

CRAWFORD METROPOLITAN HOUSING AUTHORITY

Financial Condition

As of

March 31, 2025

Together with Auditors' Report



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Columbus, Ohio 43215
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800-282-0370

Board of Trustees
Crawford Metropolitan Housing Authority
324 Harding Way E
Galion, Ohio 44833

We have reviewed the *Independent Auditor's Report* of Crawford Metropolitan Housing Authority, Crawford County, prepared by Kevin L. Penn, Inc, for the audit period April 1, 2024 through March 31, 2025. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

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

February 09, 2026

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**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Crawford Metropolitan Housing Authority
Crawford County
324 Harding Way E
Galion, Ohio 44833

To the Board of Trustees

Report on the Audit of the Financial Statements

Opinions

I have audited the financial statements of the business-type activities, of the Crawford Metropolitan Housing Authority, Crawford County, Ohio, as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Crawford Metropolitan Housing Authority's basic financial statements as listed in the table of contents.

In my opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Crawford Metropolitan Housing Authority, Crawford County, Ohio as of March 31, 2025, and the respective changes in financial position and, cash flows thereof and for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my 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. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am required to be independent of the Crawford Metropolitan Housing Authority, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

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 Crawford Metropolitan Housing Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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*, I

- 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 Crawford Metropolitan Housing Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Crawford Metropolitan Housing Authority's ability to continue as a going concern for a reasonable period of time.

I am 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 I 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.

I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge we obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Crawford Metropolitan Housing Authority's basic financial statements. The Supplemental Financial Data Schedules and 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 my opinion, the Supplemental Financial Data Schedules and Schedule of Expenditures of Federal Awards is 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*, I have also issued my report dated October 21, 2025, on my consideration of the Crawford Metropolitan Housing Authority's internal control over financial reporting and my 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 my 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 Crawford Metropolitan Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Crawford Metropolitan Housing Authority's internal control over financial reporting and compliance.

Kevin L. Penn, Inc.
Cleveland, Ohio
October 21, 2025

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Crawford Metropolitan Housing Authority's (the Authority") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position, and (d) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current years activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements (beginning on page 11)

FINANCIAL HIGHLIGHTS

- During FY 2025, the Authority's net position decreased by (\$42,216) or 7.08%. Since the Authority engages only in business-type activities, the decrease is all in the category of business-type net position. Net positions were \$597,451 and \$554,235 for FY 2024 and FY 2025 respectively.
- The revenue decreased by \$259,665 (or 10.8%) during FY 2025 and was \$2,405,162 and \$2,145,497 for FY 2024 and FY 2025 respectively.
- Total expenses decreased by \$19,977 (or 0.95%) during FY 2025 and were \$2,208,690 and 2,188,713 for FY 2024 and FY 2025 respectively.

USING THIS ANNUAL REPORT

The Report includes the following sections:

MD&A ~ Management's Discussion and Analysis ~
Basic Financial Statements ~ Statement of Net Position ~ ~ Statement of Revenues, Expenses and Changes in Net Position ~ ~ Statement of Cash Flows ~ ~ Notes to the Basic Financial Statements ~
Other Required Supplementary Information ~ Required Supplementary Information (Pension Schedules) ~
Supplementary and Other Information ~ Financial Data Schedules ~ ~ Schedule of Federal Awards Expenditures ~

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

The primary focus of the Authority's financial statement is on the Authority as a whole. The Authority operates as a single enterprise fund and this presentation allows the user to address relevant questions, broaden a basis for comparison (fiscal year to fiscal year or Authority to Authority) and enhance the Authority's accountability.

Authority-Wide Financial Statements

The Government-wide financial statements are designed to be corporate-like in that all business-type activities are consolidated into columns, which add to a total for the entire Authority.

These Statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets and deferred outflow of resources, minus liabilities, and deferred inflow of resources, equal "Net Position". Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Position (the "Unrestricted" portion) is designed to represent the net available liquid (non-capital) assets and deferred outflows, net of liabilities and deferred inflows, for the entire Authority. Net Position is reported in three broad categories:

Investment in Capital Assets: This component of Net Position consists of all Capital Assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Authority does not have any outstanding debt.

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

Unrestricted: Consists of Net Position that do not meet the definition of "Investment in Capital Assets", or "Restricted".

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Net Position (similar to an Income Statement). This Statement includes Operating Revenues, such as grant revenue, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue, such as interest revenue.

The focus of the Statement of Revenues, Expenses and Changes in Net Position is the "Change in Net Position", which is similar to Net Income or Loss.

Finally, Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, investing activities, and from capital and related financing activities.

Fund Financial Statements

Traditional users of governmental financial statements will find the Authority- wide financial statements presentation more familiar. The focus is now on Major Funds, rather than fund types. The Authority consists of exclusively Enterprise Funds. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

Many of the funds maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

The Authority's Funds

Business-Type Activities:

Housing Choice Voucher Program & Mainstream Vouchers— Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of adjusted household income.

Statement of Net Position

The following table reflects the condensed Statement of Net Position compared to prior fiscal year. The Authority is engaged only in Business-Type Activities.

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

	2025	2024
Current and Other Assets	\$ 528,429	\$ 710,515
Capital Assets	<u>149,927</u>	<u>156,588</u>
Total Assets	678,356	867,103
Deferred Outflows of Resources	<u>20,917</u>	<u>29,467</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 699,273</u></u>	<u><u>\$ 896,570</u></u>
Current Liabilities	\$ 12,291	\$ 34,739
Long-Term Liabilities	<u>112,710</u>	<u>93,690</u>
Total Liabilities	125,001	128,429
Deferred Inflows of Resources	<u>20,037</u>	<u>170,690</u>
Total Liabilities and Deferred Inflows of Resources	145,038	299,119
Net Position:		
Net Investment in Capital Assets	148,335	156,588
Restricted Net Position	33,080	93,931
Unrestricted Net Position	<u>372,820</u>	<u>346,932</u>
Total Net Position	<u><u>554,235</u></u>	<u><u>597,451</u></u>
Total Liabilities, Deferred Inflows and Net Position	<u><u>\$ 699,273</u></u>	<u><u>\$ 896,570</u></u>

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

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

Major Factors Affecting the Statement of Net Position

Current and other assets decreased by \$182,086 or 25.5% in fiscal year 2025. The decrease is primarily due to a decrease in Restricted Cash. Liabilities decreased by \$3,428 or 2.7% in fiscal year 2025 due to net to current and non-current liabilities.

