current liabilities.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, the 115 Health Care Trust, which was established in 2014 to fund health care for the Traditional Pension, Combined, and Member-Directed plans. With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

Retirees and eligible dependents enrolled in Medicare Parts A and B, and non-Medicare retirees beginning in 2022, are able to participate in the OPERS Connector in lieu of comprehensive health care coverage. The Connector, a vendor selected by OPERS, assist eligible retirees, spouses, and dependents in the evaluation, selection and purchase of a health care plan on the open market. Eligible retirees may receive a monthly allowance in their health reimbursement arrangement (HRA) account that can be used to reimburse eligible health care expenses.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022 or after must meet the following health care eligibility requirements to receive an HRA allowance:

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CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)**

NOTE 6: DEFINED BENEFIT OPEB PLANS (Continued)

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

- 1. Age 65 or older** – minimum of 20 years of qualified health care service credit.
- 2. Age 60 to 64** – based on the following age-and-service criteria:
 - a. Group A – 30 years of total service with at least 20 years of qualified health care service credit;
 - b. Group B – 31 years of total service with at least 20 years of qualified health care service credit; or
 - c. Group C – 32 years of total service with at least 20 years of qualified health care service credit.
- 3. Age 59 or younger** – based on the following age-and-service criteria:
 - a. Group A – 30 years of qualified health care service credit;
 - b. Group B - 32 years of qualified health care service credit at any age or 31 years of qualified health care service credit and at least age 52; or
 - c. Group C – 32 years of qualified health care service credit and at least age 55.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service. Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

Retirement Date	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
December 1, 2014 or Prior	Any	10	Any	10	Any	10
January 1, 2015 through December 31, 2021	60	20	52	31	55	32
	Any	30	60	20	60	20

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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

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

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

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

Employer contribution rates are expressed as a percentage of covered payroll. In 2023 and 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023-2024, no portion of the employer contribution rate was allocated to health care for the Traditional Pension Plan. The employer contribution as a percent of covered payroll deposited for the Combined Plan and Member-Directed Plan health care programs in 2023-2024 was 2.0 percent and 4.0 percent, respectively.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The Authority had no contractually required contribution allocated to health care for the year ending December 31, 2024.

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

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB asset was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>
Proportion of the Net OPEB Liability/Asset:	
Prior Measurement Date	0.000620%
Current Measurement Date	<u>0.000392%</u>
Change in Proportionate Share	<u><u>-0.000228%</u></u>
 Proportionate Share of the Net OPEB Liability (Asset)	 \$ (3,538)
OPEB Expense	\$ 503

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

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

	<u>OPERS</u>
Deferred Outflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	\$ 2,126
Changes of assumptions	911
Changes in proportion and differences between Authority contributions and proportionate share of contributions	<u>1,347</u>
Total Deferred Outflows of Resources	<u><u>\$ 4,384</u></u>
Deferred Inflows of Resources	
Differences between expected and actual experience	\$ 504
Changes of assumptions	1,521
Changes in proportion and differences between Authority contributions and proportionate share of contributions	<u>44</u>
Total Deferred Inflows of Resources	<u><u>\$ 2,069</u></u>

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

Year Ending December 31:	<u>OPERS</u>
2025	\$ 731
2026	647
2027	1,656
2028	<u>(719)</u>
Total	<u><u>\$ 2,315</u></u>

Actuarial Assumptions - OPERS

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

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The actuarial valuation used the following actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Wage Inflation	2.75 percent	2.75 percent
Projected Salary Increases	2.75 to 10.75 percent, including wage inflation	2.75 to 10.75 percent, including wage inflation
Single Discount Rate	5.70 percent	5.22 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	3.77 percent	4.05 percent
Health Care Cost Trend Rate	5.50 percent initial, 3.50 percent ultimate in 2038	5.50 percent initial, 3.50 percent ultimate in 2036
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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.

The most recent experience study was completed for the five-year period ended December 31, 2020.