Capital assets decreased \$6,661 during fiscal year 2025. The decrease is attributed to depreciation and amortization of \$8,461. For more detail see “Capital Assets and Debt Administration” page.

While the result of operations is a significant measure of the Authority’s activities, the analysis of the changes in Unrestricted and Restricted Net Position provides a clearer change in financial well-being.

CHANGE OF UNRESTRICTED NET POSITION

Unrestricted Net position 3/31/2024,		\$ 346,932
Results of Operations	(43,216)	
Adjustments:		
Decreases in Restricted Net Position (1)	60,851	
Lease Payable	1,592	
Purchases of Fixed Assets (2)	(1,800)	
Depreciation and Amortization (3)	<u>8,461</u>	
Adjusted Results from Operations		25,888
Unrestricted Net position 3/31/2025		<u><u>\$ 372,820</u></u>

(1) See chart below.

(2) Purchases of fixed assets represent and outflow of cash and unrestricted net assets.

(3) Depreciation is treated as an expense and reduces the results of operations but does not have an impact on Unrestricted Net position.

CHANGE OF RESTRICTED NET POSITION

Restricted Net position 3/31/2024		\$93,931
Results of Operations		
HAP Revenue	1,848,202	
HAP Expenses	(1,914,629)	
Fraud recovery payments	<u>5,576</u>	
Adjusted Results from Operations		<u>(60,851)</u>
Restricted Net position 3/31/2025		<u><u>\$ 33,080</u></u>

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Business-Type Activities.

Table 3 - Statement of Revenue, Expenses & Changes in Net Position

	<u>2025</u>	<u>2024</u>
<u>Revenues</u>		
Operating Grants	\$ 2,124,900	2,386,560
Investment Income	8,945	10,266
Other Revenues	11,652	8,336
Total Revenues	<u>2,145,497</u>	<u>2,405,162</u>
<u>Expenses</u>		
Administrative	257,586	218,256
Interest Expense	74	-
General and Insurance	5,392	10,243
Housing Assistance Payments	1,917,200	1,971,553
Depreciation and Amortization	8,461	8,638
Total Expenses	<u>2,188,713</u>	<u>2,208,690</u>
Net Increases (Decreases)	(43,216)	196,472
Beginning net position	<u>597,451</u>	<u>400,979</u>
Total net position - ending	<u>\$ 554,235</u>	<u>\$ 597,451</u>

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

HUD PHA Operating Grants decreased by \$261,660 or 10.96% in FY 2025 due to lower leasing in the Section 8 programs. Interest income decreased due to lower interest rates and a reduction in cash on hand.

Administrative Expenses and Housing Assistance Payments both decreased in FY 2025. Decreases in Housing Assistance Payments, again, were the result of a reduction in leasing.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of March 31, 2025, the Authority had \$149,927 invested in capital assets as reflected in the following schedule, which represents a net decrease (addition, deductions, and depreciation).

**CAPITAL ASSETS AT FISCAL YEAR-END
(NET OF ACCUMULATED DEPRECIATION)**
Business-Type
Activities

	<u>FY 2025</u>	<u>FY 2024</u>
Land	\$ 20,660	\$ 20,660
Buildings and Improvements	90,792	90,792
Leased Equipment	1,800	0
Furniture and Equipment - Administrative	111,737	111,737
Accumulated Depreciation	<u>(75,062)</u>	<u>(57,964)</u>
 Total	 <u>\$ 149,927</u>	 <u>\$ 156,588</u>

The following reconciliation summarizes the change in Capital Assets, which is presented in detail in the notes.

CHANGE IN CAPITAL ASSETS

	Business Type Activities
Beginning Balance 04/1/2024	\$ 156,588
Fixed Asset Additions	1,800
Depreciation and Amortization	<u>(8,461)</u>
Ending Balance as of 03/31/25	<u>\$ 149,927</u>

**CRAWFORD METROPOLITAN HOUSING AUTHORITY CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

Debt Outstanding

As of year-end, the Authority has no outstanding debt (bonds, notes, etc.)

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recession and employment trends, which can affect resident incomes and therefore the demand for housing assistance.
- Inflationary pressure on utility rates, supplies and other costs.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Bonnie Virden; Finance Manager for the Crawford Metropolitan Housing Authority, at (419) 524-0029 Specific requests may be submitted to the Authority at 88 West Third Street, Mansfield, OH 44902.

CRAWFORD METROPOLITAN HOUSING AUTHORITY
 STATEMENT OF NET POSITION
 MARCH 31, 2025

ASSETS AND DEFERRED OUTFLOW OF RESOURCES

Current Assets

Cash and Cash Equivalents - Unrestricted (Note 1)	\$ 523,882
Accounts Receivable - Fraud Recovery	17,832
Allowance for Doubtful Accounts	(17,832)
Prepaid Expenses	585
Total Current Assets	524,467

Non-Current Assets

Capital Assets - (Note 1)	
Nondepreciable Capital Assets	20,660
Depreciable Capital Assets, net of depreciation	127,749
Right of Use Assets – Lease	1,800
Accumulated Amortization – Lease	(282)
Total Capital Assets	149,927

Other Assets	3,962
Total Non-Current Assets	153,889

Deferred Outflow of Resources - Pension	17,517
Deferred Outflow of Resources – OPEB	3,400
Total Deferred outflow of Resources	20,917

TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES

\$ 699,273

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

CRAWFORD METROPOLITAN HOUSING AUTHORITY

STATEMENT OF NET POSITION

MARCH 31, 2025

LIABILITIES DEFERRED INFLOW OF RESOURCES AND NET POSITION

Current Liabilities

Accounts Payable	\$ 9,102
Lease Payable - Current Portion	329
Accrued Compensated Absences	<u>2,860</u>
Total Current Liabilities	12,291

Non-Current Liabilities

Accrued Pension	107,624
Lease Payable - Net of Current Portion	1,263
Accrued Compensated Absences	<u>3,823</u>
Total Non-Current Liabilities	112,710
Total Liabilities	<u>\$ 125,001</u>
Deferred Inflow of Resources - OPEB	\$ 20,037
Total Deferred inflow of Resources	<u>\$ 20,037</u>

Net Position

Net Investment in Capital Assets	\$ 148,335
Restricted	33,080
Unrestricted	<u>372,820</u>
Total Net Position	554,235
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	<u>\$ 699,273</u>

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

CRAWFORD METROPOLITAN HOUSING AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED MARCH 31, 2025

Operating Revenue:

HUD Operating Subsidies and Grants	\$ 2,124,900
Other Revenue	<u>11,652</u>
Total Operating Revenue	<u>2,136,552</u>

Operating Expenses:

Housing Assistance Payments	1,914,629
Other Administrative Expense	257,586
HAP - Port In	2,571
Depreciation and Amortization Expense	8,461
General Expenses	<u>5,392</u>
Total Operating Expenses	<u>2,188,639</u>

Operating Income (Loss)	(52,087)
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Non-Operating Revenues (Expenses)

Investment Income – Unrestricted	8,945
Interest Expense	<u>(74)</u>
Total Non-Operating Revenues (Expenses)	<u>8,871</u>

Change in Net Position	(43,216)
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Net Position - Beginning of Year	<u>597,451</u>
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Net Position - End of Year	<u>\$ 554,235</u>
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The accompanying notes are an integral part of the financial statements.

CRAWFORD METROPOLITAN HOUSING AUTHORITY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED MARCH 31, 2025

Cash Flows From Operating Activities:

Cash payments to suppliers for goods and services	\$ (210,837)
Housing assistance payments	(1,917,200)
HUD operating subsidies and grants	1,932,278
Other receipts	11,652
Other payments	(5,392)
Net Cash Provided (Used) by Operating Activities	(189,499)

Cash Flows From Capital and Related Financing Activities:

Interest Expense	(74)
Acquisition of Capital Assets	(1,800)
Loan Proceeds	1,800
Lease Liability Net of Payment	(208)
Net Cash Provided (Used) by Capital and Related Financing Activities	(282)

Cash Flows From Investing Activities:

Investment Income	8,945
Net Cash Provided (Used) by Investing Activities	8,945
Increase (Decrease) in Cash and Cash Equivalents	(180,836)
Cash and Cash Equivalents - Beginning of Year	704,718
Cash and Cash Equivalents - End of Year	\$ 523,882

Reconciliation of Operating Income (Loss) to Net Cash Used in Operating Activities:

Operating Income (Loss)	\$ (52,087)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used in Operating Activities:	
Depreciation and Amortization	8,461
(Increase) decrease in:	
Accounts Receivable	278
Deferred Outflow of Resources	8,550
Other Assets	1,110
Prepaid Expenses	(138)
Increase (decrease) in:	
Accounts Payable	3,361
Compensated Absences	(3,728)
Accrued Pension	20,181
Unearned Revenue	(24,834)
Deferred Inflow of Resources	(150,653)
Net cash used in operating activities	\$ (189,499)

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

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Authority was created under the Ohio Revised Code, Section 3735.27 for the purpose of engaging in the development, acquisition and administrative activities of the low-income housing program and other programs with similar objectives. The Authority contracts with the United States Department of Housing and Urban Development (HUD) to provide low and moderate-income persons with safe and sanitary housing through subsidies provided by HUD. The Authority depends on the subsidies from HUD to operate.

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

The accompanying basic financial statements comply with the provision of GASB Statement 14, the Financial Reporting Entity, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

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

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

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

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Reporting Entity

Management believes the financial statements included in this report represent all of the funds of the Authority over which the Authority is financially accountable. The housing authority has no component units.

Fund Accounting

The Authority uses a proprietary fund to report on its financial position and the results of its operations for the Section 8 Housing Choice Voucher/Mainstream programs. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Proprietary Fund Types:

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

Enterprise Fund – The Authority is accounted for on a flow of economic resources measurement focus.

With this measurement focus, 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 changes in Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total Net Position. The statement of cash flows provides information about how the Authority finances and meets cash flow needs.

The Authority accounts for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Accounting and Reporting for Nonexchange Transactions

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

Derived tax revenues: result from assessments imposed on exchange transactions (i.e., income taxes, sales taxes and other assessments on earnings or consumption).

Imposed nonexchange revenues: result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (i.e. property taxes and fines).

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Accounting and Reporting for Nonexchange Transactions (continued)

Government-mandated nonexchange transactions: occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (i.e., federal programs that state or local governments are mandated to perform). Voluntary nonexchange transactions: result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (i.e., certain grants and private donations).

PHA grants and subsidies will be defined as government-mandated or voluntary nonexchange transactions.

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

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

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

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

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

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

Measurement Focus/Basis of Accounting

The Authority has prepared its financial statements in conformity with accounting principles generally accepted in the United States of America. The Authority follows the business-type activities reporting requirements of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. In accordance with GABS Statement No. 34, the accompanying basic financial statements are reported on an Authority-wide basis. GASB Statement No. 34 (as amended by GASB Statement No. 63) requires the following, which collectively make up the Authority's basic financial statements:

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(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Measurement Focus/Basis of Accounting (continued)

Basic Financial Statements:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

Capital Assets

Capital assets are stated at cost and depreciation is computed using the straight-line method over the estimated useful life of the assets. The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend the assets life, are not capitalized. The capitalization threshold used by the Authority is \$3,000. The following are the useful lives used for depreciation purposes:

<u>Description</u>	<u>Estimated Useful Lives - Years</u>
Building	30
Furniture	7
Equipment	5
Computer hardware	3
Computer software	3

Total depreciation expense for the 2025 fiscal year was \$8,179.