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 mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2023.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

Actuarial Assumptions – OPERS (Continued)

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The 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. The table below displays the Board-approved asset allocation policy for 2023 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00 %	2.82 %
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other investments	5.00	2.43
Total	100.00 %	

Discount Rate A single discount rate of 5.70 percent was used to measure the OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2070. As a result, the actuarial long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

NOTE 6: **DEFINED BENEFIT OPEB PLANS** (Continued)

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB liability calculated using the single discount rate of 5.70 percent, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1.0 percent lower or 1.0 percent higher than the current rate:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
Authority's proportionate share of the net OPEB liability (asset)	\$ 1,944	\$ (3,538)	\$ (8,079)

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is 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 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability (asset)	\$ (3,685)	\$ (3,538)	\$ (3,371)

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

NOTE 7: COMPENSATED ABSENCES

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

All permanent employees will earn 15 days sick leave per year of service. Unused sick leave may be accumulated without limit. At the time of separation, employees receive payment for up to fifty (50) days of unused sick leave. All permanent employees will earn vacation hours accumulated based on length of service. Vacation shall not be accrued to exceed 240 hours. Any vacation accrued in excess of 240 hours shall be forfeited.

At December 31, 2024, based on the vesting method, \$0 was accrued by the Authority for unused vacation and sick time.

A summary of changes in the long-term liabilities follows:

	Beginning Balance	Additions	Used	Ending Balance	Current Portion
Compensated Absences *	\$ 0	\$ 3,190	\$ 0	\$ 3,190	\$ 0
FSS Escrows **	16,604	27,977	(4,173)	40,408	0
Net Pension Liability	196,737	0	(86,779)	109,958	0
Net OPEB Liability	3,909	0	(3,909)	0	0
Totals	\$ 217,250	\$ 31,167	\$ (94,861)	\$ 153,556	\$ 0

* - Net Change in Period Reported

** - Begin Balance Restated

NOTE 8: INSURANCE

The Authority is exposed to risk of loss related to torts, theft, or damage to and destruction of real and personal property; errors and omissions and catastrophes. The Authority maintains comprehensive insurance coverage for property damage, general liability, automobile liability, law enforcement liability, public official's liability, and other crime liabilities through membership in the State Housing Authority Risk Pool Association, Inc. (SHARP). SHARP is an insurance risk pool comprised of forty (40) Ohio housing authorities, of which the Authority is one.

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

NOTE 9: CONSTRUCTION AND OTHER COMMITMENTS

The Authority had no material construction commitments at December 31, 2024.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

NOTE 10: CONTINGENCIES

In the normal course of operations, the Authority may be subject to litigation and claims. At December 31, 2024, Clinton Metropolitan Housing Authority is not aware of any such matters.

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

NOTE 11: RESTATEMENT OF NET POSITION

The Authority reconciled the liability for the Family Self-Sufficiency Escrow liability as of December 31, 2023 and determined that the net position as of the fiscal year-end 12/31/2023 should be restated based on corrections to the liability balance. It is impractical to isolate the error correction to other prior periods.

Net Postion - December 31, 2023, as previously reported	\$ 217,484
Error correction to the FSS Escrow liability	<u>79,087</u>
Net Position - Decmeber 31, 2023, Restated	<u><u>\$ 296,571</u></u>

**CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO
LAST TEN FISCAL YEARS**

Traditional Plan	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's Proportion of the Net Pension Liability	0.000420%	0.000666%	0.000691%	0.000665%	0.000828%	0.000693%	0.000787%	0.000806%	0.000826%	0.000812%
Authority's Proportionate Share of the Net Pension Liability	\$109,958	\$196,737	\$60,120	\$98,472	\$163,660	\$189,799	\$123,465	\$183,029	\$143,074	\$95,724
Authority's Covered Payroll	\$69,157	\$103,207	\$100,321	\$96,800	\$106,943	\$93,600	\$104,023	\$104,250	\$102,775	\$99,567
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	159.00%	190.62%	59.93%	101.73%	153.03%	202.78%	118.69%	175.57%	139.21%	96.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.01%	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%

Amounts presented as of the Authority's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

**CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS - PENSION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO
LAST TEN FISCAL YEARS**