Cash and Cash Equivalents

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

Compensated Absences

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

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

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
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(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Net Position

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets consist of capital assets net of accumulated depreciation. Net Position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The amount reported as restricted Net Position at fiscal year-end represents the amounts restricted by HUD for future Housing Assistance Payments and amounts from Administration Fee which may be recaptured by HUD. When an expense is incurred for purposes which both restricted and unrestricted Net Position are available, the Authority first applies restricted Net Position. Net Position restricted by enabling legislature at March 31, 2025 was \$33,080.

Estimates

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

Prepaid Items

Payments made to vendors for services that will benefit beyond year-end are recorded as prepaid items via the consumption method.

Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. The Authority had restricted assets for Housing Assistance Payment equity balances of \$33,080.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the Authority, these revenues are for Housing and Urban Development Grants and other revenues. Operating expenses are necessary costs to provide goods or services that are the primary activity of the fund. All revenues not related to operating activities have been reported as nonoperating revenues.

Accounts Receivable

Management considers all accounts receivable (excluding the fraud recovery receivable) to be collected in full.

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(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Accrued Interest Receivable

Accrued interest receivable represents the amount of interest earned but not collected on certificates of deposits as of the balance sheet date. Interest is collected upon maturity.

Deferred Inflow/Outflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Authority, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Note 5 and 6.

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

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB 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 systems. 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 systems report investments at fair value.

Change in Accounting Principle

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.

2. CASH AND CASH EQUIVALENTS

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

All monies are deposited into banks as determined by the Authority. Funds are deposited in a non-interest-bearing checking account. Security shall be furnished for all accounts in the Authority's name.

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(CONTINUED)

2. CASH AND CASH EQUIVALENTS - CONTINUED

Cash and cash equivalents included in the Authority's cash position at March 31, 2025 are as follows:

Demand deposits:	PNB General Fund Checking	\$231,031
	PNB Money Market Savings	<u>\$292,851</u>
Total		<u>\$523,882</u>

Of the fiscal year-end demand deposits, \$250,000 was covered by federal deposit insurance, and \$275,745 was secured by the specific pledge collateral method.

Based on the Authority having only demand deposits at March 31, 2025, the Authority is not subject to interest rate, credit, concentration, or custodial credit risks.

3. CAPITAL ASSETS

The following is a summary of capital assets on March 31, 2025:

	Balance				Balance
	3/31/2024	Additions	Disposals	Reclassifications	3/31/2025
Capital Assets Not Depreciated:					
Land	\$ -	\$ -	\$ -	\$ 20,660	\$ 20,660
Total Capital Assets Not Depreciated	-	-	-	20,660	20,660
Capital Assets depreciated					
Building	111,453			(20,660)	90,793
Furniture and Equipment	111,737				111,737
Intangible Right-to-Use: Lease Equipment	-	1,800			1,800
Total Capital Assets Depreciated	223,190	1,800	-	(20,660)	204,330
Accumulated Depreciation					
Building	(414)	(2,328)			(2,742)
Furniture and Equipment	(66,188)	(5,851)			(72,039)
Intangible Right-to-Use: Lease Equipment	-	(282)			(282)
Total Accumulated Depreciation	(66,602)	(8,461)	-	-	(75,063)
Total Capital Assets Depreciated - Net	156,588	(6,661)	-	-	129,267
Total Capital Assets - Net	<u>\$ 156,588</u>	<u>\$ (6,661)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,927</u>

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
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(CONTINUED)**

4. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the fiscal year 2024, the Authority purchased commercial insurance for general insurance, real property, building content, and public employee liability. Property insurance carries a \$500 deductible. The limit for public employee theft, disappearance, and destruction is \$5,000 each loss. Settled claims have not exceeded this coverage in any of the last three years. There has been no significant reduction in coverage from last year.

5. DEFINED BENEFIT PENSION PLANS — OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

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 are 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 the Ohio Public Employee Retirement System (OPERS) Pension Plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of its 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 OPERS to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, the OPERS Board of Trustees must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

Plan Description - All employees of the Authority are eligible to participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans as described below:

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

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5. DEFINED BENEFIT PENSION PLANS — OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (continued)

2. The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the Authority is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the PERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the contribution rate consistent across all three plans.

The Authority’s contractually required contribution to OPERS was \$9,870 for fiscal year 2025. Of this amount \$0 is reported within accounts payable.

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

The net pension liability was measured as of December 31, 2024, 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 the contributions to the pension plan relative to the contributions of all participating entities. The Authority’s employees have only participated in the Traditional Plan. Following is information related to the proportionate share and pension expense:

<u>OPERS Traditional Plan</u>	
Proportionate Share of the Net Pension Liability	\$107,624
Proportion of the Net Pension Liability	.000439%
Change in Proportion from Prior Measurement Date	.000105%
Pension Expense	\$15,576

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5. DEFINED BENEFIT PENSION PLANS — OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (continued)

At March 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Total Deferred Outflows
Difference between expected and actual experience	\$ 2,059
Net difference between projected and actual investment	
Earnings on pension plan investments	12,696
Authority contributions subsequent to the measurement	
Date	<u>2,762</u>
Total Deferred Outflows of Resources	<u><u>\$ 17,517</u></u>

	Total Deferred Inflows
None	\$ -0-

The \$2,762 reported as deferred outflows of resources related to pension resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending March 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:

Fiscal Year Ending March 31,	
2025	(\$7,432)
2026	(13,817)
2027	4,899
2028	1,595
2029	<u>0</u>
Total	<u>(\$14,755)</u>

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of the 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 was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requires of GASB 67. Key methods and assumptions used in the latest actuarial valuations are presented below:

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5. DEFINED BENEFIT PENSION PLANS — OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
(continued)

Actuarial Information	Traditional Pension Plan	Member-Directed Plan
Measurement & Valuation Date	December 31, 2024	December 31, 2024
Experience Study	5-Year Period Ended December 31, 2020	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions		
Investment Rate of Return	6.90%	6.90%
Wage Inflation	2.75%	2.75%
Projected Salary increases	2.75%-10.75% (includes wage inflation at 2.75%)	2.75%-8.25% (includes wage inflation at 2.75%)
Cost of living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 2.90% Simple for calendar year 2025, then 2.05% Simple	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 2.90% Simple for calendar year 2025, then 2.05% Simple

Special tables are used for the period after disability retirement and post-retirement mortality. The most recent experience study was completed December 31, 2020. The long-term return expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Allocation	Expected Real Rate of Return
Fixed Income	24.00%	2.42%
Domestic Equities	21.00	5.70
Real Estate	13.00	4.17
Private Equity	15.00	8.40
International Equities	20.00	6.10
Risk Parity	2.00	4.40
Other Investments	5.00	2.54
TOTAL	100.00%	

Discount Rate The total pension liability was calculated using the discount rate of 6.9 percent. The projection of cash flows used to determine the discount rate assumed the employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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5. DEFINED BENEFIT PENSION PLANS — OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (continued)

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

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 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 1-percentage-point lower (5.9 percent) or 1-percentage point higher (7.9 percent) than current rate:

	1% Decrease	Current Discount Rate	1% Increase
	(5.9%)	(6.9%)	(7.9%)
Authority's proportionate share of the net pension liability	\$ 176,065	\$ 107,624	\$ 50,748

Plan Fiduciary Net Position Detailed information about the Plan's fiduciary net position is available in the separately issued OPERS's financial report.

6. OTHER POST-EMPLOYMENT BENEFITS

Net OPEB Asset

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

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

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

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6. OTHER POST-EMPLOYMENT BENEFITS-(continued)

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

Plan Description – OPERS

Health Care Plan Description - The Ohio Public Employees Retirement System (OPERS). OPERS administers three separate plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit plan. The member-directed plan is a defined contribution plan, and the combined plan is a cost sharing, multiple-employer defined benefit plan with defined contribution features.

As of December 2016, OPERS maintains one health care trust, the 115 Health Care Trust (115 Trust), which was established in 2014 to initially provide a funding mechanism for a health reimbursement arrangement (HRA), as the prior trust structure could not support the HRA. In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate health care assets into the 115 Trust. The 401(h) Health Care Trust (401(h) Trust) was a pre-funded trust that provided health care funding for eligible members of the Traditional Pension Plan and the Combined Plan through December 31, 2015, when plans funded through the 401(h) Trust were terminated. The Voluntary Employees' Beneficiary Association Trust (VEBA Trust) accumulated funding for retiree medical accounts for participants in the Member-Directed Plan through June 30, 2016. The 401(h) Trust and the VEBA Trust were closed as of June 30, 2016 and the net positions transferred to the 115 Trust on July 1, 2016. Beginning in 2016, the 115 Trust, established under Internal Revenue Code (IRC) Section 115, is the funding vehicle for all health care plans.

The OPERS health care plans are reported as other post-employment benefit plans (OPEB) based on the criteria established by the Governmental Accounting Standards Board (GASB). Periodically, OPERS modifies the health care program design to improve the ongoing solvency of the plans. Eligibility requirements for access to the OPERS health care options have changed over the history of the program for Traditional Pension Plan and Combined Plan members. Prior to January 1, 2015, 10 or more years of service were required to qualify for health care coverage. Beginning January 1, 2015, generally, members must be at least age 60 with 20 years of qualifying service credit to qualify for health care coverage or 30 years of qualifying service at any age. Beginning 2016, Traditional Pension Plan and Combined Plan retirees enrolled in Medicare A and B were eligible to participate in the OPERS Medicare Connector (Connector). The Connector, a vendor selected by OPERS, assists eligible retirees in the selection and purchase of Medicare supplemental coverage through the Medicare market. Retirees that purchase supplemental coverage through the Connector may receive a monthly allowance in their HRA that can be used to reimburse eligible health care expenses.

The Ohio Revised Code permits, but does not require, OPERS to provide OPEB benefits to its eligible benefit recipients. Authority to establish and amend health care coverage is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 1-800-222-7377.

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(CONTINUED)**

6. OTHER POST-EMPLOYMENT BENEFITS-(continued)

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In fiscal year 2025, Authority contributed at a rate of 14 percent of earnable salary. The Ohio Revised Code currently limits the employer contribution rate not to exceed 14 percent of covered payroll. Active member contributions do not fund health care. With the assistance of the System's actuary and Board approval, a portion of each employer contribution to OPERS may be set aside for the funding of post-employment health care coverage.

The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was 2% for 2024.

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

The net OPEB Asset for OPERS was measured as of December 31, 2024, and the total OPEB Asset used to calculate the net OPEB Asset was determined by an actuarial valuation as of that date. The Authority's proportion of the net OPEB Asset was based on The Authority's share of contributions to the retirement system relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

Proportionate Share of the Net OPEB Asset	\$3,962
Proportion of the Net OPEB Asset	0.000439%
Change in Proportion from Prior Measurement Date	(.000123%)
OPEB Income	\$3,263

At March 31, 2025, The Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Total Deferred Outflows

Changes of assumptions	\$ 0
Net difference between projected and actual investment	
Earnings on OPEB investments	<u>3,400</u>
Total Deferred Outflows of Resources	<u>3,400</u>

Total Deferred Inflows

Difference between expected and actual experience	\$ 20,037
Changes of assumptions	0
Total Deferred Inflows of Resources	<u>20,037</u>

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(CONTINUED)**

6. OTHER POST-EMPLOYMENT BENEFITS-(continued)

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

Fiscal Year Ending March 31:

2025	\$ (2,371)
2026	1,029
2027	2,475
2028	<u>15,504</u>
Total	<u><u>\$ 16,637</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.