Traditional Plan	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 11,243	\$ 9,682	\$ 14,449	\$ 14,045	\$ 13,552	\$ 14,972	\$ 13,104	\$ 13,523	\$ 12,510	\$ 12,333
Contributions in Relation to the Contractually Required Contribution	<u>(11,243)</u>	<u>(9,682)</u>	<u>(14,449)</u>	<u>(14,045)</u>	<u>(13,552)</u>	<u>(14,972)</u>	<u>(13,104)</u>	<u>(13,523)</u>	<u>(12,510)</u>	<u>(12,333)</u>
Contribution Deficiency / (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Authority's Covered Payroll	\$ 80,307	\$ 69,157	\$ 103,207	\$ 100,321	\$ 96,800	\$ 106,943	\$ 93,600	\$ 104,023	\$ 104,250	\$ 102,775
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%

See accompanying notes to the required supplementary information

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's Proportion of the Net OPEB Liability/Asset	0.000392%	0.000620%	0.000643%	0.000620%	0.000771%	0.000645%	0.000730%	0.000750%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (3,538)	\$ 3,909	\$ (20,140)	\$ (11,046)	\$ 106,495	\$ 84,093	\$ 79,273	\$ 75,753
Authority's Covered Payroll	\$ 69,157	\$ 103,207	\$ 100,321	\$ 96,800	\$ 106,943	\$ 93,600	\$ 104,023	\$ 104,250
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-5.12%	3.79%	-20.08%	-11.41%	99.58%	89.84%	76.21%	72.66%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	107.76%	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%	54.05%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as the information becomes available.

Amounts presented as of the Authority's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

**CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS – OPEB
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,040	\$ 2,085	\$ 2,056
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,040)</u>	<u>(2,085)</u>	<u>(2,056)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Authority Covered Payroll	\$ 80,307	\$ 69,157	\$ 103,207	\$ 100,321	\$ 96,800	\$ 106,943	\$ 93,600	\$ 104,023	\$ 104,250	\$ 102,775
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%
See accompanying notes to the required supplementary information										

**CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2024.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple. For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75% (b) the cost-of-living adjustments for post-1/7/2013 retirees were increased from 0.50% simple through 2021 to 3.00% simple through 2022, then 2.05% simple (c) the expected investment return was reduced from 7.20% to 6.90%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2023. For 2024, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were decreased from 3.00% simple through 2023 then 2.05% simple, to 2.30% simple through 2024 then 2.05% simple.

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2024.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035. For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75%. (b) the municipal bond rate changed from 2.00% to 1.84% (c) the health care cost trend rate changed from 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034. For 2023, the following changes in assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22% (b) the municipal bond rate changed from 1.84% to 4.05% (c) the health care cost trend rate changed from 5.50% initial and 3.50% ultimate in 2034 to 5.50% initial and 3.50% ultimate in 2036. For 2024, the following changes in assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 5.22% to 5.70% (b) the municipal bond rate changed from 4.05% to 3.77% (c) the health care cost trend rate changed from 5.50% initial and 3.50% ultimate in 2036 to 5.50% initial and 3.50% ultimate in 2038.

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Clinton Metropolitan Housing Authority
Entity Wide Balance Sheet Summary
December 31, 2024
 Clinton Metropolitan Housing Authority (OH053)
 WILMINGTON, OH
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2024