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. The total OPEB Asset was determined by an actuarial valuation as of December 31, 2022 rolled forward to the measurement date of December 31, 2024. The actuarial valuation used the following actuarial assumptions applied to all periods included in the measurement:

Wage Inflation	2.75%
Future Salary Increases, including inflation 2.75%	2.75 – 10.75%
Single Discount Rate	5.70%
Investment Rate of Return	6.00%
Municipal Bond Rate	3.77%
Health Care Cost Trend Rate	5.5% initial, 3.50% ultimate in 2038
Actuarial Cost Method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively.

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

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(CONTINUED)**

6. OTHER POST-EMPLOYMENT BENEFITS-(continued)

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

The table below displays the Board-approved asset allocation policy for 2024 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long Term Expected Real Rate Of Return
Fixed Income	37.00%	2.82%
Domestic Equities	25.00	4.27
REITs	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other Investments	<u>5.00</u>	2.43
TOTAL	100.00%	

Discount Rate: A single discount rate of 5.70% was used to measure the OPEB Asset on the measurement date of December 31, 2024. 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% and a municipal bond rate of 4.05%. 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 OPEB plan's fiduciary net position and future contributions were sufficient to finance the health care costs through the year 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

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

The following table presents the Authority's proportionate share of the net OPEB Asset calculated using the current period discount rate assumption of 6.0 percent, as well as what The Authority's proportionate share of the net OPEB Asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.0 percent) or one-percentage-point higher (7.0 percent) than the current rate.

	1% Decrease (5.0%)	Discount Rate (6.0%)	1% Increase (7.0%)
Authority's proportionate share of the net OPEB Asset	\$3,920	\$3,962	\$ 4,000

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(CONTINUED)**

6. OTHER POST-EMPLOYMENT BENEFITS-(continued)

Current changes in the health care cost trend rate may also have a significant impact on the net OPEB Asset. The following table presents the net OPEB Asset calculated using the assumed trend rates, and the expected net OPEB Asset if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

	1% Decrease	Current Cost Assumption	1% Increase
Authority's proportionate share of the net OPEB Asset	\$ (4,000)	\$ 3,962	\$ 3,920

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

7. COMPENSATED ABSENCES

Employees earn annual vacation and sick leave per anniversary year, based on years of service. Annual vacation leave may be carried forward to the next fiscal year and paid upon termination or retirement. Sick leave may be accumulated and is paid out based on Board policy upon termination or retirement. As of March 31, 2025, the accrual for compensated absences totaled \$10,411 and has been included in the accompanying Statement of Net Position.

8. CONTINGENT LIABILITIES

A. Grants

Amounts grantor agencies pay to the Authority are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs or excess reserve balances. Management cannot presently determine amounts grantors may disallow or recapture.

However, based on prior experience, management believes any such disallowed claims or recaptured amounts would not have a material adverse effect on the overall financial position of the Authority at March 31, 2025.

B. Litigation

The Authority is unaware of any outstanding lawsuits or other contingencies.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(CONTINUED)**

9. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities and compensated absences for the fiscal year ending March 31, 2025:

	Balance		Balance	Due Within
	3/31/2024	Additions	3/31/2025	One Year
Compensated Absences	\$10,411		(\$3,728)	\$6,683
Lease Payable	0	1,800	(208)	1,592
Net Pension Liability	87,443	20,181	107,624	0
Total Long-Term Liabilities	\$97,854	\$21,981	(\$3,936)	\$115,899
				\$3,189

See Note 5 for information on the Authority's net pension liability.

10. LEASES

The Authority has entered into a lease agreement for the use of the right to use equipment. The right to use equipment lease is for the postage machine with a lease end date in fiscal year 2030. Due to the implementation of GASB Statement 87, the Authority reports intangible capital assets and corresponding liabilities for the future scheduled payments under the lease. Future lease payments were discounted based on the interest rate implicit in the lease or using the Authority's incremental borrowing rate. A summary of the principal and interest amounts for the remaining leases is as follows:

	Principal	Interest	Total
March 31, 2026	\$ 329	\$ 94	\$ 423
March 31, 2027	351	72	423
March 31, 2028	374	49	423
March 31, 2029	399	24	423
March 31, 2030	139	2	141
Total	\$ 1,592	\$ 241	\$ 1,833

11. SUBSEQUENT EVENTS

Generally accepted accounting principles define subsequent events as events or transactions that occur after the statement of financial position date, but before the financial statements are issued or are available to be issued. Management has evaluated subsequent events through October 21, 2025, the date on which the financial statements were available to be issued.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(CONTINUED)**

12. FDS SCHEDULE SUBMITTED TO HUD

For the fiscal year ended March 31, 2025, the Authority electronically submitted an unaudited balance sheet summary, revenue and expense summary, and other data to HUD as required on the GAAP basis. The audited version of the entity wide balance sheet summary and entity wide revenue and expense summary are included as supplemental data. The schedules are presented in the manner prescribed by the U. S. Department of Housing and Urban Development.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
LAST TEN FISCAL YEARS**

Traditional Plan	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Authority's Proportion of the Net Pension Liability	0.000439%	0.000334%	0.000309%	0.000341%	0.000293%	0.000150%	0.000319%	0.000298%	0.000303%	0.000292%
Authority's Proportionate Share of the Net Pension Liability	\$ 107,624	\$ 87,443	\$ 91,279	\$ 50,495	\$ 57,913	\$ 41,082	\$ 50,045	\$ 67,671	\$ 52,483	\$ 35,218
Authority's Covered Employee Payroll	\$ 76,533	\$ 95,235	\$ 88,120	\$ 84,447	\$ 79,055	\$ 68,470	\$ 61,875	\$ 74,407	\$ 74,579	\$ 71,750
Authority's Proportionate Share of the Net Pension Liability as a percentage of its covered employee payroll	140.62%	91.82%	103.58%	59.79%	73.26%	60.00%	80.88%	90.95%	70.37%	49.08%
Plan Fiduciary Net Position as a percentage of the total Pension Liability	80.99%	79.01%	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%

(1) - Amounts presented as of the Authority's plan measurement date, which is prior calendar year-end.

See accompanying notes to the required supplementary information.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY**
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)
LAST EIGHT FISCAL YEARS
(UNAUDITED)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Authority's Proportion of the Net OPEB Liability	0.000439%	0.005620%	0.000518%	0.000506%	0.000447%	0.000422%	0.000550%	0.000550%
Authority's Proportionate Share of the Net OPEB Liability (Asset)	\$ 3,962	\$ (5,072)	\$ 3,266	\$ (9,015)	\$ 61,742	\$ 55,019	\$ 59,729	\$ 55,553
Authority's Covered Employee Payroll	\$ 76,533	\$ 95,235	\$ 88,120	\$ 84,447	\$ 79,055	\$ 68,470	\$ 61,875	\$ 74,407
Authority's Proportionate Share of the Net OPEB Liability as a percentage of its covered employee payroll	5.18%	-5.33%	3.71%	-10.68%	78.10%	80.35%	96.53%	74.66%
Plan Fiduciary Net Position as a percentage of the total								
Pension Liability	121.51%	107.76%	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%

(1) - Information prior to 2018 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

(2) - Amounts presented as of the Authority's plan measurement date, which is prior calendar year-end.

See accompanying notes to the required supplementary information.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY**
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS – PENSION/OPEB
LAST TEN YEARS FISCAL YEARS
(UNAUDITED)

	<u>2025</u>	<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 employer contribution											
Pension	\$ 9,870	\$13,333	\$ 12,337	\$ 11,701	\$ 10,277	\$ 8,902	\$ 8,044	\$ 10,030	\$ 9,337	\$ 8,610	\$ 8,330
OPEB	\$ -	\$ -	\$ -	\$ -	\$ 791	\$ 684	\$ 618	\$ 387	\$ 1,104	\$ 1,435	\$ 1,388
Contributions in relation to the contractually required contribution											
Pension	\$ (9,870)	\$(13,333)	\$(12,337)	\$(11,701)	\$(10,277)	\$(8,902)	\$(8,044)	\$(10,030)	\$(9,337)	\$(8,610)	\$(8,330)
OPEB	\$ -	\$ -	\$ -	\$ -	\$ (791)	\$ (684)	\$ (618)	\$ (387)	\$ (1,104)	\$ (1,435)	\$ (1,388)
Contribution deficiency (excess)	<u>\$ -</u>										
Authority covered-employee payroll	\$ 76,533	\$ 95,235	\$ 88,210	\$ 84,447	\$ 79,055	\$68,470	\$61,875	\$ 74,407	\$74,579	\$71,750	\$69,414
Contribution as a percentage of covered-employee payroll											
Pension	14.00%	14.00%	14.00%	14.00%	13.00%	13.00%	13.00%	13.48%	12.51%	12.00%	13.00%
OPEB	0.00%	0.00%	0.00%	0.00%	1.00%	1.00%	1.00%	52.00%	1.49%	2.00%	1.00%

See accompanying notes to the required supplementary information.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

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 2014-2022.

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%.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2022.

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%.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED MARCH 31, 2025
(UNAUDITED)**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net OPEB Liability (continued)

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.

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
CRAWFORD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2025**

Federal Grantor/Pass-Through Grantor/Program Title	Assisting Living Number	Pass Through Number	Total Federal Expenditures
U.S. Department of Housing & Urban Development			
Direct Programs:			
Housing Choice Voucher Programs			
Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871	N/A	\$ 1,950,236
Section 8 Mainstream Vouchers	14.879	N/A	<u>174,664</u>
TOTAL DIRECT AWARDS			<u>\$ 2,124,900</u>
			<u>\$ 2,124,900</u>
			<u>\$ 2,124,900</u>

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

**CRAWFORD METROPOLITAN HOUSING AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2025**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Authority and is presented on the full accrual basis of accounting. The information in this schedule is presented 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.

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

NOTE B – SUBRECIPIENTS

The Authority provided no federal awards to subrecipients during the year ended March 31, 2025.

NOTE C – DISCLOSURE OF OTHER FORMS OF ASSISTANCE

The Authority received no federal awards of non-monetary assistance that are required to be disclosed for the year ended March 31, 2025.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the year ended March 31, 2025.