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
111 Cash - Unrestricted			\$189,219	\$58,730	\$247,949		\$247,949
112 Cash - Restricted - Modernization and Development							
113 Cash - Other Restricted	\$743			\$40,408	\$41,151		\$41,151
114 Cash - Tenant Security Deposits							
115 Cash - Restricted for Payment of Current Liabilities							
100 Total Cash	\$743	\$0	\$189,219	\$99,138	\$289,100	\$0	\$289,100
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects		\$8,621		\$31,118	\$39,739		\$39,739
124 Accounts Receivable - Other Government							
125 Accounts Receivable - Miscellaneous							
126 Accounts Receivable - Tenants							
126.1 Allowance for Doubtful Accounts -Tenants							
126.2 Allowance for Doubtful Accounts - Other		\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current							
128 Fraud Recovery							
128.1 Allowance for Doubtful Accounts - Fraud							
129 Accrued Interest Receivable							
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$8,621	\$0	\$31,118	\$39,739	\$0	\$39,739
131 Investments - Unrestricted							
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability							
142 Prepaid Expenses and Other Assets				\$8,704	\$8,704		\$8,704
143 Inventories							
143.1 Allowance for Obsolete Inventories							
144 Inter Program Due From			\$8,621		\$8,621	-\$8,621	\$0
145 Assets Held for Sale							
150 Total Current Assets	\$743	\$8,621	\$197,840	\$138,960	\$346,164	-\$8,621	\$337,543
161 Land			\$6,750		\$6,750		\$6,750
162 Buildings			\$72,143	\$359,142	\$431,285		\$431,285
163 Furniture, Equipment & Machinery - Dwellings							
164 Furniture, Equipment & Machinery - Administration			\$1,650	\$73,229	\$74,879		\$74,879
165 Leasehold Improvements							
166 Accumulated Depreciation			-\$66,367	-\$375,650	-\$442,017		-\$442,017
167 Construction in Progress							
168 Infrastructure							
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$14,176	\$56,721	\$70,897	\$0	\$70,897
171 Notes, Loans and Mortgages Receivable - Non-Current							
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due							
173 Grants Receivable - Non Current							
174 Other Assets				\$3,538	\$3,538		\$3,538
176 Investments in Joint Ventures							
180 Total Non-Current Assets	\$0	\$0	\$14,176	\$60,259	\$74,435	\$0	\$74,435
200 Deferred Outflow of Resources				\$39,618	\$39,618		\$39,618
290 Total Assets and Deferred Outflow of Resources	\$743	\$8,621	\$212,016	\$238,837	\$460,217	-\$8,621	\$451,596
311 Bank Overdraft							
312 Accounts Payable <= 90 Days				\$7,464	\$7,464		\$7,464
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable				\$2,448	\$2,448		\$2,448
322 Accrued Compensated Absences - Current Portion							
324 Accrued Contingency Liability							
325 Accrued Interest Payable							
331 Accounts Payable - HUD PHA Programs							
332 Account Payable - PHA Projects							
333 Accounts Payable - Other Government			\$385		\$385		\$385
341 Tenant Security Deposits							
342 Unearned Revenue							
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue							
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities							
346 Accrued Liabilities - Other							
347 Inter Program - Due To		\$8,621			\$8,621	-\$8,621	\$0

Clinton Metropolitan Housing Authority
Entity Wide Balance Sheet Summary
December 31, 2024

348 Loan Liability - Current							
310 Total Current Liabilities	\$0	\$8,621	\$385	\$9,912	\$18,918	-\$8,621	\$10,297
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							
352 Long-term Debt, Net of Current - Operating Borrowings							
353 Non-current Liabilities - Other				\$40,408	\$40,408		\$40,408
354 Accrued Compensated Absences - Non Current				\$3,190	\$3,190		\$3,190
355 Loan Liability - Non Current							
356 FASB 5 Liabilities							
357 Accrued Pension and OPEB Liabilities				\$109,958	\$109,958		\$109,958
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$153,556	\$153,556	\$0	\$153,556
300 Total Liabilities	\$0	\$8,621	\$385	\$163,468	\$172,474	-\$8,621	\$163,853
400 Deferred Inflow of Resources				\$31,684	\$31,684		\$31,684
508.4 Net Investment in Capital Assets	\$0	\$0	\$14,176	\$56,721	\$70,897		\$70,897
511.4 Restricted Net Position	\$743	\$0	\$0	\$3,538	\$4,281		\$4,281
512.4 Unrestricted Net Position	\$0	\$0	\$197,455	-\$16,574	\$180,881		\$180,881
513 Total Equity - Net Assets / Position	\$743	\$0	\$211,631	\$43,685	\$256,059	\$0	\$256,059
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$743	\$8,621	\$212,016	\$238,837	\$460,217	-\$8,621	\$451,596

Clinton Metropolitan Housing Authority
Financial Data Schedule - Entity Wide Income Statement
December 31, 2024

Clinton Metropolitan Housing Authority (OH053)
WILMINGTON, OH
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2024

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue							
70400 Tenant Revenue - Other							
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0		\$0
70600 HUD PHA Operating Grants		\$59,911		\$1,797,602	\$1,857,513		\$1,857,513
70610 Capital Grants							
70710 Management Fee							
70720 Asset Management Fee							
70730 Book Keeping Fee							
70740 Front Line Service Fee							
70750 Other Fees							
70700 Total Fee Revenue							
70800 Other Government Grants							
71100 Investment Income - Unrestricted				\$670	\$670		\$670
71200 Mortgage Interest Income							
71300 Proceeds from Disposition of Assets Held for Sale							
71310 Cost of Sale of Assets							
71400 Fraud Recovery				\$708	\$708		\$708
71500 Other Revenue	\$743				\$743		\$743
71600 Gain or Loss on Sale of Capital Assets							
72000 Investment Income - Restricted							
70000 Total Revenue	\$743	\$59,911	\$0	\$1,798,980	\$1,859,634		\$1,859,634
91100 Administrative Salaries				\$35,218	\$35,218		\$35,218
91200 Auditing Fees				\$17,179	\$17,179		\$17,179
91300 Management Fee				\$94,050	\$94,050		\$94,050
91310 Book-keeping Fee							
91400 Advertising and Marketing							
91500 Employee Benefit contributions - Administrative				-\$15,949	-\$15,949		-\$15,949
91600 Office Expenses				\$27,325	\$27,325		\$27,325
91700 Legal Expense				\$660	\$660		\$660
91800 Travel				\$8,232	\$8,232		\$8,232
91810 Allocated Overhead							
91900 Other				\$13,384	\$13,384		\$13,384
91000 Total Operating - Administrative	\$0	\$0	\$0	\$180,099	\$180,099		\$180,099
92000 Asset Management Fee							
92100 Tenant Services - Salaries		\$47,068			\$47,068		\$47,068
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services		\$9,446			\$9,446		\$9,446
92400 Tenant Services - Other		\$3,035			\$3,035		\$3,035
92500 Total Tenant Services	\$0	\$59,549	\$0	\$0	\$59,549		\$59,549
93100 Water			\$771	\$345	\$1,116		\$1,116
93200 Electricity				\$5,127	\$5,127		\$5,127
93300 Gas				\$1,854	\$1,854		\$1,854
93400 Fuel							
93500 Labor							
93600 Sewer				\$428	\$428		\$428
93700 Employee Benefit Contributions - Utilities							
93800 Other Utilities Expense							
93000 Total Utilities	\$0	\$0	\$771	\$7,754	\$8,525		\$8,525
94100 Ordinary Maintenance and Operations - Labor							
94200 Ordinary Maintenance and Operations - Materials and Other				\$236	\$236		\$236
94300 Ordinary Maintenance and Operations Contracts			\$100	\$16,792	\$16,892		\$16,892
94500 Employee Benefit Contributions - Ordinary Maintenance							
94000 Total Maintenance	\$0	\$0	\$100	\$17,028	\$17,128		\$17,128
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs							
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0		\$0
96110 Property Insurance			\$865	\$3,940	\$4,805		\$4,805
96120 Liability Insurance							

Clinton Metropolitan Housing Authority
Financial Data Schedule - Entity Wide Income Statement
December 31, 2024