Crawford Metropolitan Housing Authority

Statement of Net Position

March 31, 2025

Financial Data Schedule Submitted to U.S. Department of HUD

Line item	Account Description	Housing	Mainstream	Total
		Choice Voucher	Vouchers	
111	Cash - Unrestricted	\$ 444,544	\$ 46,258	\$ 490,802
113	Cash - Other Restricted	19,495	13,585	33,080
100	Total Cash	464,039	59,843	523,882
128	Fraud Recovery	17,832		17,832
128.1	Allowance for Doubtful Accts. - Fraud	(17,832)		(17,832)
120	Net Total Receivables	-	-	-
142	Prepaid Expenses	585	-	585
150	Total Current Assets	464,624	59,843	524,467
161	Land	20,660		20,660
162	Buildings	90,793		90,793
164	Furniture, Equipment & Machinery - Administration	111,737		111,737
165	Leasehold Improvements	1,800		1,800
166	Accumulated Depreciation/Amortization	(75,063)		(75,063)
160	Net Fixed Assets	149,927	-	149,927
174	Other Assets - Net OPEB Asset	3,962		3,962
200	Deferred Outflow of Resources	20,917		20,917
190	Total Assets and Deferred Outflow of Resources	\$ 639,430	\$ 59,843	\$ 699,273
312	A/P <= 90 days	\$ 8,381	\$ -	\$ 8,381
322	Accrued Comp. Abs. - Current	2,860		2,860
331	Accounts Payable - HUD PHA Programs	721		721
344	Current Portion of Long-term Lease Payable	329		329
310	Total Current Liabilities	12,291	-	12,291
352	Long-term Debt, Net of Current - Lease Payable	1,263		1,263
354	Accrued Comp. Abs. - Non Current	3,823		3,823
357	Accrued Pension and OPEB Liabilities	107,624		107,624
350	Total Non-Current Liabilities	112,710	-	112,710
	TOTAL Liabilities	125,001	-	125,001
400	Deferred Inflow of Resources	20,037		20,037
508.1	Invested in Capital Assets Net	148,335		148,335
511.1	Restricted Net Position	19,495	13,585	33,080
512.1	Unrestricted Net Position	326,562	46,258	372,820
513	TOTAL Equity/Net Position	494,392	59,843	554,235
600	Total Liabilities, Deferred Inflows or Resources and Equity - Net	\$ 639,430	\$ 59,843	\$ 699,273

See Auditor's Report.

Crawford Metropolitan Housing Authority
 Statement of Revenues and Expenses
 For the Year Ended March 31, 2025

Financial Data Schedule Submitted to U.S. Department of HUD

Line item	Account Description	Housing Choice Voucher	Mainstream Vouchers	Total
706	HUD PHA Operating Grants	\$ 1,950,236	\$ 174,664	\$ 2,124,900
711	Investment Income - Unrestricted	8,945		8,945
714	Fraud Recovery - PHA	11,152		11,152
715	Other Revenue	500		500
700	TOTAL REVENUE	1,970,833	174,664	2,145,497
911	Admin Salaries	65,121	5,380	70,501
912	Audit	6,779	560	7,339
914	Advertising and Marketing	177	15	192
915	Employee Benefits	88,611	3,256	91,867
916	Office Expenses	25,538	2,110	27,648
917	Legal Fees	1,013	84	1,097
918	Travel	3,699	306	4,005
919	Other	50,747	4,190	54,937
	Total Operating - Admin.	241,685	15,901	257,586
961.1	Insurance - Property	4,981	411	5,392
	Total Insurance	4,981	411	5,392
967.2	Interest on Notes Payable	74		74
		74		74
	TOTAL OPERATING EXPENSES	246,740	16,312	263,052
970	Excess Oper. Rev. over Exp.	1,724,093	158,352	1,882,445
973	HAP	1,778,172	136,457	1,914,629
973.5	HAP Portability-In	2,571		2,571
974	Depreciation/Amortization Expense	7,714	747	8,461
900	TOTAL EXPENSES	2,035,197	153,516	2,188,713
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (64,364)	\$ 21,148	\$ (43,216)

See Auditor's Report.



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

Crawford Metropolitan Housing Authority
Crawford County
324 Harding Way E
Galion, Ohio 44833

To the Board of Trustees

I have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the business-type activities of the Crawford Metropolitan Housing Authority, Crawford County, Ohio (the Authority) as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued my report thereon dated October 21, 2025.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

I noted certain matters that I reported to management of the Crawford Metropolitan Housing Authority's in a separate letter dated October 21, 2025.

Purpose of this Report

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

Kevin L. Penn, Inc.
Cleveland, Ohio
October 21, 2025



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

Crawford Metropolitan Housing Authority
Crawford County
324 Harding Way E
Galion, Ohio 44833

To the Board of Trustees

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

I have audited Crawford Metropolitan Housing Authority's, Crawford County, (the 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 the Crawford Metropolitan Housing Authority's major federal program for the year ended March 31, 2025. Crawford Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In my opinion, Crawford Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended March 31, 2025.

Basis for Opinion on the Major Federal Program

I conducted my 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). My responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of my report.

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

Responsibilities of Management for Compliance

The Crawford Metropolitan Housing 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 Crawford Metropolitan Housing Authority's federal program.

Auditor's Responsibilities for the Audit of Compliance

My 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 Crawford Metropolitan Housing Authority's compliance based on my 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 Crawford Metropolitan Housing 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, I:

- 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 Crawford Metropolitan Housing Authority's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- obtain an understanding of the Crawford Metropolitan Housing Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Crawford Metropolitan Housing Authority's internal control over compliance. Accordingly, no such opinion is expressed.

I am 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 I 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.

My 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 my audit I 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.

My 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.

Kevin L. Penn, Inc.
Cleveland, Ohio
October 21, 2025

Crawford Metropolitan Housing Authority

Schedule of Findings

March 31, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

Material weakness(es) identified? **No**

Significant deficiency(ies) identified

not considered to be material weaknesses? **No**

Noncompliance material to financial statements noted? **No**

Federal Awards

Internal control over compliance:

Material weakness(es) identified? **No**

Significant deficiency(ies) identified

not considered to be material weaknesses? **No**

Type of auditor's report issued on compliance
for major program: **Unmodified**

Are there any reportable findings under 2 CFR Section 200.516(a)? **No**

Identification of major programs:

14.871 and 14.879 **Housing Voucher Cluster Programs**

Dollar threshold used to distinguish
between Type A and Type B programs: **Type A: > \$750,000**
Type B: all others

Auditee qualified as low-risk auditee? **Yes**

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings

No matters were reported.

Crawford Metropolitan Housing Authority
Summary Schedule of Prior Audit Findings
Year Ended March 31, 2025

There were no audit findings, during the 2024 fiscal year.

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OHIO AUDITOR OF STATE KEITH FABER



CRAWFORD METROPOLITAN HOUSING AUTHORITY

CRAWFORD 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 2/19/2026

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This report is a matter of public record and is available online at
www.ohioauditor.gov