96130 Workmen's Compensation		\$362		\$273	\$635		\$635
96140 All Other Insurance							
96100 Total Insurance Premiums	\$0	\$362	\$865	\$4,213	\$5,440		\$5,440
96200 Other General Expenses				\$2,277	\$2,277		\$2,277
96210 Compensated Absences				\$3,190	\$3,190		\$3,190
96300 Payments in Lieu of Taxes							
96400 Bad debt - Tenant Rents							
96500 Bad debt - Mortgages							
96600 Bad debt - Other							
96800 Severance Expense							
96000 Total Other General Expenses	\$0	\$0	\$0	\$5,467	\$5,467		\$5,467
96710 Interest of Mortgage (or Bonds) Payable							
96720 Interest on Notes Payable (Short and Long Term)							
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0		\$0
96900 Total Operating Expenses	\$0	\$59,911	\$1,736	\$214,561	\$276,208		\$276,208
97000 Excess of Operating Revenue over Operating Expenses	\$743	\$0	-\$1,736	\$1,584,419	\$1,583,426		\$1,583,426
97100 Extraordinary Maintenance							
97200 Casualty Losses - Non-capitalized							
97300 Housing Assistance Payments				\$1,613,116	\$1,613,116		\$1,613,116
97350 HAP Portability-In							
97400 Depreciation Expense			\$819	\$10,003	\$10,822		\$10,822
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
90000 Total Expenses	\$0	\$59,911	\$2,555	\$1,837,680	\$1,900,146		\$1,900,146
10010 Operating Transfer In							
10020 Operating transfer Out							
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							
10092 Inter Project Excess Cash Transfer Out							
10093 Transfers between Program and Project - In							
10094 Transfers between Project and Program - Out							
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$743	\$0	-\$2,555	-\$38,700	-\$40,512		-\$40,512
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$0	\$0	\$214,186	\$3,298	\$217,484		\$217,484
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				\$79,087	\$79,087		\$79,087
11050 Changes in Compensated Absence Balance							
11060 Changes in Contingent Liability Balance							
11070 Changes in Unrecognized Pension Transition Liability							
11080 Changes in Special Term/Severance Benefits Liability							
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents							
11100 Changes in Allowance for Doubtful Accounts - Other							
11170 Administrative Fee Equity				\$43,685	\$43,685		\$43,685
11180 Housing Assistance Payments Equity				\$0	\$0		\$0
11190 Unit Months Available				3624	3624		3624
11210 Number of Unit Months Leased				3473	3473		3473
11270 Excess Cash							
11610 Land Purchases							
11620 Building Purchases							
11630 Furniture & Equipment - Dwelling Purchases							
11640 Furniture & Equipment - Administrative Purchases							
11650 Leasehold Improvements Purchases							
11660 Infrastructure Purchases							
13510 CFFP Debt Service Payments							
13901 Replacement Housing Factor Funds							

**CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

● MHA SEFA Preparation_ FAQ (1)

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>		
<i>Direct Programs</i>		
Housing Voucher Cluster		
Section 8 Housing Choice Vouchers	14.871	\$ 1,797,602
Total Housing Voucher Cluster		<u>1,797,602</u>
PIH Family Self-Sufficiency	14.896	<u>59,911</u>
<i>Total Direct Programs</i>		<u>1,857,513</u>
Total U.S. Department of Housing and Urban Development		<u>1,857,513</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 1,857,513</u></u>

● [External]RE_ SEFA_ Clinton MHA

See the accompanying notes to the financial statements.

▼ TB 2024 with FDS referencing

▼ TB 2024 with FDS referencing

CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Clinton Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a 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 elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Clinton Metropolitan Housing Authority
Clinton County
478 Thorne Avenue
Wilmington, Ohio 45177

To the Board of Directors:

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 (*Government Auditing Standards*), the financial statements of the Clinton Metropolitan Housing Authority, Clinton, Ohio (the Authority) as of and for the year ended December 31, 2024, and the related notes to the financial statements, have issued our report thereon dated October 8, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State



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

October 8, 2025

OHIO AUDITOR OF STATE KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Clinton Metropolitan Housing Authority
Clinton County
478 Thorne Avenue
Wilmington, Ohio 45177

To the Board of Directors:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Clinton Metropolitan Housing Authority's, Clinton County, (Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Clinton Metropolitan Housing Authority's major federal program for the year ended December 31, 2024. Clinton Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

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

Basis for Opinion on the 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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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 this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



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

October 8, 2025

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**CLINTON METROPOLITAN HOUSING AUTHORITY
CLINTON COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	14.871 Housing Choice Voucher Cluster
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted.

OHIO AUDITOR OF STATE KEITH FABER



CLINTON METROPOLITAN HOUSING AUTHORITY

CLINTON 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 11/6/2025

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

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